

## **MINUTES OF MEETING HELD DECEMBER 21, 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. John Loughran; Ms. Megan Langan; Mr. Domenic Duke Arone and Ms. Kathleen Kiely-Becchetti. Staff Members present were Executive Director Kayla J. Sheehan and Administrative Assistant, Lisa DiPietrantonio. Attorney Thomas Gibson was in attendance. Mr. Chris Rowllins of Fiducient Advisors gave the investment review.

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

The next monthly meeting of the Board was scheduled for Thursday, January 18, 2024

### **Examination of Minutes:**

From meeting held on Wednesday November 15, 2023

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

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

**A MOTION WAS MADE AND SECONDED TO APPROVE FINAL BENEFITS PAYMENTS OF DECEASED RETIREES/BENEFICIARIES. SO VOTED**

### **Review PERAC Correspondence:**

#### **MEMOS:**

#26/2023	11/17/23	2023 Pension Fraud Prevention Campaign
#27/2023	12/08/23	Current Members in Service Who Made an Election at Age 70 to Stop Contributions to the Retirement System
#28/2023	12/13/23	2023 Disability Data Changes
#29/2023	12/14/23	Tobacco Company List

#### **John W. Parsons, Esq:**

11/08/23 PERAC has approved the Board's funding schedule recently adopted. The schedule is effective in FY24 and FY 25 only and is acceptable under Chapter 32. *(with concerns...)*  
**DISCUSSION: It was noted the PERAC sends a similar letter to the Board every year. Their main concern was that they wished that the Investment Rate of Return was lower than the 7.65%.**

11/27/23 PERAC has reviewed the materials submitted in connection with the Board's decision to invest in ABS Investment Management. While PERAC has issued an Acknowledgement Letter for this procurement, they continue to have concerns about the process utilized by the Board to select ABS.

12/07/23 PERAC has provided the Board with the amount to be appropriated for the Watertown Retirement System for FY25, which commences July 01, 2024.  
Total required FY25 Appropriation = \$531,274.00  
The current schedule is due to be updated by FY26.

**DISCUSSION: Executive Director Sheehan informed the Board that the Actuarial Valuation that was adopted did have a typo regarding the FY24 appropriation for the Watertown Housing Authority. An updated**

report was provided to the Board with the corrected appropriation amount. Executive Director Sheehan will re-submit this to PERAC for approval.

**Review Applications for Benefits:**

**Applications for Membership:**

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

**SO VOTED**

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

**A MOTION WAS MADE AND SECONDED TO APPROVE TRANSFERS OF DEDUCTIONS TO OTHER RETIREMENT SYSTEMS.**

**SO VOTED**

**Refund of Accumulated Deductions:**

**A MOTION WAS MADE AND SECONDED TO APPROVE REFUND OF ACCUMULATED DEDUCTIONS.**

**SO VOTED**

**Creditable Service Purchase:**

**Makeup**

Firefighter, requesting to purchase non-membership service during July 2009 – April 2013 when he was employed by the Watertown Recreation Department seasonally and ineligible for membership in the retirement system.

Total (pro-rated) Service = 11 Months

Total Cost for Service = \$2,004.56

Member has elected to pay \$30.00 per pay period until the amount is paid in full.

**A MOTION WAS MADE AND SECONDED TO APPROVE REQUEST TO PURCHASE NON-MEMBERSHIP SERVICE.**

**SO VOTED**

**Review Warrants:**

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

**SO VOTED**

**Director's Report:**

Cash Books for period ending October 31, 2023

The Board reviewed and approved the following reports for period ending October 31, 2023 which were prepared by Executive Director Sheehan and submitted to PERAC.

- Cash Receipts Journal
- Cash Disbursements Journal
- Adjustments Journal
- Trial Balance
- General Ledger
- Cash Reconciliations for accounts #1040, #1041 & #1043

It was reported that, due to the severe storm the Monday prior to the meeting, the office lost their internet service. As the office has a separate internet service than City Hall, no other offices seemed to have been affected. After contacting the Board's internet service provider, Xfinity, a technician was able to come to the office on Tuesday morning and replace the router which was 13 years old. After this equipment update, there has been no further issues with the internet.

The delivery date was confirmed by Ricoh that the office's new copier/fax machine will be delivered on Tuesday, December 26, 2023. Ricoh also confirmed that the refund owed to

the Board for overpayment of the annual maintenance fee invoiced by Ricoh in error was approved and will be sent out in the next week or so.

It was reported that the City of Watertown recently had a “space study” conducted. After this study was done, a presentation was made to the Watertown City Council with plans to move several offices located at City Hall, including the Retirement Office. Executive Director Sheehan reached out to both Chairman Thibaut and Megan Langan to express her concerns with the space chosen to move the office. Both Chairman Thibaut and Mrs. Langan had conversations with the City Manager, George Proakis and Assistant City Manager, Steven Magoon to discuss the concerns. It appears that all agree that the space chosen will not be sufficient enough for the office and will work on a new solution.

**Committee Reports:**

**MOTION TO APPROVE 2023 WINTER NEWSLETTER PENDING EDITS.**

**SO VOTED**

**Old/Unfinished Business:**

Chairman Thibaut & Ms. Kiely-Becchetti reported that they are working on a Staff Employment Agreement and will report back in January.

Mr. Loughran reached out to Mr. Fentross to discuss his comments about the 2021 Audit.

Barbara Sheehan's temporary employment timesheet was reviewed by the board. Executive Director Sheehan reported that she expects to need her assistance in the office until the year end close and then she can start to transition out.

**New Business: N/A**

There was no new business to report.

**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 panel, Mr. Gibson left the meeting.

**Investment Review:**

Mr. Rowlin & Mr. Carey reviewed for the board their monthly performance update for October, 2023. The market value of assets totals \$237,924,613. The board seemed satisfied with the report.

It was reported that the RFP for International Small Cap Equity was issued. The current manager, Acadian's, contract is expiring soon.

Upcoming RFP's:

US Small Cap Equity (Incumbent: Wellington)

Global Bonds (Incumbent: Brandywine)

**MOTION TO HAVE FIDUCIARY ISSUE RFP'S FOR THE US SMALL CAP EQUITY & GLOBAL BONDS.**

**SO MOVED**

ABS Emerging Markets Fund – Initial Investment Update

Fiduciant reported that the subscription documents are in good standing and ABS will be funded on 12/27/23.

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.

- o 9:45AM: Aristotle – International Equity CIT
- o 9:50AM: American Realty Advisors – American Strategic Value Realty Fund
- o 9:55AM: TerraCap Management – TerraCap Partners IV
- o 10:00AM: RCP Fund IV, L.P.
- o 10:05AM: ETG Co-Invest Opportunities Fund LP

**Adjournment:**

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