

### **Regular Meeting – April 26, 2017**

The Taunton Retirement Board (the “Board”) met at 1:00 p.m. today at 104 Dean Street, Suite 203, Taunton, MA with Chairperson Ann Marie Hebert presiding and board members Gill E. Enos, Dennis M. Smith, Peter H. Corr, and Barry J. Amaral in attendance.

#### **Roll Call**

All members were present at the 1:00 p.m. roll call.

Also present were:

Paul J. Slivinski, Executive Director

Greg McNeillie, Investment Consultant – Dahab Associates

#### **REGULAR BUSINESS:**

**Minutes** – The Board reviewed minutes from the March 22, 2017 regular meeting.

On the motion by Corr, seconded by Smith, it was unanimously

**VOTED:** to approve the minutes.

VOTE: 5-0-0

**Warrants** – #27 to #32 for 2017.

On the motion by Smith, seconded by Enos, it was unanimously

**VOTED:** to approve the warrants.

VOTE: 5-0-0

**New members** of the system to date:

- Trinity Falcao, Auditor’s office, Group 1, 9+2%
- Janine Felix, School, Group 1, 9+2%
- Michaela Cooke, GATRA, Group 1, 9+2%
- Kristin DiGirolamo, TMLP, Group 1, 9+2%

On the motion by Corr, seconded by Smith, it was unanimously

**VOTED:** to approve the new members.

VOTE: 5-0-0

**Refunds/transfers** subject to D.O.R. liens:

- Brenda Raposa (GATRA)
- Carla Royce (School)
- Jacob Delang (TNH)
- Arlene Oakman Reed (GATRA)
- Jason Pelletier (Park/Cemeteries)
- Christine Larkin (School)
- Joisa Daveiga (TNH)

On the motion by Smith, seconded by Enos, it was unanimously

**VOTED:** to approve the refunds & transfers.

VOTE: 5-0-0

Regular Meeting – April 26, 2017

**Retirement/survivorship** applications:

- Maria Borges, TNH, Superannuation, Group 1, 7/28/17
- Joan Kelley, TNH, Superannuation, Group 1, 7/8/17
- Janice Lopes, School, Superannuation, Group 1, 6/16/17
- Lois Martinez, School, Superannuation, Group 1, 6/16/17
- Veronica Terra, widow of Francis Terra, approved by PERAC for Accidental Death/Section 9 survivor benefits effective January 19, 2017.

On the motion by Smith, seconded by Enos, it was unanimously

**VOTED:** to approve the retirements & survivorships.

VOTE: 5-0-0

**Deaths**

- Jean Bator (School Dept.) Superannuation, Option B-no funds remaining, Deceased 3/21/17.
- Bruce Blake (Housing Authority) Superannuation, Option A, Deceased 3/27/17

On the motion by Smith, seconded by Enos, it was unanimously

**VOTED:** to acknowledge deaths and place on file.

VOTE: 5-0-0

**Make-up/redeposits** and liability for creditable service: there were none.

**PERAC** Memo's and correspondence:

- PERAC Memo #16/2017 – Tobacco Company List
- PERAC Memo #17/2017 – Mandatory Retirement Board Member Training-2<sup>nd</sup> Quarter 2017

On the motion by Smith, seconded by Enos, it was unanimously

**VOTED:** to receive and place on file.

VOTE: 5-0-0

- The Board reviewed the 2016 Annual Statement of Financial Condition for the City of Taunton Retirement System. Ex. Director Slivinski summarized the report for the board members. After its full review and all questions were answered, the board voted as follows:

On the motion by Corr, seconded by Smith, it was unanimously

**VOTED:** to approve the 2016 Annual Statement and forward to PERAC with a copy to the City of Taunton and all member units. *All members signed the report.*

VOTE: 5-0-0

**Investments** & accounting:

- Accounting reports (final) for m/e 12/31/2016 - Trial Balance, Cash Receipts & Disbursements, and Journal Entries. Also Bristol County Savings Bank Checking account statement and reconciliation as of 02/28/2017. After the Board's full review of all reports, it was voted as follows:

On the motion by Enos, seconded by Smith, it was unanimously

**VOTED:** to approve the accounting reports and bank statement reconciliation.

VOTE: 5-0-0

- Investments Purchased (\$50,666,483.78) & Sold \$50,726,283.75 for m/e 02/28/2017.

