

## **MINUTES OF MEETING HELD NOVEMBER 21, 2024**

Chairman Thomas V. Thibaut, Jr. 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, Chairman Thibaut; Mr. John Loughran; Mr. Domenic Duke Arone and Ms. Megan Langan. Ms. Kathleen Kiely-Becchetti participated remotely, therefore all votes will be taken via roll call. Staff Members present were Executive Director Kayla J. Sheehan and Administrative Assistant, Lisa DiPietrantonio. Attorney Thomas F. Gibson & Attorney Gerry McDonough were in attendance. Mr. Chris Rowllins & Mr. Richard Carey of Fiducient Advisors gave the investment review.

### **Confirm Next Monthly Meeting**

The next monthly meeting was confirmed for Thursday December 19, 2024

### **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**

**TABLED**

### **Examination of Minutes**

From meeting held on October 09, 2024

**A MOTION WAS MADE BY CHAIRMAN THIBAUT AND SECONDED BY MR. LOUGHRAN TO APPROVE THE MINUTES AS WRITTEN. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

### **Note Deaths of Members/Beneficiaries**

**A MOTION WAS MADE BY CHAIRMAN THIBAUT AND SECONDED BY MR. LOUGHRAN TO APPROVE FINAL BENEFIT PAYMENTS DUE. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

### **Review PERAC Correspondence**

**Review Applications for Benefits:**

**Applications for Membership:**

**A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO APPROVE APPLICATIONS FOR MEMBERSHIP. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Transfers of Deductions to Other Retirement Systems:**

**A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO APPROVE TRANSFERS OF DEDUCTIONS TO OTHER RETIREMENT SYSTEMS. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Refund of Accumulated Deductions:**

**A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO APPROVE REFUND OF ACCUMULATED DEDUCTIONS. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Less Than One Month of Service – Deny Membership:**

**A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO DENY MEMBERSHIP TO THE ABOVE LISTED EMPLOYEE WHO RESIGNED AFTER COMPLETING LESS THAN ONE MONTH OF SERVICE AND TO REFUND THEIR RETIREMENT DEDUCTIONS. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Superannuation Retirement**

**A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO APPROVE APPLICATIONS FOR SUPERANNUATION RETIREMENT AS OUTLINED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Creditable Service Purchase:**

**Military Buyback**

**A MOTION WAS MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO APPROVE REQUESTS TO PURCHASE MILITARY SERVICE AS OUTLINED ABOVE. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Review Warrants**

**A MOTION WAS MADE MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO APPROVE THE WARRANTS AS AMENDED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

**Director's Report:**

Executive Director Sheehan reported that the September 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

The 2023 PERAC Annual Statement was distributed to all Board members through their agenda packets.

It was reported that the 2024 Fall MACRS Conference is scheduled for December 08-11, 2024. The Board will inform Executive Director Sheehan if they wish to be registered to attend the conference.

It was reported that PERAC will be returning on Monday, November 25<sup>th</sup> & Tuesday, November 26<sup>th</sup> to finish up work on their 2017-2021 audit.

It was discovered that a School Custodian was erroneously contributing 9% when he should have been contributing 8% due to his prior membership with the MWRA Employee Retirement System which dates back to 1988. Member only recently completed his enrollment forms and we had no knowledge of his prior service. As a result the member overpaid the Watertown Retirement System a total of \$270.73. Executive Director Sheehan also informed the Board that although she does not believe this will affect his entitlement to this refund, the office was just recently informed that the member has been terminated from the School Department.

**A MOTION WAS MADE BY CHAIRMAN THIBAUT AND SECONDED BY MR. LOUGHRAN TO REFUND MEMBER THE AMOUNT OF THE OVERPAID RETIREMENT DEDUCTIONS. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

After receiving the outstanding check letter that was sent out the Estate of a deceased retiree, their daughter reached out regarding the final benefit's check that was sent out on 10/31/19. She is the daughter and former trustee of her mother's estate. She has no knowledge on receiving the check and would like to have it re-issued. The estate has since been dissolved, and she is requesting that the check be made out to her and she will distribute the funds to her siblings. Attorney Gibson advised the Board that they are unable to have the check re-issued to anyone other than the Estate. Executive Director Sheehan will reach out and let her know what the Board discussed.

