

Regular meeting – July 26, 2017

The Taunton Retirement Board (the “Board”) met at 1:05 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 1:05 p.m. roll call.

Also present were:

Paul J. Slivinski, Executive Director

Greg McNeillie, Investment Consultant – Dahab Associates

Kim Holmes, Light Plant Business manager

Kevin Smith, Tony Teberio & Jaclyn Callison of People’s Bank

Katherine Demitto, Ed Fisher & Bruce Shain of State Street Bank

REGULAR BUSINESS:

Minutes –from the June 28, 2017 regular meeting.

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

VOTED: to approve the minutes.

VOTE: 5-0-0

Warrants –#56 to #64 for 2017.

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

VOTED: to approve the warrants.

VOTE: 5-0-0

New members of the system to date:

- Brian Caron, DPW- Streets, Group 1, 9+2%
- Shawn Manning, E911/fire fighter, Group 1, 9+2%
- Steven Ferreira, DPW, Group 1, 9+2%
- Thomas St. John, TMLP, Group 1, 9+2%
- Lynn Davine, HR, Group 1, 9+2%
- Christopher Costa, DPW, Group 1 9+2%
- Genha Pierre, TNH, Group 1, 9+2%

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

VOTED: to approve the new members.

VOTE: 5-0-0

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

- Helen Boarman (TNH)

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

VOTED: to approve the refunds & transfers.

VOTE: 5-0-0

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Retirement/survivorship applications: There were none.

Deaths

- Ruth King 12(2)d, Survivor of Ralph King - deceased 06/27/17. No further benefits payable.
- Prudence Smith, Superannuation-Option B, deceased 07/15/2017. No further benefits payable.

On the motion by Smith, seconded by Amaral, 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 #21/2017 – Mandatory Retirement Board Member Training- 3rd Quarter 2017
- PERAC Memo #22/2017 – PROSPER and the Legal Review of Disabilities
- PERAC Memo #23/2017 – MTRS c. 32, Section 3(8)C Reimbursements

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

VOTED: to receive and place on file.

VOTE: 5-0-0

Investments & accounting:

- Accounting reports for m/e 05/31/2017 - Trial Balance, Cash Receipts & Disbursements, and Journal Entries. Also Bristol County Savings Bank Checking account statement and reconciliation as of 05/31/2017. 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 (\$10,597,965.08) & Sold \$12,139,658.40 for m/e 05/31/2017.

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

VOTED: to approve the purchases and sales.

VOTE: 5-0-0

Funding & Budget requests: There were none.

Travel, Education & Conferences: There were none.

Legal matters:

- The Board reviewed legal expenses of \$ 2,376.00 for m/e 06/30/2017 for Atty. Michael Sacco.

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

VOTED: to approve the legal expenses.

VOTE: 5-0-0

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Email / Electronic Correspondence: There were none. The Board approved eliminating this category from the agenda and deemed it unnecessary.

Executive Director’s report:

- PROSPER online access – review adding board attorney to have access to disability section.

After discussion, the Board voted as follows:

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

VOTED: to support adding attorney access to the PROSPER portal for disability applications and to ask for PERAC’s support.

VOTE: 5-0-0

EXECUTIVE SESSION: There were none.

OLD BUSINESS: There were none.

NEW BUSINESS: There were none.

Bank Custody Services - Interviews

The Board and Mr. McNeillie met with reps. of People’s Bank and State Street Bank to conduct interviews for Bank custody services. Also in attendance was Kim Holmes, Business Manager for the Light Plant seeking to utilize the retirement board’s selection of a custodian for Light Plant retirement trust fund.

The Board received information pertaining to bank custody services including but not limited to reporting, brokerage/trading, corporate class actions, securities lending, commission recapture, transition management, PERAC reporting requirements, client service, etc. After review and discussion, the Board voted as follows:

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

VOTED: to table action on selecting a firm at this time to allow the board more time to review the proposals.

VOTE: 5-0-0

Investment Policy Statement-July 2017

The Board and Mr. McNeillie reviewed an updated investment policy statement that incorporates the new index funds and eliminates Alternative Investments-Private Equity from the Policy Index benchmark. Also reviewed was the plan to shift some assets from active management to passive management.

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

VOTED: to approve the Investment Policy Statement and have the Chair sign.

VOTE: 5-0-0

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

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VOTED: to re-allocate assets from active managers to passive index funds based on Mr. McNeillie’s reports and subject to approval of a contract and side-letter agreement with SSgA for the index funds.

VOTE: 5-0-0

Weaver-Barksdale equity manager transaction

Mr. McNeillie informed the board that large-cap equity manager Weaver-Barksdale purchased a small-cap equity stock in error and immediately sold it – but at a loss. Consequently Weaver-Barksdale reimbursed the fund for the loss.

Invesco Private Capital – Partnership Fund IV

The Board and Mr. McNeillie reviewed a notice from Invesco that the fund has been extended to June 30, 2018 and that the fees have been reduced to 50 basis points effective 7/1/17.

Molpus Woodlands III

The Board and Mr. McNeillie review a notice from Molpus notifying of the retirement of Dick Molpus as president on 6/15/17. Bob Lyle will succeed Dick Molpus who will transition to the role of Chairman and remained involved in the management and operation of the business.

There being no further business to come before the board, it was voted to adjourn at 3:20 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