

## MINUTES OF MEETING HELD JANUARY 19, 2023

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. Thomas J. Tracy; Mr. John Loughran; Mr. Domenic Duke Arone and Ms. Kathleen Kiely-Becchetti. Staff members present were Director Barbara A. Sheehan and Administrative Assistant, Kayla Sheehan. Attorney Thomas F. Gibson was in attendance. Mr. Chris Rowllins of Fiducient Advisors gave the investment review.

### **Confirm Next Monthly Meeting:**

The next monthly meeting was scheduled for Thursday, February 16, 2023 and the March meeting was scheduled for March 16, 2023.

### **Examination of Minutes:**

From meeting held on Tuesday December 20, 2022

**A MOTION WAS MADE AND SECONDED TO APPROVE MINUTES AS WRITTEN. SO VOTED**

### **Examination of Executive Session Minutes:**

From meeting held on Tuesday December 20, 2022

**A MOTION WAS MADE AND SECONDED TO APPROVE MINUTES AS WRITTEN. SO VOTED**

### **Review PERAC Correspondence:**

#### **MEMO'S:**

#33/2022	12/19/22	Mandatory Retirement Board Member Training – 1 <sup>st</sup> Quarter, 2023
#34/2022	12/21/22	2022 Disability Data
#01/2023	01/03/23	Reintroduction of Earning and Hour Limitations for All Retirees in the Public Sector

#### **DISCUSSION:**

		It was decided to forward this memo to all pertinent City authorities to remind them of the re-instated restrictions.
#02/2023	01/10/23	2023 Limits under Chapter 46 of the Acts of 2002
#03/2023	01/10/23	2023 Limits under Section 23 of Chapter 131 of the Acts of 2010
#04/2023	01/10/23	COLA Notice
<b>DISCUSSION:</b>		It was decided to take action on the COLA at the March monthly meeting and notify pertinent City authorities.

### **Review Applications For Benefits:**

#### **Applications For Membership:**

**A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATIONS FOR MEMBERSHIP. SO VOTED**

#### **Superannuation Retirement:**

**A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATION FOR SUPERANNUATION RETIREMENT. SO VOTED**

### **Review Warrants:**

**A MOTION WAS MADE AND SECONDED TO APPROVE THE WARRANTS AS AMENDED. SO VOTED**

### **Director's Report:**

A letter was received informing the Board that the audit firm Melanson, Heath has merged with Marcum. LLP. Written authorization was requested for Melanson to distribute to Marcum, the System's audit report work papers, etc. It was agreed that it was okay to give such authorization.

PERAC has approved the Option C Pop-Up calculations submitted.

PERAC has approved recently submitted Accidental Death Applications.

Calculations have been submitted to PERAC for approval. Estimated benefits are being paid out pending such approval. Any required adjustments will be made with retroactive payment.

Notice of pension forfeiture was mailed out to inactive member, both via Certified and First Class mail. on 01/04/23. To date we have not received signed Proof of Delivery or any returned mail. It was decided to wait until the expiration of the appeal time to reach out to the member regarding his accumulated deductions.

It was agreed to allow staff to replace the office micro/fridge appliance.

#### **Old/Unfinished Business**

The Board reviewed and discussed the cost of the one-time 5% local COLA Option prepared by Dan Sherman of Sherman Actuarial Services.

**A MOTION WAS MADE AND SECONDED TO APPROVE THE COLA INCREASE TO 5%. SO VOTED**

**A MOTION WAS MADE AND SECONDED TO SEND A LETTER TO CITY MANAGER, GEORGE PROAKIS REQUESTING SUPPORT OF THE BOARD'S ACTION AND TO RECOMMEND THE CITY COUNCIL APPROVE. SO VOTED**

There were still questions about PERAC's appropriation letter and whether or not the City and WHA are at least liable for the Normal Costs. Director Sheehan to discuss with both Dan Sherman and John Boorack, PERAC's actuary for clarification.

The status of the 2020 audit was discussed. Mr. Tracy stated that the issues should be cleared up within a week or so.

#### **New Business:**

There was no new business 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 left the meeting.

#### **Investment Review:**

Chris Rowllins of Fiducient Advisors conducted the investment review.

- November Portfolio Update with 4<sup>th</sup> Quarter Capital Markets was reviewed and discussed at length. The market value of assets as of November 30, 2022 totals \$246,003,510. The Board seemed satisfied with the report.
- Mr. Rowllins presented a cash flow worksheet with recommendations to raise cash liquidity for the next three months' worth of pension payroll, and PRIT PE VY capital calls.

**A MOTION WAS MADE AND SECONDED TO APPROVE MR. ROWLLINS' RECOMMENDATIONS TO RAISE CASH. SO VOTED**

- The initial responses to the RFP for Unconstrained (Opportunistic) Credit were reviewed and discussed.

**A MOTION WAS MADE AND SECONDED TO INTERVIEW BLACKROCK & PIMCO (PACIFIC INVESTMENT MANAGEMENT COMPANY) AS FINALISTS IN THE SEARCH FOR AN UNCONSTRAINED (OPPORTUNISTIC) CREDIT MANAGER SO VOTED**

Interviews will take place at an upcoming meeting and Fiducient Advisors will arrange the interviews. At the conclusion of the investment review:

**A MOTION WAS MADE AND SECONDED TO ADJOURN THE MEETING AT 10:05 AM. SO VOTED**