

Belmont Contributory Retirement Board

Minutes of Meeting of September 25, 2023

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

Board Members Present: Thomas Gibson, Chair; Walter Wellman (remote); Brian Antonellis, Donna Tuccinardi. Ross Vona was absent. Staff Present: Ryan Horan.

Guests Present: Anthony Teberio, M&T Bank; Joseph Martin. Guests Remote: Scott Driscoll, NEPC; Kevin Dunne, PIMCO; Michael Jaje, Atlanta Capital;

Identified Public Attendees: Ryan Estalilla (remote), Ted Pendergast (remote), Matt Taylor (remote), Cyril Espanol (remote), Madeline Katz (remote).

Mr. Gibson called the meeting to order at 9:19 am and introduced the Board Members and guests. It was noted that Mr. Wellman was having sporadic microphone difficulties, but otherwise had audio and visual access to the Board meeting. It was agreed to record Mr. Wellman as present for all votes unless he indicated otherwise. A quorum of the Board was otherwise present.

Mr. Gibson welcomed the new staff member, Mr. Joseph Martin. He introduced the board members, stating that the board is pleased to have him provide assistance in the operations of the office. Mr. Martin will formally commence employment next month. Mr. Gibson noted the Board's appreciation of Mr. Horan's exemplary efforts in maintaining operations while shorthanded.

Annual Review of PIMCO: Kevin Dunne began his presentation of the all-asset fund with a discussion of the current inflationary environment, noting how PIMCO can take advantage in this type of market, by diversifying the fund. Mr. Dunne then reviewed the fund's performance over varying time frames. He compared those returns to both the inflation rate and their two benchmarks, Bloomberg US TIPS and CPI +5. Mr. Dunne finished his presentation by reviewing PIMCO's long-term forecasts for the market. Due to the forecast of a recession in the near future they have some dry powder and are preparing to take advantage of market volatility.

Mr. Dunne exited the meeting at 9:46 AM.

Annual Review of Atlanta Capital: Michael Jaje noted his appreciation of the Board's 22-year relationship with Atlanta Capital. He then reviewed the type of small capital companies they look to invest in. Mr. Jaje reviewed the fund's performance since inception, pointing out the fund's consistent outperformance of the benchmark over various times frames. When discussing the current market, he emphasized how quality always outperforms in down markets and how Atlanta Capital will excel in the upcoming down markets that are expected.

Mr. Jaje exited the meeting at 10:15 AM.

Review of Investments with NEPC: Mr. Driscoll gave a market update through August of 2023. He reviewed the returns of all asset classes through 2023, and what is driving current performance. Mr. Driscoll updated the procurement timetable.

Future Meeting Dates: October 30, 2023; November 20, 2023; December 18, 2023; January 22, 2024.

Scott Driscoll exited the meeting at 11:05 AM.

M&T Bank - Review of Custodial Fees: Anthony Teberio was pleased to accept the Board's invitation to review custodial fees. He reviewed the recent bank merger with Wilmington Bank, noting that it will have little impact on the services provided. Mr. Gibson reviewed the history of the System's custodial banks, and the vital role Mr. Teberio has played over several decades as the representative of those banks. Mr. Teberio explained the role of the custodian and how the fees are charged. Mr. Teberio specifically reviewed how the Board's fee structure works and how it will work going into the future. Mr. Teberio emphasized that M&T has kept fees flat for a significant period, which in effect has worked as a fee reduction. The Board thanked Mr. Teberio for appearing today and for answering the Board's questions.

Mr. Teberio exited the meeting at 11:30 AM.

Motion by Mr. Antonellis, seconded by Ms. Tuccinardi, to approve the August 28, 2023, Board Meeting and Executive Meeting Minutes.

Roll Call:

Mr. Wellman	Present
Mr. Gibson	Yes
Ms. Tuccinardi	Yes
Mr. Antonellis	Yes

The Motion passed.

Report of the Executive Director: Mr. Horan reported that the final Option B Payment has been made for deceased member Deborah Dayton. The newly implemented Positive Pay is functioning on both accounts. Notices of the upcoming board election have been posted in town, at the office and on the website. Notices are also being mailed out to all members of the system this morning. It appears the 2% deduction issue has been rectified by the school department. Mr. Horan will be verifying that there are no further issues with school payroll.

After reviewing the first school payroll, it does appear that another teacher was incorrectly put into our system. Although a previous member of our system as a Professional Aide, the employee had a break in service but returned after a year as a teacher and was not coded correctly. Mr. Horan has instructed the school department to change deductions over to Mass Teachers and have the employee complete enrollment in their system.

The Board reviewed the Budget through September 2023.

Update of cash books: Mr. Horan advised that the Cash Books have been submitted to PERAC through June. Bank reconciliation has been done internally through August. The town has also completed all bank reconciliations through August as well, thanks to the efforts of the new Town Treasurer.

Approval of Expense and Payroll Warrants

Motion by Mr. Antonellis, seconded by Ms. Tuccinardi, To approve the August Payroll and September Expense Warrants.

