

MINUTES OF MEETING HELD JULY 18, 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 Thomas F. Gibson was in attendance. Mr. Chris Rowlins of Fiducient Advisors gave the investment review via telephone conference. For the Executive Session portion, Ms. Lori Moran was present along with her legal counsel, Attorney Bernie Loughran.

Confirm Next Monthly Meeting

The next meetings of the Board was scheduled for Thursday, August 22, 2024 & Monday September 16, 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

Mr. Loughran declared a potential conflict of interest in this matter and, after giving a brief description, he has recused himself from the executive session and will not participate. He left the meeting and did not return until the Board returns to open session.

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

Mr. Arone	-	YES
Ms. Langan	-	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 ACCEPT MEDICAL PANEL REPORTS AND APPROVE ACCIDENTAL DISABILITY RETIREMENT APPLICATION AND SEND TO PERAC FOR REVIEW.

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

A MOTION WAS MADE AND SECONDED TO RETURN TO OPEN SESSION. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

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

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

Examination of Minutes:

From meeting held on June 20, 2024

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 PAYMENT DUE TO DECEASED BENEFICIARY. SO VOTED

Review PERAC Correspondence:

MEMOS:

#15/2024	06/24/24	91A PROSPER Tasks
#16/2024	06/25/24	Forfeiture of Retirement Allowance for Dereliction of Duty by Members
#17/2024	06/27/24	Mandatory Retirement Board Member Training – 3 rd Quarter, 2024
#18/2024	06/28/24	Audit Process Via PROSPER

Bill Keefe:

Veterans' Buyback Action Advance Notice

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

Review Warrants:

1638-24	Refunds & Transfers	74,485.74
1639-24	Monthly Vendor Expenses	4,374.95
1640-24	38c Invoices	37,258.99
1641-24	Fund Transfer – Eastern Vendor to Eastern Payroll	320,000.00
1642-24	Fund Transfer – People's United to Eastern Payroll	1,116,900.59
1643-24	Pension Payroll – 2024/07	1,436,900.59
1644-24	Salaries & Stipends	13,807.70

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

Director's Report:

Executive Director Sheehan reported that the May 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 PERAC has begun conducting their audit for the period 2017-2021.

Executive Director Sheehan reported that there were 2 retirees who have still not complied with PERAC's 91A requirements. Notices will be sent out after this meeting, now that the August Board meeting has been confirmed, via Certified Mail and First Class Mail informing them of their right to a hearing. If no hearing is requested and they still have not complied, their retirement allowances will be suspended, effective August 31, 2024.

Regarding MEMO #17, Executive Director Sheehan updated the Board on all Board Member's remaining minimum credits needed.

The free file analysis was completed by PBI for their CertiDeath product. The analysis came back showing that the files were very clean and in good shape. A proposal was given to the Board showing the annual cost if the Board wishes to pursue CertiDeath

A MOTION WAS MADE AND SECONDED TO ACCEPT THE CERTIDEATH AGREEMENT AS PROPOSED. **SO VOTED**

It was reported that a member withdrew their Superannuation Retirement application, prior to their approved retirement date. Member's retirement was approved at the Board's April 18, 2024 meeting.

The office received a request from MA Teachers' Retirement Board ("MTRB") to accept liability for creditable service for a period of time when a member of MTRB worked for Watertown Public Schools as a 60% full time School Nurse and did not contribute to the Watertown Retirement System. MTRB feels that this member was wrongfully excluded from membership with Watertown during that time.

A MOTION WAS MADE AND SECONDED TO ACCEPT AN ADDITIONAL 2.7124 YEARS OF CREDITABLE SERVICE FOR EMPLOYMENT IN THE WATERTOWN PUBLIC SCHOOLS. **SO VOTED**

The Board actuary has provided the valuation reports as of January 1, 2024. It was decided to invite Dan Sherman to the August Board meeting to discuss the results further with the Board.

Committee Reports:

There were no committee reports.

Old/Unfinished Business:

Board to Discuss COLA Base Increase

NO ACTION TAKEN AT THIS TIME

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:

May Portfolio Update with June Capital Markets:

Mr. Rowlins gave a detailed report on the System's investment portfolio for May with June Capital Markets. The market value of assets totals \$262,281,295. The Board seemed satisfied with the report.

Trade Recommendation Worksheet – Portfolio Reallocation:

Given the Board's decision at their June 20, 2024 meeting to terminate Brandywine Global Bond strategy, Fiducient Advisors recommended that the Board reallocate those redemption proceeds across existing fixed income managers. They also recommended to rebalance the portfolio towards current target allocations, trimming existing overweight allocations to US equity and international equity to increase fixed income.

A MOTION WAS MADE AND SECONDED TO REALLOCATE PORTFOLIO BASED UPON THE RECOMMENDATIONS FROM FIDUCIENT ADVISORS.

A MOTION WAS MADE AND SECONDED TO ADJOURN THE MEETING AT 10:20AM

SO VOTED