

Regular Meeting – May 15, 2019

The Taunton Retirement Board (the “Board”) met at 1:02 p.m. today at 104 Dean Street, Suite 203, Taunton, MA with Chairperson Ann Marie Hebert presiding and board members Dennis M. Smith, Gill E. Enos and Barry J. Amaral in attendance.

Roll Call

All members were present at the 1:02 p.m. roll call except Peter H. Corr who was absent.

Also present were:

Paul J. Slivinski, Executive Director

Kevin Condy & Tom Donnegan of Dahab Associates

Ann Larson of Wells Capital

Barbara Auger, Treasurer-collector

The Board met with treasurer-collector Barbara Auger to discuss quarterly pension appropriations. Ms. Auger explained that the appropriations are due and payable for the last day of each quarter. Previously the retirement system would receive the appropriation a few days before the end of the quarter and this helped with cash flow needed for the monthly retiree payroll. Ms. Auger mentioned that she no longer could send appropriation early as the city would lose interest on investments.

Ex. Director Slivinski explained that there is a cash shortage at quarter-end due to the appropriation not being deposited early. Therefore the Ex. Director requested that the Board vote to liquidate needed funds to meet retiree payroll. Approximately \$500,000 will be needed for May 2019’s payroll and about \$1.5-\$1.8 mm will be needed for June 2019’s payroll.

Member Hebert was concerned about loss on investments if the retirement system were to sell assets. Ex. Director explained that any investment sales would not be done until the very last moment in order to lessen any impact. According to Dahab Associates, the funds could readily come from fixed income investments.

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

VOTED: to approve liquidating funds needed from Fixed income investments.

VOTE: 3-1-0 member Hebert voting “no”

REGULAR BUSINESS:

Minutes – from the April 24, 2019 regular meeting.

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

VOTED: to approve the minutes.

VOTE: 4-0-0

Warrants –#36 to #41 for 2019.

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

VOTED: to approve the warrants.

VOTE: 4-0-0

New members of the system to date:

- Rachel Gobin, School, Group 1, 9+2%

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

VOTED: to approve the new members.

VOTE: 4-0-0

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

- Jennifer Harding (School)

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

VOTED: to approve the refunds & transfers.

VOTE: 4-0-0

Retirement/survivorship applications:

- Maria D'Angelo, TNH, Superannuation, Group 1, 7/20/19
- Alfred Borges Jr. (Police), Group 4, convert from Superannuation to Accidental Disability 03/15/2019
- Carole Victorino, School, Group 1, Superannuation, 8/30/19
- Debra Benevides, School, Group 1, Superannuation, 8/7/19
- William Beaulieu Jr., School, Group 1, Superannuation, 7/29/19
- Maria Dooley (Nursing Home) Superannuation, Group 1, Change to 7/20/19 from 06/1/2019
- Carolyn Sousa (Nursing Home) Superannuation, Group 1, Change to 7/20/19 from 06/1/2019

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

VOTED: to approve the retirements.

VOTE: 4-0-0

- Dyan Lehouillier, TNH, Group 1, Termination Retirement Allowance, 7/20/19

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

VOTED: to approve the Termination Allowance for Dyan Lehouillier due to abolishment of her position due to the closing of the Taunton Nursing Home.

VOTE: 4-0-0

Deaths

- Edmund Gonsalves, DOD: 4/18/19, school, Option B funds used up.
- Eveline M. Cabral, DOD: 4/26/19, police. Option B funds used up.
- David Caffelle, DOD: 4/12/19, school. Option C survivorship payable to widow Diane.

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

VOTED: to acknowledge deaths and place on file.

VOTE: 4-0-0

Make-up/redeposits and liability for creditable service:

- Keith Hartung – veteran service credit – 1 year, 10 months

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

VOTED: to approve the request of Keith Hartung to purchase his military service.

VOTE: 4-0-0

PERAC Memo's and correspondence:

- PERAC Memo 15-2019 – Application for Waiver of Education Restrictions
- PERAC Memo 16-2019 – Cash Book Submissions

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

VOTED: to receive and place on file.

