

## Regular Meeting – January 22, 2020

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 Dennis M. Smith, Gill Enos, Thomas A. Bernier, 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

Board Attorney Michael Sacco

Retired firefighter Thomas D. Bairos

Greg McNeillie, investment consultant – Dahab Associates

The Board welcomed new elected board member Thomas A. Bernier to his first board meeting.

### REGULAR BUSINESS:

Minutes – from the December 18, 2019 regular meeting.

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

**VOTED:** to approve the minutes.

VOTE: 5-0-0

Warrants – #1 thru #9 for 2020.

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

**VOTED:** to approve the warrants.

VOTE: 5-0-0

New members of the system to date:

- Julie Howell, School, Group 1, 9+2%
- Melanie Aponte, GATRA, Group 1, 9+2%
- Steven Alers, Police, Group 4, 9+2%
- Paul Diminico, School, Group 1, 9+2%
- Radka Barter, Mayor’s Office, Group 1, 9+2%
- Shaunna O’Connell, Mayor, Group 1, 9+2%
- Edward Correira, Mayor’s Office, Group 1, 9+2%
- Lynne DePonte, School, Group 1, 9+2%
- Lori Bartlett, School, Group 1, 9+2%

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

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

VOTE: 5-0-0

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

- Man Kit So (TMLP) refund to IRA
- Anne M. Hoffman (TNH) transfer to State Board of Retirement. Taunton service: 5 years, 1 month; prior STATE service: 1 year. Grand total in transfer: 6 years, 1 month.

1/22/2020 – Regular Meeting

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

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

VOTE: 5-0-0

**Retirement/survivorship** applications:

- Jean Costa (Treasurer/Collector) Superannuation, Group 1, 01/03/2020
- Teri Newell (Treasurer/Collector) Superannuation, Group 1, 01/18/2020
- Gail Macomber, widow of Norman Macomber (Police) who was previously retired for accidental disability since 7/28/1984 and died 12/25/2019 of the same causes as his disability. Review application for Section 9 accidental death benefits. Ms. Macomber also eligible for Section 101 benefits pending determination of section 9 benefits.
- Jason D. Buffington (Law Dept.) DOD 01/01/2020 – Section 12(2)d & 12B benefits for widow Juliane Clark and dependent children.
- Francis J. Gay (GATRA), Superannuation, Group 1, 2/22/2020

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

**VOTED:** to approve the Retirements and Survivorships for Gail Macomber (section 9) and Juliane (Buffington) Clark (section 12-2-d & 12B).

VOTE: 5-0-0

**Deaths**

- Jose Melo (School) d.o.d.12/27/19, Option B Refund \$31,785.43 to Teresa Rego
- Norman Macomber (Police) d.o.d. 12/15/19, Acc. Disability Death. Gail Macomber will come on as a survivor.
- James L. Marques (Light Plant) d.o.d. 12/31/19. Option B funds used up. No further benefits payable.

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:

- Kevin Medeiros (Light Plant) – Veteran service credit – 4 years.
- Cynthia Zanghi (Fire Dept.) – Veteran service credit – 6 months
- Janice M. Reis – School 10/09/2001 to 03/07/2002 – 4 months; Light Plant 11/19/2012 to 01/18/2019 – 6 years, 2 months. Total Service: 6 years, 6 months liability under section 3(8)c.

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

**VOTED:** to approve creditable service.

VOTE: 5-0-0

**PERAC** Memo's and correspondence:

- PERAC Memo #26/2019 – 2019 Disability Data
- PERAC Memo #1/2020 – Tobacco Company List
- PERAC Memo #2/2020 – 2018 Comparative Analysis Fee Report
- PERAC Memo #3/2020 – Mandatory Retirement Board Member Training – 1<sup>st</sup> Quarter
- PERAC Memo #4/2020 – Investment Consultant RFP's
- PERAC Memo #5/2020 – 2020 Limits under Chapter 46 of the Acts of 2002
- PERAC Memo #6/2020 – 2020 Limits under Section 23 of Chapter 131 of the Acts of 2010

1/22/2020 – Regular Meeting

- PERAC Memo #7/2020 – COLA Notice. Review acceptance of COLA as of 7/1/2020 and possible increase from 1.6% up to 3% maximum with 30-day notice to city before vote.

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

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

VOTE: 5-0-0

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

**VOTED:** to approve a 1.6% COLA and to post a 30-day notice with the city to review increasing the COLA from 1.6% to 3% effective July 1, 2020.

VOTE: 5-0-0

- Completion of Retiree Evaluation – Michelle L. Sylvain – Board is not required to take any further action.

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

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

VOTE: 5-0-0

**Investments** & accounting:

- Accounting reports for m/e 11/30/2019 – Trial Balance, Cash Receipts & Disbursements, and Journal Entries. Bristol County Savings Bank Checking account statement and reconciliation as of 11/30/2019. After full review of all reports, the board voted as follows:

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

**VOTED:** to approve accounting reports and bank reconciliation for m/e 11/30/2019.

VOTE: 5-0-0

- Investments Purchased and Sold for m/e 11/30/19.

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

**VOTED:** to approve Investments Purchased (\$13,846,983.10) & Sold \$13,846,970.96 for m/e 11/30/2019.

VOTE: 5-0-0

**Funding & Budget requests:**

- The Board reviewed budget expenditures and account balances thru m/e 12/31/2019.