Roll Call:

Mr. Wellman Present
Mr. Gibson Yes
Ms. Tuccinardi Yes
Mr. Antonellis Yes

The Motion passed.

Correspondence Received: Board reviewed the engagement letter from Powers & Sullivan to provide auditing services.

Motion by Mr. Antonellis, seconded by Ms. Tuccinardi, To approve the engagement letter for a three-year term to extend Powers & Sullivan as the board's auditor.

Roll Call:

Mr. Wellman Present
Mr. Gibson Yes
Ms. Tuccinardi Yes
Mr. Antonellis Yes

The Motion passed.

Public Records Requests: All requests have been satisfied.

PERAC Memos: PERAC Memo #19 was the updated tobacco list.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Position</u>	<u>Department</u>	<u>Group</u>
Jose Murcia Lemus	08/28/2023	Building Service Custodian	Facilities	1
Joana Abreu	08/28/2023	Energy Resource Manager	BLD	1
Marissa Andersen	10/03/2022	Pro. Aide	School	1
Tyler Moran	08/28/2023	IBEW 2 nd Class Line Worker	BLD	4
Colleen Couture	09/01/2023	Pro Aide	School	1
Debra Zeff	09/01/2023	Classroom Assistant	School	1
Elizabeth Lybass	09/01/2023	Clerical Aide	School	1

Laura O'Connell	09/01/2023	Pro. Aide	School	1
Stephanie Caro	08/17/2023	Admin Assistant	School	1
Caitrin Bell	09/01/2023	Pro. Aide	School	1
Christina Noonan	09/01/2023	Pro. Aide	School	1
Kristin Corbett	09/01/2023	Pro. Aide	School	1
Christina Baboian	09/01/2023	Pro. Aide	School	1
Kathleen Holway – Sacca	09/01/2023	Pro. Aide	School	1
Paige Means	09/01/2023	Pro. Aide	School	1
Evan Bourinot	09/11/2023	Custodian	School	1
Arjana Chikhalia	09/14/2023	Cafeteria Worker	School	1
Fotini Savvidis	09/11/2023	Pro. Aide	School	1
Wil Gonzalez-Diaz	09/18/2023	Custodian	School	1
Robert Taggart	09/18/2023	Maintenance Worker	School	1
Diane Campbell	09/01/2023	Pro. Aide	School	1
Michelle Cooney	09/01/2023	Pro. Aide	School	1

Motion by Mr. Antonellis, seconded by Ms. Tuccinardi, to approve new members, retirement benefits and purchases of service.

Roll Call:

Mr. Wellman	Present
Mr. Gibson	Yes
Ms. Tuccinardi	Yes
Mr. Antonellis	Yes

The Motion passed.

Chair's Report: Mr. Gibson informed the board that John Parson's will be retiring in March as the Executive Director of PERAC. PERAC's move to Medford has been changed to a new address. Mr. Gibson reviewed his attendance at the September PERAC meeting. The draft State Retirement System valuation was discussed. The unfunded liability will be increasing. It was noted by PERAC's actuary that increases in salaries was higher than assumed.

Mr. Gibson discussed an article he had sent to the board members from the National Institute on Retirement Security regarding "The Role of Public Pensions in Reducing Retirement Inequality." Mr. Gibson informed all board members that this is a state ethics filing year and that the Board members must complete on-line training. The Board discussed attendance at the upcoming PRIM annual conference and the MACRS Fall conference. Mr. Gibson reviewed DALA decisions addressing the purchases of the Military Service Credit.

Motion by Mr. Antonellis, seconded by Ms. Tuccinardi, to enter Executive Session under Purpose 6 and then under Purpose 7 of Open Meeting Law, and to reopen in open session thereafter.

Roll Call:

Mr. Wellman	Present
Mr. Gibson	Yes
Ms. Tuccinardi	Yes
Mr. Antonellis	Yes

The Motion passed.

No votes were taken in Executive Session.

Motion by Mr. Antonellis, seconded by Ms. Tuccinardi, to adjourn the Meeting.

Roll Call:

Mr. Wellman	Present
Mr. Gibson	Yes
Mr. Antonellis	Yes
Ms. Tuccinardi	Yes

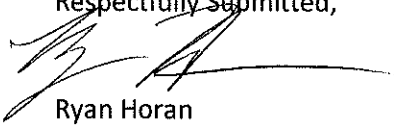
The Motion passed.

Meeting adjourns at 11:50 AM.

Documents Distributed:

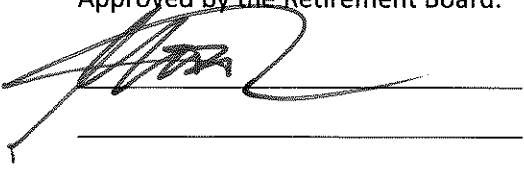
September 25, 2023, Agenda
NEPC September 2023 Presentation
PERAC Memos #19
PIMCO Presentation
Atlanta Capital Presentation
Closing the Gap: The Role of Public Pensions in Reducing Retirement Inequality

Respectfully Submitted,



Ryan Horan
Executive Director

Approved by the Retirement Board:



September 25, 2023
