

Regular Meeting – August 28, 2024

The Taunton Retirement Board (the “Board”) met at 1:05 p.m. today at the retirement board offices, 104 Dean St., Suite 203, Taunton, MA with Chairman Dennis M. Smith presiding and board members Barry J. Amaral, Thomas A. Bernier, Ian D. Fortes and Gill E. Enos in attendance.

Roll Call

All members were present at the 1:05 p.m. roll call.

Also present were:

Paul J. Slivinski, Executive Director

Kevin Condy, Board Investment Consultant-Dahab Associates

Jason Fine & Hilja Videmann of Gallagher (formerly Buck) Consultants

Actuarial Valuation – January 1, 2024

The Board met with reps. of Gallagher Consultants and also investment consultant Kevin Condy to review results of the Jan. 1, 2024 actuarial study including various cost estimates. Gallagher presented different amortization schedules and the impact of lowering the investment assumption from 7.6% to 7.5% and also increasing the COLA from a \$16K base to a \$17K base. Also reviewed was comparisons of the city paying the appropriation in full each July 1st versus staying with a quarterly schedule. After review and discussion, member Enos requested more time to review the results with his finance team at city hall. The Board was inclined to hold off with a vote and instead will schedule a special meeting in the near future to finalize the results. Also discussed was obtaining the GASB 67/68 report as of 12/31/2023 which is needed by various units of the retirement system by a deadline of 9/30/2024. Gallagher reps. noted that the GASB 67/68 report could be generated soon despite the delay in approving the actuarial study.

Investment Performance Q/E June 30, 2024

The Board met with Kevin Condy of Dahab Associates to review performance for q/e 6/30/2024. The assets were flat for the quarter returning 0.00% and +4.8% YTD vs. the policy index of +7.0%. For the YTD return thru August, the total fund is up +8.8%. This was mostly due to strong performance from equity markets.

Mr. Condy noted all managers were performing within expectations except for Polen Capital growth equity. Due to a lack of exposure to Nvidia stock, Polen has continued to underperform. Since Polen Capital has been on a watch-list for a while and performance has not improved, Mr. Condy advised the board to terminate and move the assets to a passive growth index fund for now.

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

VOTED: to terminate Polen Capital and invest the proceeds in the SSgA Russell 1000 Growth Equity Fund.

VOTE: 5-0-0

Mr. Condy also reviewed upcoming items:

- At year-end, will be recommending to invest \$7-8mm in the next PRIT Private Equity Vintage Year program.
- In 2025, a search will be conducted for International Equity (due to 7-year state mandate). Mr. Condy will provide a draft RFP ahead of time for the board to review and approve.
- Manager review meetings – Mr. Condy noted that managers could be combined into shorter meetings based on asset class and this could be scheduled in October.
- Ex. Director Slivinski recommended explicitly listing the new contract terms in the minutes for recent re-hiring's of SSgA, Rhumblin, M&T bank, Allspring & Aberdeen (abdrn).

On the motion by Enos, seconded by Bernier, it was unanimously
VOTED: to set 7-year contract period for SSgA, Rhumbline, M&T bank, Allspring & Abridn as
8/01/2024 to 08/01/2031.
VOTE: 5-0-0

Regular Business:

Minutes – from the July 31, 2024 regular meeting.

On the motion by Enos, seconded by Fortes, it was unanimously
VOTED: to approve the minutes.
VOTE: 5-0-0

Warrants – Review warrants #64 thru #73 for 2024.

On the motion by Enos, seconded by Bernier, it was unanimously
VOTED: to approve the warrants.
VOTE: 5-0-0

New members of the system to date:

- Joseph Schnupp, Police, Group 4, 9+2%
- Alexander Shani, Police, Group 4, 9+2%
- Veronica Bissonnette, Taunton Public Schools, Group 1, 9+2%
- Ursula McCarthy, Conservation Dept., Group 1, 9+2%
- Melanie Aponte, GATRA, Group 1, 9+2%
- Carrie Pouliot, Taunton Public Schools, Group 1, 9+2%
- Kylie Blackwell, TMLP, Group 1, 9+2%
- Shelby Blackwell, Taunton Public Schools, Group 1, 9+2%
- Kristin Hagstrom, Taunton Public Schools, Group 1, 9+2%
- Ashley Micciche, Taunton Public Schools, Group 1, 9+2%
- Stephanie Horton, TMLP, Group 1, 9+2%
- Rebecca Halpin, Taunton Public School, Group 1, 9+2%
- Pamela Almeida, Taunton Public School, Group 1, 9+2%
- Elizabeth Dacci, Taunton Public School, Group 1, 9+2%
- Nathalia Timmins, Taunton Public School, Group 1, 9+2%
- Jennifer Balcius, Taunton Public School, Group 1, 9+2%
- Joshua Amaral, Taunton Public School, Group 1, 9+2%
- William Darosa, Taunton Public School, Group 1, 9+2%
- Sarah Sisskind, Taunton Public School, Group 1, 9+2%
- Natasha Mitrano, Taunton Public School, Group 1, 9+2%
- Rory Walsh, Taunton Public School, Group 1, 9+2%
- William Mulcahy, Taunton Public School, Group 1, 9+2%
- Jessie Hodges, Taunton Public School, Group 1, 9+2
- Armenio Martins, Taunton Public School, Group 1, 9+2%
- Cherry Jacob, Taunton Public School, Group 1, 9+2%

On the motion by Amaral, seconded by Bernier, it was unanimously
VOTED: to approve the new members.
VOTE: 5-0-0

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

- Maliyah Howerton – GATRA, Refund, 11/06/2023 – 07/19/2024, 8 months

- Emily Eberle – Taunton Public Schools, Transfer to MTRS, 10/24/2022 – 01/30/2023, *Taunton will accept 3 months of liability under G.L. c. 32, section 3(8)c on a 12-month basis.*
- Pamela Koneski – Taunton Public Schools, Transfer to MTRS 08/30/2017 – 08/29/2023, *Taunton will accept 6 years of liability under G.L. c. 32, section 3(8)c on a 12-month basis.*
- Christine Sameiro, TNH, Refund, 02/16/2010 – 08/05/2011, 1 year & 5 months.