On the motion by Enos, seconded by Smith, it was unanimously

Regular Meeting – April 26, 2017

**VOTED:** to approve the purchases and sales.

VOTE: 5-0-0

**Funding & Budget requests:** there were none.

**Travel, Education & Conferences:**

- Directors/Administrative Staff Conference May 15&16, 2017 hosted by Dukes County Retirement System. Ex. Dir. recommended staff members Kathy Maki & Karen Medeiros attend the educational sessions.

On the motion by Smith, seconded by Amaral, it was unanimously

**VOTED:** to approve and authorize staff to attend the conference.

VOTE: 5-0-0

**Legal matters:**

- Legal expenses of \$888.00 for m/e 03/31/2017 for Atty. Michael Sacco.

On the motion by Corr, seconded by Smith, it was unanimously

**VOTED:** to approve the legal expenses.

VOTE: 5-0-0

**Email / Electronic Correspondence:** There was none.

**Executive Director's report:**

- GASB 68 report and audit – all relevant information has been forwarded to Dan Sherman of Sherman Actuarial Services who will compile the report and work with auditors Hague, Sahady & Co. to finalize.
- Debra Rose – medical panel exam update – All three separate exams took place in March 2017 and only 1 of 3 reports have been received to date. When all reports are received, a meeting will be convened to review with Ms. Rose.
- Pension Technology Group (PTG) software update – conversion of software to 99% complete and fully operational. Staff continues to train on the new software. Reports have been customized for the treasurer's office.
- Tyler contract termination – now that PTG is fully operational, Ex. Director recommended terminating Tyler's maintenance contract effective April 30, 2017. After review and discussion, the board voted as follows:

On the motion by Enos seconded by Smith, it was unanimously

**VOTED:** to terminate Tyler's contract. *Chairperson Hebert signed the termination letter.*

VOTE: 5-0-0

- Joseph McKenna – Light Plant retiree has requested to return to work pursuant to G.L. c. 32, section 105. Retirement allowance will terminate effective April 30, 2017 and Mr. McKenna will become a member in service at the Light Plant on May 1, 2017 paying 9% and will be placed on a five-year payment plan to payback his retirement allowance.

On the motion by Enos, seconded by Corr, it was unanimously

**VOTED:** to approve and place on file.

VOTE: 5-0-0

Regular Meeting – April 26, 2017

**EXECUTIVE SESSION:** There was none.

**OLD BUSINESS:** There was none.

**NEW BUSINESS:** There was none.

The Board met with consultant Greg McNeillie of Dahab Associates to review investment related matters.

**Requests-for-Proposals**

Mr. McNeillie presented draft RFP's for **Bank Custodial Services** and **Multi-Asset Passive Index Funds**. After review and discussion, the Board voted as follows:

On the motion by Enos, seconded by Smith, it was unanimously

**VOTED:** to accept the RFP's and to have Dahab advertise.

VOTE: 5-0-0

**PERAC Disclosure Statement Forms for 2016**

The Board and Mr. McNeillie reviewed PERAC Disclosure Statement forms for all investment service providers that detailed any Conflicts of Interest, Compensation Paid/Received, etc.

