

MINUTES OF MEETING HELD TUESDAY, DECEMBER 20, 2022

Prior to calling the meeting to order, Chairman Thibaut held a moment of silence for deceased member Robert McCarthy, who was a retired Watertown Fire Captain and longtime Chairman of the Watertown Retirement Board.

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. Attorneys Thomas F. Gibson and Gerald McDonough were in attendance. Mr. Richard Carey of Fiducient Advisors gave the investment review.

Confirm Next Monthly Meeting:

After discussion it was decided that changing the meetings to Wednesday would not work for everybody. Therefore, it was decided to hold the monthly meetings on the third Thursday of each month. The next monthly meeting was scheduled for Thursday, January 19, 2023.

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 names individual, the disclosure of which may constitute an unwarranted invasion of personal privacy.

Accidental Death Benefit Applications

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

Mr. Arone	-	YES
Mr. Loughran	-	YES
Mr. Tracy	-	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 APPROVE THE ACCIDENTAL DEATH APPLICATIONS PENDING PERAC REVIEW.

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

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

Examination of Minutes:

From meeting held on Tuesday November 15, 2022

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 NOTE THE DEATHS OF MEMBERS & BENEFICIARIES AND TO APPROVE PAYMENT OF FINAL BENEFITS. SO VOTED

Review PERAC Correspondence:

MEMO'S:

#29/2022	11/18/22	5% Local COLA Option
DISCUSSION:		Attorney Gibson stated that the increase required approval from both the Retirement Board and the City Council. It was agreed to get the costs of the increase from Dan Sherman of Sherman Actuarial Services.
#30/2022	12/01/22	Proposed Regulations Regarding Compliance with the IRS Code
#31/2022	12/08/22	840 CMR 10:10(3) & 10:15(1)(c) – Annual Review of Medical Testing Fee
#32/2022	12/09/22	Tobacco Company List

Review Applications For Benefits:

Applications For Membership:

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

Superannuation Retirement:

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

Refunds of Accumulated Retirement Deductions:

A MOTION WAS MADE AND SECONDED TO APPROVE REFUNDS OF ACCUMULATED RETIREMENT DEDUCTIONS. SO VOTED

Review Warrants:

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

Director's Report:

Director Sheehan reported on a visit from a retiree who received the Memo warning about recent scams being attempted. The retiree had also received a letter from an insurance company requesting detailed personal information from her exactly as outlined in the Memo as a scam. She was very grateful for the information she received from the retirement office.

Cash Books for period ending August, September & October of 2022:

The Board reviewed and approved the following reports for periods ending August, September & October, 2022, which were prepared by Director Sheehan and submitted to PERAC.

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

It was decided that separate unemployment coverage for the retirement system employees was not required through MIIA. Mr. Tracy stated that, if for some reason coverage for one of the System's employees were required; they would be covered by the City's policy.

It was reported that PERAC has contacted Director Sheehan inquiring about the status of the

Systems audits from 2017 – 2020. If outside audits have been conducted it was requested that copies of the final reports be provided to PERAC. The final audit reports for 2017-2019 were forwarded to PERAC. The 2020 audit is still being finalized. Mr. Tracy will submit the Board's remarks to Melanson, Heath so that the 2020 report can be finalized and forward to PERAC.

It was reported that PERAC has approved the Board's funding schedule for FY24. PERAC's Appropriation Letter indicates the Required Fiscal Year 2024 Appropriation = \$.00. There were questions regarding the \$.00 required funding. Specifically, if the WHA FY24 invoice should indicate no amount due. Mr. Tracy will speak with Mr. Sherman, and PERAC and advise Director Sheehan on how to proceed with the WHA invoice.

Committee Reports:

It was suggested that the current newsletter include a tribute to former Retirement Board Chairman, Robert McCarthy. Kayla Sheehan will amend the newsletter to include a tribute to Mr. McCarthy and forward to Board Members for final approval.

Old/Unfinished Business:

There was no old business discussed.

New Business:

There was no new business discussed.

Legal Update:

Attorney Gibson reported that in response to the Board's request, an inactive member has not contacted the Board to request a Hearing in the matter of forfeiting their pension by the required deadline.

A MOTION WAS MADE AND SECONDED TO FORFEIT THE PENSION OF THE INACTIVE MEMBER AND NOTIFY THE MEMBER OF THEIR APPEAL RIGHTS. SO VOTED

Attorney Gibson will draft a response informing the member of the Board's action and of their Appeal rights.

Attorneys Gibson and McDonough both reported and commented on pending Board issues as well as general retirement issues of interest.

At the conclusion of the legal update, Attorneys Gibson and McDonough left the meeting.

Investment Review:

Mr. Carey conducted the investment review.

The following managers underwent an annual investment manager review pursuant to 840 CMR 16.07. The managers presented performance and investment reports to the Board in advance, detailing the manager's activities which the Board reviewed. All presentations were conducted remotely.

- PRIT – Domestic Equity, Hedge Funds, Real Estate, and Vintage Year Private Equity
- Acadian – International Small Cap Equity Fund & Emerging Market Equity
- TA Realty – Core Property Fund
- American Realty Advisors – American Strategic Value Realty Fund
- TerraCap Management – TerraCap Partners IV
- RCP Fund IV, L.P.

At the conclusion of the investment manager reviews, Mr. Carey reviewed with the Board the Capital Market Update as of November with performance results through October. The market

value of investments on October 31, 2022 totals \$236,047,723. The Board seemed satisfied with the report.

The status of the Unconstrained Fixed Income RFP was discussed. Responses are due November 21st. Responses will be review at an upcoming meeting.

**AT THE CONCLUSION OF THE INVESTMENT REVIEW A MOTION WAS MADE AND SECONDED TO
ADJOURN THE MEETING AT 10:45 AM. SO VOTED**