

## Regular Meeting – September 30, 2020

The Taunton Retirement Board (the “Board”) met at 1:07 p.m. today at 104 Dean Street, Suite 203, Taunton, MA with Vice-Chairperson Dennis M. Smith presiding and board members Gill Enos, Barry J. Amaral, and Thomas Bernier in attendance.

### Roll Call

All members were present at the 1:07 p.m. roll call except for member Hebert who was absent.

Also present were:

Paul J. Slivinski, Executive Director

Greg McNeillie, Investment Consultant, Dahab Associates

### Regular Business:

**Minutes** –from the August 26, 2020 regular meeting and September 8, 2020 Special meeting.

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

**VOTED:** to approve the minutes.

VOTE: 4-0-0

**Warrants** – #65 thru #74 for 2020.

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

**VOTED:** to approve the warrants.

VOTE: 4-0-0

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

- Ian MacMurray, TMLP, Group 4, 9+2%
- Gregory Elizardo, Taunton Public Schools, Group 1, 9+2%
- Jake Wetherell, Taunton Public Schools, Group 1, 9+2%
- Rachel Farrar, Taunton Public Schools, Group 1, 9+2%
- Dennis McGettigan, Taunton Public Schools, Group 1, 9+2%
- Nicholas Wolffe, Taunton Public Schools, Group 1, 9+2%

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

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

VOTE: 4-0-0

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

- Jessica Magnussen, School, Refund
- Rachelle Boucher, School, Refund

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

**VOTED:** to approve the refunds.

VOTE: 4-0-0

**Retirement/survivorship** applications:

- Kelly Ocampo, Superannuation, TMLP, Group 1, 10/03/2020
- Robert Travers, Superannuation, Police, Group 4, 10/31/20
- Diane Falanga, Superannuation, School, Group 1, 9/23/2020
- Paul Roderick, Superannuation, Police, Group 4, 12/31/20
- James Oliveira, Superannuation, Police, Group 4, 12/30/20

- Robert Rooney, Superannuation, Fire, Group 4, 1/2/21
- Timothy White, Superannuation, Police, Group 4, 11/18/20
- Robbyn Torres, Superannuation, School, Group 1, 12/23/20

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

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

VOTE: 4-0-0

### Deaths

- George Williams (Sewer) dod 9/4/20, superannuation, option A – no further benefits payable
- Edward Petroski (School) dod 9/23/20, superannuation, option C – survivorship to spouse Lucille.

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

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

VOTE: 4-0-0

### Make-up/redeposits and liability for creditable service:

- Elizabeth Correia (School) part-time service 01/29/1996 to 10/30/1996 – 5 mos. Credit
- Robert Travers (Police), veteran time 3 years 1 month

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

**VOTED:** to approve creditable service.

VOTE: 4-0-0

### PERAC Memo's and correspondence:

- PERAC Memo #27/2020 – Regular Comp and Creditable Service Status of Certain Leaves
- PERAC Memo #28/2020 – Tobacco Company List

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

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

VOTE: 4-0-0

### Investments & accounting:

- Accounting reports for m/e 07/31/20–Trial Balance, Cash Receipts & Disbursements, and Journal Entries. Bristol County Savings Bank Checking account statement and reconciliation as of 07/31/2020. After the Board's full review of all reports, it was voted as follows:

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

**VOTED:** to approve accounting reports for m/e 7/31/2020 – Trial Balance, Cash Receipts & Disbursements, and Journal Entries and the Bristol County Savings Bank Checking account statement and reconciliation as of 7/31/2020.

VOTE: 4-0-0

- Investments Purchased (\$4,909,971.78) and Sold \$4,909,971.78 for m/e 07/31/2020.

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

**VOTED:** to approve the purchases & sales for m/e 7/31/2020.

VOTE: 4-0-0

- FY2021 Pension Appropriation \$4,118,051.25 from City of Taunton. Vote needed to place in money market account at People's Bank for payroll cash needs.

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

**VOTED:** to invest the funds in the money market account at People's Bank for cash needs.

VOTE: 4-0-0

**Funding & Budget requests:**

- The Board reviewed budget expenditures and account balances thru m/e 08/31/2020.

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

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

VOTE: 4-0-0

**Travel, Education & Conferences:** There were none.

**Legal matters:**

- Legal expenses of \$499.00 for m/e 08/31/2020 for Atty. Michael Sacco.