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

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

VOTE: 5-0-0

- The Board reviewed retirement expense budget for calendar year 2020. After review and discussion of administrative & investment management costs and expenses, the board voted as follows:

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

**VOTED:** to approve calendar year 2020 administrative costs for \$630,375.00 which included a 2% cost-of-living adjustment for retirement staff members and also investment-related expenses for \$1,652,000.00. Grand total: \$2,282,375.00.

VOTE: 5-0-0

**Travel, Education** & Conferences:

The Board reviewed upcoming National Conference on Public Employee Retirement Systems (NCPERS) to be held May 10-13, 2020 in Las Vegas, NV. Certified Educational credits (CEU's) are obtainable by members attending this conference.

1/22/2020 – Regular Meeting

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

**VOTED:** to authorize board members and staff to attend the NCPERS conference.

VOTE: 5-0-0

**Legal** matters:

- The Board reviewed legal expenses of \$9,399.16 for m/e 12/31/2019 for Atty. Michael Sacco.

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

**VOTED:** to approve the legal expenses for m/e 12/31/2019.

VOTE: 5-0-0

**Executive Director's report:**

- Fire Dept. mechanic – request to change from group 1 to group 4 – FYI that the City of Taunton is considering filing a home-rule petition to include the current Fire Dept. mechanic – Michael Perry – as a group 4 employee.
- Retiree basic life insurance – state retirees seeking increase to \$10,000.

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

**VOTED:** to have the Executive Director send a letter to the city's Insurance Advisory Committee to request they review an increase in basic life insurance to \$10,000.

VOTE: 5-0-0

- Retirement Board member Conflict-of-Interest certificates. Last one completed in 2018. Due every two years. Ex. Director informed the board members that all must take the online course and obtain a new certificate on or before 04/01/2020. Also, the Board and staff reviewed and signed acknowledgements for receipt of Open Meeting Law.
- Actuarial Valuation as of January 1, 2020 is scheduled to begin as soon as all data for year-ended 12/31/2019 is completed along with the Annual Report.
- Peter H. Corr – plaque and acknowledgment of service. The Board authorized the Ex. Director to have a plaque made to honor long-time board member Peter H. Corr to be presented at a future city council meeting.
- Ex. Director discussed obtaining costs to install audio/visual equipment in the conference room for tele-conferencing etc. The Board instructed the Ex. Director to contact the city's IT dept. to obtain cost estimates and equipment needed.

**OLD BUSINESS:** There was none.

**NEW BUSINESS:** There was none.

The Board and attorney Sacco conducted a pre-review conference on pending application for disability retirement on Thomas Bairos and other legal matters.

**EXECUTIVE SESSION:**

At 1:27 p.m., Chairperson Hebert entertained a motion to go into Executive Session pursuant to M.G.L. c. 30A, s. 21(a)(3) to review the medical panel report on Thomas Bairos (Fire) for ordinary disability retirement, Court documents on Edmund Hathaway re: possible pension forfeiture, and Physician's statement for Russell Laine for accidental disability retirement. The Board noted that it would reconvene in open session following the executive session. VOTE: 5-0-0

A roll call vote was taken and recorded as follows: Member Amaral "YES"; Member Bernier "YES"; Member Hebert "YES"; Member Smith "YES", Member Enos "YES".

1/22/2020 – Regular Meeting

*(The minutes of the executive session are kept in a separate minute book)*

**Open Session 1:43 p.m.**

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

**VOTED:** to record the votes that were taken during the executive session in open session.

VOTE: 5-0-0

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

**VOTED:** to approve the application of Thomas D. Bairos for ordinary disability and to send to PERAC for final review.

VOTE: 5-0-0

Atty. Sacco was excused from the meeting.

The Board met with investment consultant Greg McNeillie of Dahab Associates.

**Investment Performance – Flash report:** Mr. McNeillie reported preliminary investment performance of +21% for year-ending 12/31/2019. All asset classes had excellent returns along with active and passive investment management.

**Systematic Financial Mgmt. International Equity CIT Fund:** The Board and Mr. McNeillie reviewed Systematic's fund closing on 3/31/2020. Mr. McNeillie recommended investing the proceeds in the passive index fund – SSgA MSCI EAFE NL Index Fund – until a new active international equity manager is selected. The Board has the option to wait until 3/31/2020 or to request an earlier redemption.

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

**VOTED:** to liquidate assets from Systematic as soon as possible and to invest the proceeds in the SSgA MSCI EAFE NL Index Fund until further notice.

VOTE: 5-0-0

**Active International Equity Management:** Mr. McNeillie informed the board that PERAC would allow the board to choose from one of the two other finalists from the last international equity manager-search and RFP since it was not that long ago. The other two prior finalists were Wellington & Boston Partners. Mr. McNeillie provided updated information on these two managers regarding investment returns etc. The Board asked Mr. McNeillie to obtain mgmt. fee information and to report back at a future meeting.

There being no further business to come before the Board, it was voted to adjourn at 2:15 p.m.

1/22/2020 – Regular Meeting

APPROVED BOARD OF RETIREMENT

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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 Bernier, Elected Member

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Gill E. Enos, Appointed Member