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

VOTED: to approve all of the refunds/transfers.

VOTE: 5-0-0

Retirement/survivorship applications:

- Kevin F. Medas, Police, Group 4, DOR: 10/19/24

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

VOTED: to approve the retirements & survivorships.

VOTE: 5-0-0

Deaths

- John Marsden, DOD 8/22/2024, Superannuation Opt A, no further benefits payable.

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

VOTED: to acknowledge deaths and place on file.

VOTE: 5-0-0

Make-up/redeposits and liability for creditable service:

- Mark Brady (Police dept.) – Veteran service totaling 1 year, 10 months

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

VOTED: to approve liability for service upon proper makeup payment.

VOTE: 5-0-0

PERAC Memo's and correspondence:

- Memo #19/2024 – Reinstatement to Service under G.L. c. 32 Section 105
- Memo #20/2024 – Cost of Living Increase for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors
- Memo #21/2024 – New Anti-Spiking Exemptions
- Memo #22/2024 – New Standard for Calculating Public Sector Post-Retirement Work Limitations
- Memo #23/2024 – Veterans' Buyback Changes

Ex. Director Slivinski noted that PERAC has advised all retirement boards to send out a memo to current members by November 6, 2024 explaining the new provisions of the HERO Act for veterans etc. Current members will have one (1) year to apply and make payment(s) for military service. New members will have up until the accrual of eleven (11) years of creditable service (within 1 year after vesting) to apply and purchase military service. Ex. Dir. Slivinski noted that the board should consider updating its supplementary regulation on the purchase of military service. The board noted it will work with its legal counsel to do so in the near future.

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

VOTED: to receive and place all memo's and correspondence on file.

VOTE: 5-0-0

Investments & accounting:

- Accounting reports for m/e 06/30/2024 – Trial Balance, Cash Receipts & Disbursements, Journal Entries and General Ledger. Bristol County Savings Bank Checking & IntraFi account statement

and reconciliation as of m/e 06/30/2024. After full review of all reports, the Board voted as follows:

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

VOTED: to approve the Bristol County Savings Bank Checking & IntraFi account statement and reconciliation as of 06/30/2024 and all accounting reports for m/e 06/30/2024.

VOTE: 5-0-0

- Investment Purchases (\$8,860,853.12) and Sales \$8,860,853.12 for m/e 06/30/2024 from the Wilmington Trust statements.

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

VOTED: to approve the purchases & sales as of 06/30/2024.

VOTE: 5-0-0

Funding & Budget requests:

- The Board reviewed budget expenditures and account balances thru m/e 07/31/2024.

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

VOTED: to approve expenditures & balances and place on file.

VOTE: 5-0-0

Travel, Education & Conferences: There were none.

Legal matters:

- The Board reviewed legal expenses of \$3,944.00 for m/e 07/31/2024 for Atty. Michael Sacco.

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

VOTED: to approve the legal expenses for m/e 07/31/2024.

VOTE: 5-0-0

Executive Director's report

- Define contract period of seven (7) years for Aberdeen (small-cap), SSgA (index funds), Rhumbline (REIT index), M&T Bank (bank custody), and Allspring (mid-cap value) as 08/01/2024 thru 08/01/2031. *This was already done during discussion with consultant.*
- Cash needed for retiree payroll – Dahab recommended holding back approximately \$5mm from proceeds after liquidating Polen Capital for cash needs and capital calls.
- Discuss possibility of increasing life insurance benefits for retirees to \$10,000. Member Enos recommended contacting the Insurance Advisory Committee to discuss and obtain cost estimates.
- Discuss new veteran's legislation recently signed by Gov. Healey – *this was discussed during PERAC memo review.*

EXECUTIVE SESSION: There were none.

OLD BUSINESS:

The Board continued review of RFP's received for **Investment Consulting Services**. A total of five (5) RFP's were reviewed: Dahab, Fiducient, Meketa, NEPC, and Wainright. The Board reviewed all RFP's including Minimum & Other Criteria and ranked each respondent as Highly Advantageous as all these firms have extensive experience in consulting Massachusetts retirement systems. After review and discussion, the board was satisfied with Dahab's improved performance and voted as follows:

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

VOTED: to hire Dahab Associates as investment consultant for a new 7-year term pending final review by PERAC and finalizing a new contract.

VOTE: 5-0-0

NEW BUSINESS: There were none.

There being no further business to come before the board, it was voted to adjourn at 2:26 p.m.

APPROVED BOARD OF RETIREMENT

Ian D. Fortes, Ex-Officio Member

Paul J. Slivinski, Executive Director

Dennis M. Smith, Elected Member

Barry J. Amaral, Appointed Member

Thomas A. Bernier, Elected Member

Gill E. Enos, Appointed Member