

Belmont Contributory Retirement Board

Minutes of Meeting of June 27, 2022

Meeting Conducted Pursuant to Chapter 22 of the Acts of 2022

Board Members Present: Thomas Gibson, Chair; Floyd Carman (remote); Ross Vona (remote); Walter Wellman (remote); Glen Castro.

Staff Present: Robert Soohoo; Ryan Horan.

Guests (remote): Scott Driscoll, NEPC; James H. Quirk, Jr., Esq., Board Counsel (Late Arrival); Christopher Lazzaro, Loomis Sayles; David Zielinski, Loomis Sayles; Maryellen Doyle, HarbourVest; Chris Row, HarbourVest.

Identified Public Attendees (remote): Ted Pendergast, Operations Manager, Public Safety Communications; Mc Cyril Espanol, With.Intelligence; Tom O'Brien, Public Safety Communications Supervisor; Elizabeth Dionne, Town of Belmont Warrant Committee Member; Gar Chung, Financial News; Madeline Katz, Mandatewire.

Mr. Gibson called the meeting to order at 9:15 am and introduced all attending guests.

Board Meeting Minutes: The Board reviewed the May 31, 2022 Board Meeting Minutes.

**Motion** by Mr. Vona, seconded by Mr. Carman, to approve the May 31, 2022 Board Meetings Minutes.

Roll Call:

Mr. Castro	Yes
Mr. Vona	Yes
Mr. Carman	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes

The Motion passed.

**Loomis Sayles Annual Review:** Mr. Lazzaro and Mr. Mr. Zielinski presented on behalf of Loomis Sayles. The company continues to work remotely and there are no significant changes in management. Attribution changes have been made in the fund due to the current interest environment. The sector allocation was reviewed to evaluate current inflation and the possibility of a recession. The Board discussed their projections for the near and long term. The review ended at 9:35 AM.

**Harbourvest Annual Review:** Maryellen Doyle and Chris Row presented on behalf of HarbourVest, noting it just celebrated its 40<sup>th</sup> anniversary. Mr. Row reviewed the Dover Street fund investments and the productivity in secondary market growth over the last 8 years. It is derivative of the primary private equity market. Staff is consistent and confident in finding the correct products to continue to provide strong returns.

Maryellen Doyle and Chris Row exited the meeting at 9:57 AM.

**Review of Investments with NEPC:** Mr. Driscoll reviewed the System's investment performance through May 2022, addressing the issues within the market in May and early reports for June. He reviewed the inflation rates for rolling 1-year and 3-year periods, the highest since early 80's. There were some slight positive results for the plan in May, but those results will likely be lost since June has seen the market trade down significantly. Mr. Driscoll noted that Belmont's investment managers have been outperforming the benchmark significantly in these down markets. He reviewed the historical performance of each asset class to date.

Twenty-four managers have responded to the Private Debt manager RFP. NEPC narrowed it down to a short list based on the published criteria. Four managers were reviewed: GoldenTree Distressed Fund IV, OHA Strategic Credit Fund III, Bain Capital Global Special Situation 22 Fund, and Albacore. Mr. Driscoll believed that Albacore and Goldentree would both be a good fit for Belmont and the Board agreed. Mr. Driscoll recommended to expedite the process and to hold a Special Meeting on July 11, 2022 to interview the managers.

Future Meeting Dates: July 11, 2022; July 25, 2022; August 29, 2022; September 19, 2022; October 24, 2022.

Scott Driscoll exited the meeting at 10:45 am.

**Board Counsel Report:** Mr. Quirk was not available for this meeting.

**Report of the Executive Director:** Mr. Soohoo updated the Board on PERAC's list of disability retirees who are not in compliance with the annual Section 91A reporting requirements. PERAC Auditors will be visiting the Board for a follow up and have requested an update on the audit findings. Powers & Sullivan auditors are scheduled to come to the office for two days in July. Information is almost complete for Segal for the valuation as of January 1, 2022. Mr. Soohoo reported a phishing attempt. The retiree was contacted.

**Review of Staff timesheets:** The Board reviewed the Staff timesheet through the second quarter of 2022.

**Election update:** Mr. Horan updated Board Members on the status of the Board election. The tabulation of ballots took place on June 24, 2022 with Mr. Horan, Mr. Soohoo and Belmont HR Director Shawna Healey present. Ross Vona, the incumbent, was reelected to his position as Board member for a three year term. Mr. Vona received 235 votes and Mr. Struzziero received 40.

