

Belmont Contributory Retirement Board

Minutes of Meeting of June 26, 2023

Meeting Conducted Pursuant to Section 40 of Chapter 2 of the Acts of 2023

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

Absent: Donna Tuccinardi

Staff Present: Robert Soohoo; Ryan Horan.

Guests: Scott Driscoll, NEPC (remote); James H. Quirk, Jr., Esq., Board Counsel (remote); Teresa Woo, Loomis Sayles; Kristen Doyle, Loomis Sayles (both remote); Maryellen Doyle, Harbourvest; Chris Row, Harbourvest (both remote); Jennifer Hewitt, Assistant Town Manager, Town of Belmont (remote).

Identified Public Attendees: Ted Pendergast (remote), Madeline Katz (remote), Catherine Palanca (remote); Gar Chung (remote); Karen de Vera (remote).

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

**Motion** by Mr. Vona, seconded by Mr. Carman, to approve the May 30, 2022, Board Meeting Minutes.

Roll Call:

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

The Motion passed.

**Annual Investment Manager Review – Loomis, Sayles & Company:** Teresa Woo reviewed Loomis Sayles' business model, commitment to ESG and diversity in the workplace. She reported on recent changes to the investment teams. Kristen Doyle reported on plan performance in CY 23 and historically. The attribution analysis was reviewed and Loomis' position going forward with the unstable markets. Teresa Woo announced that effective July 1<sup>st</sup>, there will be a fee reduction granted to NEPC clients, in Belmont's case decreasing the annual fee from 57 to 39 basis points. The Board expressed its appreciation to both Loomis Sayles and NEPC for this reduction, as the Board is seeking ways to further reduce investment costs.

Teresa Woo and Kristen Doyle exited the meeting at 9:51 AM.

Mr. Driscoll discussed the advantages afforded by Loomis Sayles' investment program.

**Annual Investment Manager Review – Harbourvest:** Maryellen Doyle reported the significant growth in the market over the past few years. Chris Row updated the life cycle of each of the three Dover Street funds and reported on the reasons for each fund's success. Attorney Quirk commented on HarbourVest's high level of communication with investors. Mr. Driscoll discussed maintaining the asset allocation as Dover Street VII and VIII wind down.

Maryellen Doyle and Chris Row exited the meeting at 10:18 AM.

**Review of Investments with NEPC:** Mr. Driscoll provided insight into how private equity managers provide additional value that justifies the higher fees charged in that segment. Mr. Driscoll reviewed investment returns through May 2023 and recommended that at this time the Board maintain the current asset allocation.

Future Meeting Dates: July 24, 2023; August 28, 2023; September 25, 2023; October 30, 2023.

Scott Driscoll exited the meeting at 10:52 AM.

The Board recessed and returned at 10:59.

**Board Counsel Report:** Mr. Quirk updated the Board on issues with new ESG commitments by the System's investment managers. He discussed recent activity involving PTG and the emergence of Bay State Pension Solutions after they settled their lawsuit. This could be advantageous going forward as it creates competition in that marketplace. He reported a recent DALA decision impacting military service buybacks. Mr. Gibson and Mr. Quirk discussed the evolving regular compensation area and payments for police officers wearing a body camera and payments made for active shooter/hostage event training exercises.

**Appropriation Payment Request:** Jennifer Hewitt entered the meeting to discuss her recent request to spread the Town of Belmont's annual appropriation payments from bi-annually to quarterly. Mr. Gibson discussed some of the advantages and disadvantages of what those changes may entail, mainly in reference to interest, which both PERAC and SEGAL indicate will need to be included. The Board will ask SEGAL for further input.

#### **Staff Timesheets Were Reviewed.**

**Report of the Executive Director:** Mr. Soohoo reported on Roland Durrell, an Option C retiree who has recently deceased. The member's Option C beneficiary pre-deceased him, but the Board was never notified, so Mr. Durrell's retirement allowance did not "pop-up" to Option A. Once the staff discovered this, a recalculation determined that are payments due, which will be paid to his estate.

Mr. Horan discussed an issue that has been found with members who have not contributed the additional 2% for earnings which exceed \$30,000.00. The error has been corrected going forward, but because this error has not extended for over a year, the waiver law cannot be applied to the retroactive amounts owed, and the Board must recoup the contributions.

