

MINUTES OF MEETING HELD FEBRUARY 20, 2025

As Chairman Thomas V. Thibaut, Jr. had a prior commitment in the morning and joined the meeting a little late, Mr. Loughran called the meeting of the Watertown Contributory Retirement Board to order at approximately 8:30 AM, Administration Building, 149 Main Street, Philip Pane Hearing Room. Board Members present at the meeting were, Mr. John Loughran; Mr. Domenic Duke Arone; Ms. Megan Langan & Ms. Kathleen Kiely-Becchetti. Chairman Thibaut arrived shortly after 9:00 AM. Staff Members present were Executive Director Kayla J. Sheehan and Administrative Assistant, Lisa DiPietrantonio. Attorney Thomas F. Gibson was in attendance. Richard Carey was present, and Chris Rowlin called in for the Investment Review. Dan Sherman and City Council President Sideris were present for the discussion regarding the funding schedule.

Confirm Next Monthly Meeting

The next two meetings of the Board were scheduled for Thursday, March 20, 2025 & Thursday April 17, 2025.

Executive Session Under Purpose 7 of the Open Meeting Law: To comply with, or act under the authority of, any...law..., that law being Exemption (c) of the Public Records Law (G.L. c. 4, s. 7(26)(c)) exemption personnel and medical files or information and other materials or data relating to a specifically named individual, the disclosure of which may constitute an unwarranted invasion of personal privacy.

Accidental Disability Application

A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MR. ARONE TO GO INTO EXECUTIVE SESSION. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Mr. Arone	-	YES
Ms. Langan	-	YES
Ms. Kiely-Becchetti	-	YES
Mr. Loughran	-	YES

It was noted that the Board would return to open session at the conclusion.

A MOTION WAS MADE BY MS. KIELY-BECCHETTI AND SECONDED BY MR. ARONE TO ACCEPT THE APPLICATION AND REQUEST PERAC TO CONVENE A MEDICAL PANEL. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Mr. Arone	-	YES
Ms. Langan	-	YES
Ms. Kiely-Becchetti	-	YES
Mr. Loughran	-	YES

A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MR. ARONE TO RETURN TO OPEN SESSION. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Mr. Arone	-	YES
Ms. Langan	-	YES
Ms. Kiely-Becchetti	-	YES
Mr. Loughran	-	YES

It was agreed that the aforesaid votes would be noted in the minutes of open session.

Examination of Minutes:

From meeting held on January 15, 2025

**A MOTION WAS MADE BY MS. KIELY-BECCHETTI AND SECONDED BY MS. LANGAN TO APPROVE THE MINUTES AS WRITTEN.
SO VOTED**

Note Deaths of Members/Beneficiaries:

Review PERAC Correspondence:

Review Applications for Benefits:

Applications for Membership:

A MOTION WAS MADE BY MR. ARONE AND SECONDED BY MS. LANGAN TO APPROVE APPLICATIONS FOR MEMBERSHIP. SO VOTED

Superannuation Retirement:

A MOTION WAS MADE BY MS. LANGAN AND SECONDED BY MR. ARONE TO APPROVE APPLICATIONS FOR SUPERANNUATION RETIREMENT AS OUTLINED. SO VOTED

Transfers of Deductions to Other Retirement Systems:

A MOTION WAS MADE BY MS. LANGAN AND SECONDED BY MR. ARONE TO APPROVE TRANSFERS OF DEDUCTIONS TO OTHER RETIREMENT SYSTEMS. SO VOTED

Refund of Accumulated Deductions:

A MOTION WAS MADE BY MS. KIELY-BECCHETTI AND SECONDED BY MS. LANGAN TO APPROVE REFUND OF ACCUMULATED DEDUCTIONS. SO VOTED

Creditable Service Purchase:

Military Buyback

A MOTION WAS MADE BY MS. LANGAN AND SECONDED BY MS. KIELY-BECCHETTI TO APPROVE REQUESTS TO PURCHASE MILITARY SERVICE AS OUTLINED ABOVE. SO VOTED

Review Warrants:

A MOTION WAS MADE BY MR. ARONE AND SECONDED BY MS. LANGAN TO APPROVE THE WARRANTS AS AMENDED. SO VOTED

Director's Report:

Executive Director Sheehan reported that the December Cash Books have all been submitted to PERAC through PROSPER. The following reports were prepared by Executive Director Sheehan and distributed to the Board members.