VOTE: 4-0-0

Investments & accounting:

- Accounting reports for m/e 03/31/2019 – Trial Balance, Cash Receipts & Disbursements, and Journal Entries. Bristol County Savings Bank Checking account statement and reconciliation as of 03/31/2019. After the Board's full review of all reports, it was voted as follows:

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

VOTED: to approve accounting reports for m/e 03/31/2019 – Trial Balance, Cash Receipts & Disbursements, and Journal Entries; Bristol County Savings Bank Checking account statement and reconciliation as of m/e 03/31/2019.

VOTE: 4-0-0

- Investments Purchased (\$9,937,220.34) & Sold \$9,937,220.34 for m/e 03/31/2019.

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

VOTED: to approve Investments Purchased & Sold for m/e 03/31/2019.

VOTE: 4-0-0

- Manulife – name change from Manulife Asset Mgmt. to Manulife Investment Mgmt.

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

VOTED: to receive and place on file.

VOTE: 4-0-0

Funding & Budget requests: There were none.

Travel, Education & Conferences: There were none.

Legal matters:

- Legal expenses of \$1,543.00 for m/e 04/30/2019 for Atty. Michael Sacco.

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

VOTED: to approve the legal expenses for m/e 04/30/2019.

VOTE: 4-0-0

- The Board reviewed a Domestic Relations Order (DRO) for member Andrew J. Marshall v. Kristie M. Marshall and analysis from Atty. Michael Sacco. Atty. Sacco noted that the DRO was in proper form and may be processed.

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

VOTED: to accept and qualify the DRO for Andrew J. Marshall and implement at the appropriate time.

VOTE: 4-0-0

Executive Director's report:

Ex. Director informed the Board that an election needs to be held due to expiration of Member Peter H. Corr's term on 12/31/2019. Appointment of election officers for upcoming election is necessary to begin the process.

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

VOTED: to retirement staff – Paul Slivinski, Kathy Maki & Karen Medeiros – as election officers to conduct the election.

VOTE: 4-0-0

Ex. Director informed the Board that seventeen (17) resumes were received for Office Clerk position, two of which arrived late and were disqualified. Ex. Director will review the resumes and come up with finalists to be interviewed by the retirement board at a special meeting May 29, 2019.

Ex. Director informed the Board that Sahady & Hague auditors will be in to audit the 12/31/2018 GASB 68 report on Monday, May 20th, 2019.

EXECUTIVE SESSION: There was none.

OLD BUSINESS: There was none.

NEW BUSINESS: There was none.

Investment related matters:

The Board met with Kevin Condy & Tom Donnegan of Dahab Associates to review investment matters as follows:

Wells Capital

The Board and Dahab reps. Kevin Condy & Tom Donnegan and Ann Larson of Wells Capital to discuss their proposal to change from a separately managed account to a collective trust fund for domestic mid-cap value equity. Wells offered a reduced management fee of .53 basis points. Ms. Larson explained that nothing would change in terms of the management of assets and investment process. The only change would be the structure changing to a collective investment trust fund. After review and discussion, the Board voted as follows:

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

VOTED: to approve the change from a separately-managed account to a collective investment trust fund with Wells Capital subject to Dahab checking this with PERAC and also subject to legal review of the trust documents by Atty. Michael Sacco.

VOTE: 4-0-0

Draft RFP – Real Estate

The Board and Dahab reps. reviewed draft RFP's for real estate - one for Core and Core-Plus Real Estate and the other for REIT's. The Board discussed amending the REIT RFP to include passive REIT investments. After review and discussion, the Board voted as follows:

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

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

VOTE: 4-0-0

Investment Performance Q/E 03/31/2019

The Board met with Dahab reps. to review investment performance for q/e 03/31/2019. For the quarter, the assets returned +9.8% vs. +9.6% for the policy index. All managers were performing within guidelines.

There being no further business to come before the Board, it was voted to adjourn at 2:19 pm.

APPROVED BOARD OF RETIREMENT

Ann Marie Hebert, Ex-Officio, Chairperson

Paul J. Slivinski, Executive Director

Dennis Smith, Elected Member

Barry Amaral, Appointed Member

ABSENT
Peter H. Corr, Elected Member

Gill E. Enos, Appointed Member