Vacation buyback was erroneously pensioned for a member of the school department, and those contributions will be refunded. Mr. Soohoo reported on issues with the Town's processing of retroactive pay for Fire and Police in which the earnings and deductions were calculated incorrectly. Staff is waiting for the Town to correct those payments before we recalculating payments owed retired members.

**Motion** by Mr. Vona, seconded by Mr. Carman, to approve the retroactive payment to Mr. Durrell's estate.

Roll Call:

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

The Motion passed.

The Board reviewed the Budget through April 2023.

**Update of cash books:** Mr. Soohoo advised that the Cash Books have been submitted to PERAC through March. Bank reconciliation has been done internally through April.

**Approval of Expense and Payroll Warrants**

**Motion** by Mr. Vona, seconded by Mr. Carman, To approve the June Expense Warrant.

Roll Call:

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

The Motion passed.

**Correspondence Received:** Chris Doyle emailed the Chair and the office to advise that she will no longer be serving on the Warrant Committee. Mr. Gibson wished her well in her future pursuits.

**Public Records Requests:** All requests have been satisfied.

**PERAC Memos:** PERAC Memo #13 is PERAC’s annual request for salary information in reference to disability retirees. PERAC Memo #14 was an updated tobacco list.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Position</u>	<u>Department</u>	<u>Group</u>
Kelli King	06/05/2023	HR Director	HR	1

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>
Ann Marie Zocchi	06/30/2023	Admin Tech Services	61	22 Years, 5 Months	SuperAnn, Option A	Library	1

Maureen Bean	06/30/2023	Classroom Assistant	64	14 Years, 9 Months	SuperAnn, option B	School	1
Ani Keledjian	06/30/2023	Cafeteria Worker	74	21 Years, 6 Months	SuperAnn, Option B	School	1
Katherine McClallen	06/30/2023	Pro Aide	68	24 Years, 9 Months	SuperAnn, Option C	School	1
Richard Cooney	07/18/2023	Parking Control Officer	78	10 Years, 0 Months (Buyback TBD)	SuperAnn, Option A	Police	1
Theresa Palmer (James Palmer)	07/31/2017	NA	62	NA	DRO Payee	BLD	4

Buy Backs

<u>Name</u>	<u>Pay Date</u>	<u>Service Type</u>	<u>Years of Service</u>	<u>Retirement Board</u>	<u>Amount of Purchase</u>
Richard Cooney	TBD	Military	2 Years, 6 Months	Belmont	TBD
Noval Alexander	TBD	Military	4 Years	Belmont	TBD

**Motion** by Mr. Vona, seconded by Mr. Carman, to approve new members, retirement benefits and purchases of service.

Roll Call:

Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	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>
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Edward Jones	05/22/2023	Accidental Dis, Option B	30 Years, 4 Months	06/30/1994	\$3,149.41
Catherine Ferguson	04/11/2023	Survivor Option C	20 Years	06/17/2006	\$1,305.17
James Busa	05/18/2023	SuperAnn, Option B	10 Years, 3 Months	05/31/1985	\$1,156.91
Paul Hession Sr.	05/20/2023	SuperAnn, Option B	28 Years, 10 Months	11/15/1996	\$3,550.24

**Chair's Report:** Mr. Gibson reported that he had been contacted regarding a group classification issue involving Dispatchers for the Town of Beverly, an issue the Board addressed last year. PERAC has signed a new lease on an office in Medford. PERAC will be issuing new regulations in reference to travel, credit card usage and non-disability hearing procedures.

**Motion** by Mr. Vona, seconded by Mr. Carman, To adjourn Meeting.

Roll Call:

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

The Motion passed.

No Executive Session was entered.

Meeting adjourns at 12:11 AM.

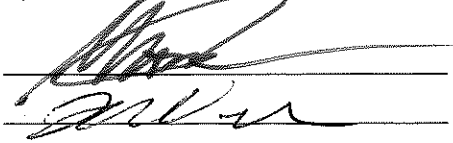
Documents Distributed:

June 26, 2023, Agenda  
 NEPC June 2023 Presentation  
 HabrbourVest Presentation  
 Loomis Sayles Presentation  
 PERAC Memos #13 and #14

Respectfully Submitted,

Ryan Horan  
 Executive Director

Approved by the Retirement Board:

  
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July 31, 2023  
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