After review and discussion, the Board voted as follows:

On the motion by Smith, seconded by Enos, it was unanimously

**VOTED:** to approve and place on file.

VOTE: 5-0-0

**Manager Search Schedule** (based on 7-year contract maximums)

Mr. McNeillie provided the Board with a detailed schedule of investment managers and the dates of expiring contracts. Said schedule organized yearly searches as follows:

**Manager Contract Status and Search Schedule**

<u>Manager</u>	<u>Mandate</u>	<u>Investment Vehicle</u>	<u>Contract Start Date/Term</u>	<u>Available Ext./Date</u>	<u>Search Date</u>
SSgA	Passive LC	O/E Commingled	2013/na	n/a	2020
WC Barksdale	Active LCV	Separate Account	2016/na	n/a	2023
Polen	Active LCG	Separate Account	2013/na	n/a	2020
Frontier	Active MCG	O/E Commingled	2016/na	n/a	2023
Victory	Active MCG	Separate Account	2016/na	n/a	2023
Wells	Active MCV	Separate Account	2016/na	n/a	2023
Aberdeen	Active SC	O/E Commingled	2017/na	n/a	2024
QMA	Active SC	Separate Account	2017/na	n/a	2024
Earnest Partners	Active Int'l Value	O/E Commingled	2012(2009)/na	n/a	2017
Vontobel	Active Int'l Growth	O/E Commingled	2012/na	n/a	2017
Glovista	Active EM	Separate Account	2012/na	n/a	2017
Denver	Active EM SC	O/E Commingled	2012/na	n/a	2017
CS McKee	Active FI	Separate Account	2015	n/a	2022
WC Barksdale	Active FI	Separate Account	2015	n/a	2022
Manulife	Active Core-Plus FI	O/E Commingled	2015	n/a	2022

Brandywine	Active Int'l FI	O/E Commingled	2015	n/a	2022
Invesco	REIT	O/E Commingled	2012/na	n/a	2019
Invesco	Core RE	O/E Commingled	2012/na	n/a	2019
Intercontinental	Core-Plus RE	O/E Commingled	2014	n/a	2021
<i>Long Wharf III</i>	<i>Value-Add RE</i>	<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<i>Intercontinental III</i>	<i>Core-Plus RE</i>	<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<i>Timbervest</i>	<i>Timber</i>	<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<i>Molpus</i>	<i>Timber</i>	<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Ceres Partners	Agriculture	O/E Commingled	2013/na	n/a	2020
<i>Blackrock Vesey IV</i>		<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<i>Invesco Venture</i>		<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<i>BMP I</i>		<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<i>BMP II</i>		<i>C/E Commingled</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
State Street Bank	Custodian	n/a	n/a	n/a	2019
Dahab Associates	Consultant	n/a	2012/5 Years-2017	2 Years/2019	2019

<u>Required Search</u>	<u>Mandate</u>	<u>Date</u>	<u>Effective 7-Year Term</u>	<u>Date Completed</u>
Bundled Passive	Multiple	2017	2024	
Custodian	Custodian	2017	2024	
International Equity	Active Growth/Value	2017	2024	
Consultant	Consultant	2018	2025	
Real Estate	Core/CP/REIT	2019	2026	
Active Large Cap	LCG/LCV	2020	2027	
Agriculture	Agriculture	2020	2027	
Fixed Income	Core/CP/Int'l	2021	2028	
Active Mid Cap	MCG/MCV	2022	2029	
Active Small Cap	Small Cap	2023	2030	

### **Update – QMA & Aberdeen U.S. Small-cap Equity Funds**

Mr. McNeillie informed the Board that the new investments of \$14,000,000 each have been made with QMA & Aberdeen pooled funds for U.S. Small-Cap equity. Daruma Asset Management has been fully liquidated and terminated.

There being no further business to come before the Board, it was voted to adjourn at 2:33 p.m.

### APPROVED BOARD OF RETIREMENT

---

Ann Marie Hebert, Ex-Officio, Chairperson

---

Paul J. Slivinski, Executive Director

---

Dennis Smith, Elected Member

---

Barry Amaral, Appointed Member

---

Peter H. Corr, Elected Member

---

Gill E. Enos, Appointed Member