**Update of cash books:** Cash Books have been submitted to PERAC through April of 2022. Bank reconciliation was completed through May of 2022.

**Review of the 2022 Expense Budget:** The Board reviewed the Expense Budget through May of 2022.

**Motion** by Mr. Vona, seconded by Mr. Carman, to approve the June Expense Warrant and June Payroll Warrants.

Roll Call:

Mr. Castro Yes  
 Mr. Vona Yes  
 Mr. Carman Yes  
 Mr. Gibson Yes  
 Mr. Wellman Yes

The Motion passed.

Correspondence Received: None.

**Public Records Requests:** Financial News requested and received the May 2022 NEPC presentation.

PERAC Memos: The Board reviewed PERAC memo #13-#16 of 2022. Memo #13 is the Section 91A salary verification request for specific members through PROSPER. PERAC memo #14 is the recent ruling in the Vernava case. PERAC memo #15 is an updated tobacco list. PERAC memo #16 was the waiver for post-retirement public employment for superannuation retirees for 2022.

New Retirement Applications

<u>Name</u>	<u>Ret Date</u>	<u>Position</u>	<u>Age</u>	<u>Service</u>	<u>Type</u>	<u>Dept</u>	<u>Group</u>
Noreen Duggan	07/15/2022	Admin Assistant	73	15 Years, 2 Months	SupperAnn, Option B	School	1
Jake Scanlon	01/20/2022	Facilities Worker	12	4 Years, 8 Months	12(2)d Benefit	Facilities	1

The office did not receive a Survivor Benefit application for Jake Scanlon. Will resubmit once received.

**Motion** by Mr. Wellman, seconded by Mr. Carman, to approve New Retirement Benefits.

Roll Call:

Mr. Castro Yes  
 Mr. Vona Yes  
 Mr. Carman Yes  
 Mr. Gibson Yes  
 Mr. Wellman Yes

The Motion passed.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Position</u>	<u>Department</u>	<u>Group</u>
Derek O'Rourke	02/07/2022	Firefighter	Fire	4

**Motion** by Mr. Vona, seconded by Mr. Carman, to approve New Member Enrollment.

Roll Call:

Mr. Castro            Yes  
Mr. Vona             Yes  
Mr. Carman          Yes  
Mr. Gibson          Yes  
Mr. Wellman         Yes

The Motion passed.

Member Deaths

<u>Name</u>	<u>Death Date</u>	<u>Option</u>	<u>Years of Service</u>	<u>Retirement Date</u>	<u>Gross Monthly Benefit</u>
Salvatore Arrao	06/09/2022	SuperAnn, Option B	32 Years, 2 Months	02/10/1989	\$2,244.89

**Chair's Report:** Mr. Gibson reviewed the Act extending the hours and earnings waiver for retirees working in the MA public sector which will extend through the end of the year, or up until 90 days following of the end of the public health emergency. PERAC has submitted a bill to protect retirees impacted by the recent SJC decision in the "Vernava" case. Mr. Soohoo has instructed payroll personnel to stop deductions on sick leave and vacation paid to active members on worker's compensation. PERAC is drafting new electronic signature regulations and changes to investment regulations. Mr. Gibson will keep the Board updated. Mr. Castro reported on the MACRS June 2022 conference which he, Mr. Gibson and staff recently attended.

Executive Session was not necessary.

**Motion** by Mr. Vona, seconded by Mr. Carman, to Adjourn Meeting.

Roll Call:

Mr. Castro            Yes  
Mr. Vona             Yes  
Mr. Carman          Yes  
Mr. Gibson          Yes  
Mr. Wellman         Yes

The Motion passed.

Meeting adjourns at 11:33 AM.

Documents Distributed:

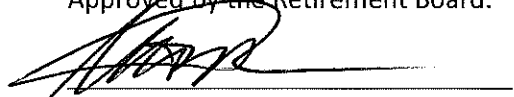
June 27, 2022 Agenda  
NEPC June 2022 Presentation  
PERAC memo #13-#16 of 2022

Loomis Sayles Presentation  
HarbourVest Presentation


Respectfully Submitted,

Robert Soohoo  
Executive Director

Approved by the Retirement Board:



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July 25, 2022

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