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

**VOTED:** to approve the legal expenses for m/e 08/31/2020.

VOTE: 4-0-0

**Executive Director's report:**

- Board credit card update – need to decide on what type, credit amount limit, etc. After further discussion, the Board decided against obtaining a credit card at this time.
- Resumes for admin. assistant due 10/09/2020. Ex. Director reported that one resume has been received to-date.
- Election update – absentee ballot mailing. Retirees were mailed first followed by Active/inactive members. Ballots are coming in at a good pace. Again, ballots will only be counted if they arrive by 4:00 pm on November 10, 2020.
- Request from Asst. Director Karen Medeiros to continue remote work for month of October 2020 was reviewed and approved.
- Ex. Director discussed drafting a contract for new Asst. Director. Board requested the draft for the next meeting.
- Ex. Director reported that the renewal application for Fiduciary Liability insurance has been filed with Amity insurance. This insurance is part of the MACRS pooled plan.
- Update was given on City of Taunton home-rule petition for Fire Dept. mechanic Michael Perry. The draft bill was reviewed by PERAC and they had reservations about placing Mr. Perry in group 4. There may be further amendments to the bill in the near future – stay tuned.

**EXECUTIVE SESSION:** there was none.

**OLD BUSINESS:** there was none.

**NEW BUSINESS:** there was none.

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

**LMCG Int'l Small-cap equity fund**

Mr. McNeillie reviewed a notice from LMCG that the co-portfolio manager, Shannon Ericson, was leaving and that the fund has decided to terminate 12/31/2020. Mr. McNeillie reported that assets could be liquidated as early as October 17<sup>th</sup>. After discussion, the board voted as follows:

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

**VOTED:** to invest the proceeds from LMCG with Boston Partners Intl Value Equity Trust fund.

VOTE: 4-0-0

**OMA US Small-cap equity fund**

Mr. McNeillie provided an update on performance for QMA thru 8/31/2020. Their fund was negative across all time horizons: YTD 2020 thru 8/31 -15.31% vs. benchmark Russell 2000 -5.53%; 1 year return at -3.89% vs. Russell 2000 +6.02%; 3-year return at -0.25% vs. Russell 2000 +5.02%; and Since inception +0.21% vs. +4.97% for Russell 2000. Mr. McNeillie suggested waiting until annual manager reviews to allow QMA to come before the board to explain the underperformance. After review and discussion, the board voted as follows:

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

**VOTED:** to terminate QMA and to retain \$2mm in cash for payroll needs, also to invest remaining proceeds of \$5mm to SSgA Russell 2000 Index Fund and \$6.5mm into fixed income managed by Weaver-Barksdale & Associates.

VOTE: 4-0-0

**Molpus Woodlands Fund III** – notice dated 9/23/2020 was received that the fund has exercised an option to extend the fund thru 12/31/2022 was received and placed on file.

**Domain Timber Investments III** – email notice dated 9/24/2020 was received that there was a recent cyber-attack on one of their key service providers – F&W Forestry Services. It appears that no non-public personally identifiable information was compromised and this is being reviewed. Network systems are being restored thru backup systems. The scope and extent of the attack is still being reviewed. Domain will keep investors informed of any further developments.

**RFP's – Large-cap Value Equity; Large-cap Growth Equity; Agriculture; and Int'l Fixed Income.**

Mr. McNeillie provided that board with quantitative & qualitative analysis ranking all managers who submitted RFP's.

Large-cap Growth Equity - incumbent Polen Capital ranked “highly advantageous”.

Large-cap Vale Equity – incumbent Weaver-Barksdale & Associates ranked “highly advantageous”.

Agriculture – incumbent Ceres Farms LLC ranked “highly advantageous”.

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

**VOTED:** to retain Polen Capital & Weaver-Barksdale & Associates for another seven (7) years.

VOTE: 4-0-0

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

**VOTED:** to retain Ceres Farms LLC for another seven (7) years.

VOTE: 4-0-0

**International Fixed Income** – the board reviewed all respondents and asked Mr. McNeillie to provide returns for the SSgA passive Intl fixed income index fund for the next meeting to be reviewed along with the appropriate benchmark for Int'l fixed income. Action on Int'l fixed income was tabled for further review and study.

**Annual investment manager reviews** – Mr. McNeillie provided schedules for October 26<sup>th</sup> & November 30<sup>th</sup>. The reviews will be conducted via conference call due to Covid except for those managers located in Massachusetts who may wish to appear in-person. Mr. McNeillie will finalize the agenda and forward to the board upon completion.

**Asset Allocation study** – Mr. McNeillie recommended this be revisited in January 2021.

**PRIT Private Equity Vintage Year program** – Ex. Director noted that PRIT will send a notice to opt into the next years' investment Vintage Year 2021. This will be presented to the board upon receipt.

Currently the objective is for a five-year plan to invest \$3mm per year over 5 years into PRIT's private equity program.

There being no further business to come before the board, it was voted to adjourn at 2:28 p.m.

APPROVED BOARD OF RETIREMENT

Absent  
Ann Marie Hebert, Ex-Officio, Chairperson

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Paul J. Slivinski, Executive Director

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Dennis Smith, Elected Member

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Barry Amaral, Appointed Member

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Thomas A. Bernier, Elected Member

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Gill E. Enos, Appointed Member