

MINUTES OF MEETING HELD TUESDAY, SEPTEMBER 19, 2017

Chairman Thibaut called the meeting of the Watertown Contributory Retirement Board to order at 8:30 AM, Administration Building, 149 Main Street, Philip Pane Hearing Room. Board Members present were Chairman Thibaut, Mr. Thomas J. Tracy, Mr. John T. Loughran, Mr. Domenic Duke Arone and Ms. Kathleen Kiely-Becchetti. Also in attendance were Attorney Thomas Gibson and Attorney Gerald McDonough. Mr. Chris Rowlin of Fiduciary Investment Advisors conducted the investment review. For the discussion pertaining to the Funding Schedule, Town Manager Michael Driscoll, WHA Executive Director, Brian Costello and Dan Sherman of Sherman Actuarial Services were present.

Confirm Next Monthly Meeting:

The next monthly meeting was confirmed for Tuesday, October 17, 2017.

Examination of Minutes:

From meeting held on Tuesday August 15, 2017.

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

SO VOTED

Note Deaths of Members/Beneficiaries:

Dominick Uttaro – Died 09/06/17

Retired 06/03/82 – Fire Dept.

SuperAnnuation Retirement, Option B

Final Benefits Due - \$358.55

A MOTION WAS MADE AND SECONDED TO APPROVE FINAL BENEFITS OF DOMINICK UTTARO.

SO VOTED

Review PERAC Correspondence:**MEMO'S:**

#28/2017 08/31/17 Selection of Fifth Member and Board Employees

DISCUSSION:

The Board reviewed and ratified their Policy on appointing the Fifth Member of the Board.

#29/2017 08/31/17 Vendor Disclosures

Review Applications For Benefits:**Transfers of Deductions to Other Retirement Systems:**

Brendan Donovan – Police Dept., Police Officer

Membership Service:

10/14/10 – 08/11/17

Transferring To:

State Retirement Board

TOTAL DEDUCTIONS & INTEREST:

***\$56,280.08**

Total Board Liability:

6.7500 Years

**Includes Prior Service with the State Retirement Board*

A MOTION WAS MADE AND SECONDED TO APPROVE TRANSFER OF DEDUCTIONS.

SO VOTED

Mary Crain – CDP, Senior Planner

Membership Service:

09/21/00 – 02/23/07

Transferring To:

Plymouth County Retirement Board

TOTAL DEDUCTIONS & INTEREST:

***\$50,998.53**

Total Board Liability:

6.4167 Years

**Includes Prior Service with Everett & Salem Retirement Boards*

A MOTION WAS MADE AND SECONDED TO APPROVE TRANSFER OF DEDUCTIONS.

SO VOTED

Lauren Harwood – School Dept., Accountability Data Manager

Membership Service:

04/25/14 – 05/26/17

Transferring To:

State Retirement Board

TOTAL DEDUCTIONS & INTEREST:

***\$85,098.99**

Total Board Liability:

3.0833

**Includes Prior Service with Norfolk County Retirement Board*

A MOTION WAS MADE AND SECONDED TO APPROVE TRANSFER OF DEDUCTIONS.

SO VOTED

Refund of Accumulated Deductions:

Tania Ortega-Merino – School Dept., Junior Custodian
 Membership Service: 10/03/16 – 05/12/17
 Refund of Deductions: \$1,263.97
 Refund of Interest: \$8.71
 20% Federal Tax Withheld: (\$254.54)
NET REFUND TO MEMBER: \$1,018.14
A MOTION WAS MADE AND SECONDED TO APPROVE REFUND OF DEDUCTIONS. SO VOTED

Andrew Bosworth – Library, Supervisor of Technology & Information Management
 Membership Service: 08/01/11 – 02/01/13
 Refund of Deductions: \$7,913.53
 Refund of Interest: \$544.60
 20% Federal Tax Withheld: \$0.00
NET REFUND TO MEMBER: \$8,458.13
 *Rollover
A MOTION WAS MADE AND SECONDED TO APPROVE REFUND OF DEDUCTIONS. SO VOTED

Sara Wiedeman – Library, Web Editor & PR Specialist
 Membership Service: 12/14/11 – 02/03/15
 Refund of Deductions: \$10,428.04
 Refund of Interest: \$960.85
 20% Federal Tax Withheld: \$0.00
NET REFUND TO MEMBER: \$11,388.89
 *Rollover
A MOTION WAS MADE AND SECONDED TO APPROVE REFUND OF DEDUCTIONS. SO VOTED

Superannuation Retirement:

Susan Viskin – Library, Project Literacy Director
 Retirement Date: 09/26/17 (Deferred Retirement)
 Service: 22 Years
 Veteran Status: N
A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATION FOR SUPERANNUATION RETIREMENT. SO VOTED

Karen Norton – Treasurer/Collector, Assistant Treasurer
 Retirement Date: 09/15/17
 Service: *34 Years & 11 Months
 Veteran Status: N
**Includes 5 Years 10 Months prior service with State*
A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATION FOR SUPERANNUATION RETIREMENT. SO VOTED

Mario Orangio – Fire Dept.
 Retirement Date: 10/14/17 (Pending ADR Application)
 Service: 28 Years & 2 Months
 Veteran Status: N
A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATION FOR SUPERANNUATION RETIREMENT. SO VOTED

Review Warrants:

1044-17	Refunds & Transfers	213,497.30
1045-17	Monthly Vendor Expenses	20,536.85
1046-17	Fund Transfer 1041 - 1043	84,000.00
1047-17	Fund Transfer 1040 – 1043	1,040,603.65
1048-17	Pension Payroll – 2017/08	1,123,044.04
1049-17	Staff Salaries & Stipends 2017/08	15,639.59

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

SO VOTED

Director's Report:

Election Officer – It was reported that a second set of Nomination Papers was submitted by Ms. Karen O'Reilly, the Town's Animal Control Officer. All signatures were certified; therefore, an election will be conducted. Ballots will be mailed to all active, inactive and retired members of the System on or about Tuesday, September 5, 2017.

The Election Guidelines Policy was reviewed and discussed.

A MOTION WAS MADE AND SECONDED TO RATIFY THE ELECTION GUIDELINES POLICY. SO VOTED

Committee Reports:

Newsletter/Website Discussion:

Kayla Sheehan updated the Board on the status of the upcoming edition of the newsletter.

Personnel Committee:

The Committee recommended Cost of Living Adjustments for each of the retirement office employees.

A MOTION WAS MADE AND SECONDED TO GRANT 3% COLA EFFECTIVE 07/01/16 AND 3% COLA EFFECTIVE 07/01/17 TO EACH OF THE RETIREMENT OFFICE EMPLOYEES. VOTED 4-1

Mr. Tracy voted NO and stated that he could not support an increase greater than that which was awarded to the Town employees.

Legal Update:

Attorney Gibson reported that there was no representation for Stephen O'Reilly at his scheduled appeal hearing. The hearing will be re-scheduled.

The Board noted receipt of a request from Attorney Nicholas Poser on behalf of Joseph Deignan that the Board refrain from attempting to collect any pension payments made to Mr. Deignan based on the Superior Court's decision to forfeit his pension until the most recent appeal is decided.

A MOTION WAS MADE AND SECONDED TO APPROVE THE REQUEST TO REFRAIN FROM ATTEMPTING TO COLLECT ANY PENSION PAYMENTS UNTIL THE MOST RECENT APPEAL IS DECIDED. SO VOTED

Travel/Education:

There was no Travel/Education discussed.

Old/Unfinished Business:

Dan Sherman reviewed for the Board the 01/01/17 valuation report. There was a lengthy discussion.

A MOTION WAS MADE AND SECONDED TO ADOPT A FUNDING SCHEDULE CHANGING THE ASSET RATE OF RETURN FROM 8% TO 7.9% WITH THE HOUSING AUTHORITY APPROPRIATION PAYMENT FOR FY18 TO REMAIN AT \$319,975.00 WITH ANNUAL PAYMENTS GOING FORWARD TO LEVEL AT \$300,000.00 UNTIL PAID; THE TOWN'S ANNUAL APPROPRIATION FOR FY18 WILL INCREASE TO APPROX. \$18,128,000.00 AND THE SYSTEM WILL CONDUCT A FULL VALUATION FOR 01/01/18. SO VOTED

New Business:

There was no new business discussed.

Investment Review:

The investment performance for the period ending 07/31/17 was reviewed and discussed at length. The market value of the portfolio totals \$180,870,197. The Board seemed very satisfied with the report.

Manager Search Review/Update:

Mr. Rowllins reviewed at length the responses to the Board's RFP for a High Yield Fixed Income Manager. After lengthy review and discussion it was decided to interview the following managers a finalists:

- Barings
- Columbia Threadneedle
- Eaton Vance Management
- DDJ Capital Management
- Lord Abbott

A MOTION WAS MADE AND SECONDED TO ADJOURN THE MEETING AT 11:20 AM.

SO VOTED