- Trial Balance
- Cash Receipts Journal
- Cash Disbursements Journal
- Adjustments Journal
- General Ledger
- Reconciled Bank Statements for accounts #1040, #1041, #1042 & #1043

It was reported that the 2024 Annual Statement has been completed. The following were distributed to the Board members to review prior to submitting to PERAC:

- 2024 Annual Statement

- Schedules 1-7
- Supplementary Schedule
- Annuity Reserve Fund Interest
- Manager Listing

A MOTION WAS MADE BY MS. KIELY-BECCHETTI AND SECONDED BY MS. LANGAN TO APPROVE 2024 ANNUAL STATEMENT AS SUBMITTED. SO VOTED

Executive Director Sheehan wanted to express gratitude to retired Director Barbara Sheehan for taking the time out of her retirement to come in and assist Executive Director Sheehan with the completion of the Annual Statement. Now that the statement has been completed and will soon be submitted to PERAC, Ms. Sheehan will no longer need to come to work in the office and will be able to fully enjoy the retirement that she deserves after having worked for the Board for over 27 years.

Committee Reports:

There were no committee reports.

Legal Update

Attorney Gibson reported and commented on pending Board issues as well as general retirement issues of interest. Attorney Gibson reminded the Board members that the Statement of Financial Interest was due on May 1st.

At the conclusion of the legal update, Attorney Gibson left the meeting.

New Business:

Board to Review 01/01/25 Actuarial Valuation:

Dan Sherman presented to the Board the updated funding schedule scenarios, including an increase of the COLA base. After thoroughly discussing the reports, the Board will re-visit this at their April Board meeting.

Dan Sherman left the meeting after discussing the valuation.

Board to Review PERAC 17-21 Final Audit Report:

The Board reviewed the PERAC 17-21 Final Audit Report. Executive Director Sheehan informed the Board that she has made the adjustments needed to the retirement calculations not in question. She and Attorney Gibson will work together on how to respond to the findings the Board is questioning.

Old/Unfinished Business:

Board to Discuss COLA Base Increase

NO ACTION TAKEN AT THIS TIME

After further thought, Chairman Thibaut wanted the Board to re-consider the previous motion regarding the staff salaries. Chairman Thibaut proposed a 3% increase for Administrative Assistant DiPietrantonio, effective retroactively to 07/01/24 and then another 3% increase to be effective 07/01/25. Executive Director Sheehan's proposed salary would be a 9.4% increase effective retroactively to 07/01/24 and then a 16.75% increase to be effective 07/01/25.

A MOTION WAS MADE BY MS. KIELY-BECCHETTI AND SECONDED BY MR. LOUGHRAN TO APPROVE THE PROPOSED RE-CONSIDERED SALARIES FOR ADMINISTRATIVE ASSISTANT DIPIETRANTONIO & EXECUTIVE DIRECTOR SHEEHAN. SO VOTED

Investment Review

4th Quarter Investment Review:

Mr. Rowllins & Mr. Carey gave a detailed performance analysis of the System's investment portfolio for the 4th quarter of 2024. The Board seemed satisfied with the report. The market value of assets totals \$269,243,974.

Upcoming RFPs:

Real Estate (American Realty & TA Realty) should issue RFP within the next 6 months. Fiducient reported that both managers are on a "maintain" status, but their contracts will be expiring soon. TA Realty's contract expired in March and American Realty's contract expired in June.

The Board will discuss at a later meeting whether both funds are needed.

A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MR. ARONE TO HAVE FIDUCIENT ADVISORS ISSUE AN RFP FOR CORE REAL ESTATE. SO VOTED

It was reported that the contracts for the Board's Custodian Bank & Legal Services are both due by November 2025. The Board decided that no action needed to be done at this meeting, but they will revisit these RFP's in the next few months.

Fiducient Advisors recommended an adjustment in the Board's investment allocation by increasing the Private Equity target to 12%.

A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MR. ARONE TO APPROVE FIDUCIENT ADVISOR'S ALLOCATION ADJUSTMENT RECOMMENDATION AS OUTLINED ABOVE. SO VOTED

A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY CHAIRMAN THIBAUT TO ADJOURN THE MEETING AT 10:20AM. SO VOTED