

**MINUTES OF MEETING HELD MARCH 16, 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 and Mr. Richard Carey of Fiducient Advisors gave the investment review.

**Confirm Next Monthly Meeting:**

The next monthly meeting was scheduled for Thursday, April 20, 2023.

**Examination of Minutes:**

From meeting held on Thursday February 16, 2023

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

**Note Deaths of Members/Beneficiaries:****Review PERAC Correspondence:****MEMO'S:**

#09/2023 03/08/23 Tobacco Company List

**Review Applications For Benefits:****Superannuation Retirement:**

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

**Creditable Service Purchase:****Makeup:**

**Sara Guerra** – Instructional Assistant, Watertown Public Schools, requesting to purchase non-membership service during September 2021 – February 2023 when she was employed by the Watertown Public Schools temporarily and ineligible for membership in the retirement system until she complete the 15 month requirement.

Total (pro-rated) Service = 1 year & 3 months

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

**Raymond Johnson** – Electronic Learning Facilitator, Watertown Public Schools, requesting to purchase non-membership service during September 2021 – February 2023 when he was employed by the Watertown Public Schools temporarily and ineligible for membership in the retirement system until he completed the 15 month requirement.

**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 THE WARRANTS AS AMENDED. SO VOTED**

**Director's Report:**

Director Sheehan reported to the Board the status of some miscellaneous pending items.

**A MOTION WAS MADE AND SECONDED TO REGISTER ALL INTERESTED BOARD MEMBERS FOR THE ANNUAL NCPERS CONFERENCE SCHEDULED FOR MAY 21 -24 IN NEW ORLEANS, LA. SO VOTED**

Confirming an email sent to all Board Members, it is Director Sheehan's plan to retire this summer. Her last day of full time employment is currently scheduled for June 30, 2023. An official retirement date will be determined in the near future and will be dependent upon how best to utilize the five weeks of unused vacation for 2023. If necessary, Director Sheehan has offered to return as a consultant during the transition period for as long as or as short as necessary. Chairman Thibaut and Ms. Kiely-Becchetti have been assigned as a sub-committee to monitor the job postings and transition of positions. It was decided to start the process by posting the Director's position internally.

#### **Committee Reports:**

There were no committee reports.

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

Board to take action on retiree COLA effective July 01, 2023:

**A MOTION WAS MADE AND SECONDED TO GRANT ALL ELIGIBLE RETIREES AND BENEFICIARIES OF THE WATERTOWN RETIREMENT SYSTEM A 3.0% COST OF LIVING ADJUSTMENT, ON A \$14,000.00 COLA BASE, EFFECTIVE JULY 1, 2023, PURSUANT TO THE PROVISIONS OF MGL CHAPTER 32, SS 103(c) and (i).  
SO VOTED**

#### **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.

#### **Investment Review:**

EnTrust Co-Investment Update:

Mr. Rowllins updated the Board on the status of the EnTrust investment. EnTrust has made a business decision not to proceed with the commingled fund, Special Opportunities Fund V. EnTrust has offered access to the same strategy via a custom vehicle/wrapper solution at a reduced fee structure. FIA has expressed some reservations on the ability for Watertown to readily proceed with the proposed new investment vehicle due to concerns with PERAC's procurement policies as the account structure proposed by EnTrust at this time is inconsistent with the structure they proposed in response to the April 2022 RFP. EnTrust will continue to reach out to PERAC to provide supportive evidence that PERAC is in agreement with the fund change.

**A MOTION WAS MADE AND SECONDED NOT TO MOVE FORWARD WITH THE INVESTMENT IN ENTRUST'S SPECIAL OPPORTUNITIES FUND V.  
On votes related to EnTrust, Ms. Kiely-Becchetti has voted**  
**VOTED 4-0  
PRESENT**

January Portfolio Update with February Capital Markets:

Mr. Rowllins and Mr. Carey gave a detailed performance analysis of the System's investment portfolio for the 4<sup>th</sup> quarter of 2022. The Board seemed satisfied with the report. The market value of assets at December 31, 2022 totals \$240,020,471.00.

Trade Recommendation Worksheet Review:

**A MOTION WAS MADE AND SECONDED TO GO WITH FIDUCIENT'S RECOMMENDATION TO RAISE CASH FOR THE NEXT THREE MONTHS WORTH OF PENSION PAYROLL AND PRIT VINTAGE YEAR CAPITAL CALLS; TO REALLOCATE PORTFOLIO TO ELIMINATE WELLINGTON OPPORTUNISTIC INVESTMENT AND PINEBRIDGE GLOBAL DYNAMIC STRATEGIES, AND COMPLETE INITIAL PURCHASE OF BLACKROCK STRATEGIC OPPORTUNITIES; REDUCE PRIT HEDGE FUNDS TO NEW TARGET AND REBALANCE FIXED INCOME PORTFOLIO.  
SO VOTED**

Silicon Valley Bank Update:

Mr. Rowllins and Mr. Carey gave the Board a detailed update regarding Silicon Valley Bank. They updated exactly what happened and outlined the System's potential exposure which is very limited. Fiducient Advisors does not recommend any portfolio changes at this time.

**A MOTION WAS MADE AND SECONDED TO ADJOURN THE MEETING AT 10:09 AM. SO VOTED**