

MINUTES OF MEETING HELD JUNE 20, 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; Ms. Megan Langan and Ms. Kathleen Kiely-Becchetti. Staff Members present were Executive Director Kayla J. Sheehan and Administrative Assistant, Lisa DiPietrantonio. Attorney Gerry McDonough was in attendance. Mr. Chris Rowllins & Mr. Richard Carey of Fiducient Advisors gave the investment review.

Confirm Next Monthly Meeting

The next meeting of the Board was scheduled for Thursday, July 18, 2024.

Examination of Minutes

From meeting held on May 16, 2024

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

Note Deaths of Members/Beneficiaries:

Review PERAC Correspondence:

MEMOS:

#14/2024 06/06/24 Tobacco Company List

Review Applications for Benefits:

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

Accidental Disability Application

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

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

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

A MOTION WAS MADE AND SECONDED TO TABLE THE ADR APPLICATION AND INVITE MEMBER AND THEIR LEGAL COUNSEL TO ADDRESS QUESTIONS ARISEN BY MEDICAL PANEL REPORTS. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

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

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

Due to scheduling conflicts, Mr. Arone & Ms. Langan arrived at the Board meeting at 8:45AM, after the executive session had taken place.

Superannuation Retirement:

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

A MOTION WAS MADE AND SECONDED TO ALLOW MEMBER TO PURCHASE 8 MONTHS OF MILITARY SERVICE CREDIT PENDING THE OUTCOME OF THE HERO ACT LEGISLATION. SO VOTED

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:

Re-Deposits:

A MOTION WAS MADE AND SECONDED, UPON PROPER PAYMENT OF THE REDEPOSIT, TO ACCEPT LIABILITY FOR 1.8333 YEARS OF CREDITABLE SERVICE. SO VOTED

A MOTION WAS MADE AND SECONDED, UPON PROPER PAYMENT OF THE REDEPOSIT, TO ACCEPT LIABILITY FOR 9 MONTHS OF CREDITABLE SERVICE. SO VOTED

Review Injury Reports:

Review Warrants:

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

Director's Report:

Executive Director Sheehan reported that the April 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 Chairman Thibaut needed to replace his damaged iPad. After additional discussion about the age and quality of the remaining iPad's, it was decided that they all should be replaced to an upgraded version.

Committee Reports:

There were no committee reports.

Old/Unfinished Business:

Board to Discuss COLA Base Increase

NO ACTION TAKEN AT THIS TIME.

New Business:

No new business discussed.

Legal Update:

Attorney Gerry McDonough reported to the Board that the HEROS Act passed unanimously by the Senate and the House. The next step is that it needs to go back to the House and he is hopeful that it will be finalized soon.

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

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

Investment Review:

Global Fixed Income RFP Initial Evaluations:

Fiducient provided an evaluation on the Global Fixed Income RFP and provided insight around the number of respondents and the review process, consistent with PERAC guidelines. Given the plan's funded status, lower discount rate and overall portfolio de-risking initiatives, Fiducient recommended that the Board does not re-up with the incumbent, Brandywine, or retain any other global fixed income manager and reallocate the money pro-rata to the Board's other Fixed Income strategies.

A MOTION WAS MADE AND SECONDED TO REALLOCATE THE FUNDS GLOBAL FIXED INCOME FUNDS PRO-RATA TO OTHER FIXED INCOME STRATEGIES ACCORDING TO FIDUCIENT ADVISORS' RECOMMENDATION. SO VOTED

U.S. Small Cap Equity RFP Initial Evaluations:

Fiducient provided an evaluation on the U.S. Small Cap Equity RFP and provided insight around the number of respondents and the review process, consistent with PERAC guidelines. Fiducient recommended the Board retain incumbent Wellington Management Company to continue managing approximately \$14.7 million of the Board's assets in their Small Cap 2000 strategy.

Fiducient will follow up with Wellington to explore fee concessions.

A MOTION WAS MADE AND SECONDED TO RE-HIRE WELLINGTON MANAGEMENT COMPANY AS THE US SMALL CAP EQUITY MANAGER. SO VOTED

High Yield Fixed Income RFP

It was reported that the High Yield Fixed Income RFP evaluations should be presented at the August or September meeting.

A MOTION WAS MADE AND SECONDED TO ADJOURN THE MEETING AT 9:55AM. SO VOTED