The 2024 "Summer" Newsletter was sent out to all active members, retirees & survivors in September. Executive Director Sheehan will provide the Board a draft of the "Winter" newsletter at their December meeting so that they are brought back on schedule.

Attorney Gibson provided to Board a draft of the WCRS Board Member By-Laws back in August of 2024. Executive Director Sheehan wanted to circle back and see if the Board would like to adopt these by-laws. The Board wanted to review these By-Laws further and will report back at the December meeting

After several months of waiting and following up, it was reported that Eastern Bank denied the Board's application for the Community Card credit card due to the application being "incomplete". Executive Director Sheehan looked back at the application materials that she sent to Eastern Bank and is positive that the missing items on the denial were in fact included. Ms. Sheehan expressed her displeasure with the way Eastern Bank handled this application. Ms. Langan recommended that Executive Director Sheehan reach out to the City of Watertown's Treasurer to get a new contact for Eastern Bank in order to re-apply for the Community Credit Card.

**Committee Reports:**

Board to Review/Adopt WCRS Employee Handbook:

**THE BOARD WILL REVIEW AND MAKE EDITS AS NEEDED TO HANDBOOK AND BRING BACK NEXT MONTH**

Review Staff Salaries:

**TABLED**

**Old/Unfinished Business:**

Actuarial Services RFP:

Having reviewed the responses to the RFP for Actuarial Services, the Board discussed the responses and completed their grading charts.

**MOTION MADE BY CHAIRMAN THIBAUT AND SECONDED BY MR. LOUGHRAN TO HIRE SHERMAN ACTUARIAL SERVICES. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

Board to Discuss COLA Base Increase:

**NO ACTION TAKEN AT THIS TIME**

**New Business**

No New Business was Discussed.

**Legal Update:**

Attorney Gibson reported and commented on pending Board issues as well as general retirement issues of interest.

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

**Investment Review:**

**3rd Quarter Investment Review:**

Mr. Rowlin & Mr. Carey gave a detailed performance analysis of the System's investment portfolio for the 3<sup>rd</sup> quarter of 2024. The Board seemed satisfied with the report. The market value of assets totals \$275,148,717

**PRIT VE VY2025 Commitment:**

**MOTION MADE BY MR. LOUGHRAN AND SECONDED BY MS. LANGAN TO COMMIT \$2 MILLION TO VINTAGE YEAR 2025. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

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

After the Board vote regarding PRIT PE VY2025, Ms. Kiely-Becchetti had to leave the meeting.

**Annual Manager Reviews:**

The following managers underwent an annual investment manager review pursuant to 840 CMR 16.07. The managers presented performance and investment reports detailing the manager's activities which the Board reviewed via conference call.

- Income Research & Management – Core Bond Fund
- BlackRock, Inc. – Strategic Income Opportunities Fund
- Eaton Vance Investment Managers – High Yield Fund
- Wellington Management – Small Cap 2000 Portfolio
- Columbia Threadneedle Investments – U.S. Contrarian Core Equity Fund
- Aristotle – International Equity CIT
- American Realty Advisors – American Strategic Value Realty Fund
- Acadian – International Small Cap Equity Fund and Emerging Markets Equity LLC
- PRIT – Domestic Equity, Hedge Funds, Real Estate and Vintage Year Private Equity Portfolios
- ETG Co-Invest Opportunities Fund LP
- MFS Institutional – Institutional International Equity Fund
- ABS Investment Management – ABS Emerging Markets Fund
- TA Realty – Core Property Fund

**A MOTION WAS MADE BY CHAIRMAN THIBAUT AND SECONDED BY MR. LOUGHRAN TO ADJOURN THE MEETING AT 10:42 AM. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:**

Mr. Arone	-	YES
Ms. Langan	-	YES
Mr. Loughran	-	YES
Chairman Thibaut	-	YES