

PLYMOUTH RETIREMENT BOARD
Friday, June 28, 2024
8:30 a.m.
212 South Meadow Road, Suite 3
Plymouth MA 02360

This meeting of the Town of Plymouth Retirement Board was held in-person at 212 South Meadow Road, Unit #3, Plymouth, Massachusetts 02360

Chairman Kelley called the meeting to order at 8:30 a.m. Other participating Board Members were Lynne Barrett, Dale Webber, Robert Ness, and Sharon LaRosa. Anthony Traghese from Fiducient Advisors, Executive Director, Wendy Cherry, and Assistant Director, Karry Barros, were present as well.

Roll-call vote at 8:30 a.m. to enter into Regular Session:

Mr. Kelley	yes
Ms. Barrett	yes
Mr. Webber	yes
Mr. Ness	yes
Ms. LaRosa	yes

Unanimously Voted.

Section I: Regular Business:

Investments:

Mr. Traghese greeted the Board and informed them that he would be giving the Board updates on three topics. He stated that he would first give the Board a performance update through May 2024, next he would discuss the Appropriation and give a proposal of how to allocate to current targets, and finally he would provide the Board with the results of the RFP issued for Boston Trust. He added that this mandate (Boston Trust) is the seven-year mandate required by PERAC and that it is his recommendation to stay with the incumbent, Boston Trust.

Mr. Traghese shared that so far, it has been a pretty good year for performance. There was a little market sell-off in April with a rebound in May and June has been modestly decent to date. Core Bonds were slightly negative at -1.6%. Equities were +10.6%, REITS were down due to the rates being up, and Hedge Funds performed well.

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The Retirement Fund portfolio was at \$254,729,025 as of May 31, 2024, and the allocation is tight to target. Performance for the Month of May was +2.3% vs. the Blended Benchmark at +3.1%. Year-to-Date performance through May 31, 2024, was +4.0 vs the benchmark at +4.4%. Year-to-Date through May 31, 2024, Fixed Income was at -.3% vs. the Fixed Income Hybrid BM at -1.0%, Domestic Equity was at +8.4% vs the Domestic Equity Hybrid BM at +8.6%, and International for the same time was at +5.0% vs the benchmark at +5.3%. Mr. Tranghese noted that looking at the Year-to-Date through May 31, 2024, the Retirement Fund is slightly behind PRIT.

Mr. Tranghese shared that Wellington had a terrible month and, because of this, Fiducient is in the process of digging in on that. He added that before the month of May, they were ahead, and he will report more on this issue at the next meeting. Mr. Tranghese informed the Board that Real Estate was down; however, PRIT has done a really good job of navigating through a hard space. He added that there is not an excessive amount of leverage in the portfolio on that front. Mr. Tranghese then told the Board that PRIT Hedge Funds were at +5.1% vs. the HFRI Fund of Funds Composite Index at +4.5% and Private Equity experienced a little lag in performance due to calendar year 2022 and the delayed valuations. Mr. Tranghese stated that on the whole, we are in pretty good shape, and he is not recommending any changes.

Chairman Kelley asked if other Systems are invested in Private Equity to the extent that Plymouth is.

Mr. Tranghese stated that Plymouth is “ahead of the curve,” on the high end for Systems that are not in PRIT. He explained that this is mostly due to the amount of time Plymouth has been invested in Private Equity. He shared that Private Equity is 13% of the portfolio and it will be necessary to increase that percentage because the portfolio is growing.

Ms. Barrett asked Mr. Tranghese if his Team would be doing a “deep dive” on Wellington and asked what the actual process is when trying to determine the reason for underperformance as seen by Wellington in the month of May.

Mr. Tranghese explained that when a report comes up, the Team will start with a call. The underperformance might make sense if the Manager gives a good reason. The next step would be to meet with the Manager in-person.

Mr. Tranghese reviewed OPEB performance through May 31, 2024. The total fund was at \$13,390,144. The return for the month of May 2024 was +3.5% vs. the OPEB Index Policy at +3.4%. Year-to-Date performance through May 31, 2024, was +5.3% vs the benchmark at +5.2%. Mr. Tranghese stated that the OPEB Fund is mimicking the indexes and collectively serving the Trust well.

Mr. Tranghese provided the Board with the document titled 2024 Appropriation Discussion for their review. He explained that his recommendation is to rebalance the portfolio back to target and proposed doing so using the dollar cost averaging fashion, over the months of July, August, and September 2024. He added that occasionally he recommends using the Appropriation to make allocation changes; however, this time he is proposing to rebalance back to target only.

Motion to allocate the 2024 Appropriation in a dollar cost averaging fashion over the months of July, August, and September 2024, to rebalance the portfolio back to target allocation as recommended by Mr. Tranghese made by Ms. Barrett; Seconded by Mr. Ness.
Unanimously Voted.

Mr. Tranghese discussed the Small Cap RFP issued as required by the seven (7) year mandate to go out to bid for each vendor. Mr. Tranghese explained that each of the responses was analyzed and given a rating of “Highly Advantageous, Advantageous, Not Advantageous, or Unacceptable.” The factors taken into consideration for rating the evaluation criteria are: the Firm’s Organization, Assets Under Management, their Investment Team, their Investment Philosophy and Process, Investment Performance, and their Investment Fees. Mr. Tranghese reminded the Board that they may have the finalists come to a meeting to interview, which is PERAC’s recommendation, however; there is no requirement to interview. Mr. Tranghese informed the Board that there were twenty (20) proposals received.

Mr. Ness asked if twenty (20) proposals is a typical number to receive.

Mr. Tranghese explained that twenty (20) proposals is a normal range, anywhere from high single digits into the thirties (30’s) is normal. He told the Board that each Firm must be registered with the FCC or the State of Massachusetts. Each vendor that qualifies is evaluated and assigned a rating and then a composite rating. These evaluations are done by the Research Team and again at a Committee Meeting. If there are any flags found, a rating of Not Advantageous is assigned. He likened the process to a mix of “art and science.” He noted that once the ratings have been assigned, the Firms are compared to the “universe” and not each other. Mr. Tranghese shared that over the 1st Qtr. 2024, Boston Trust had a little underperformance; however, their performance was much better over the long-term ranking in the top third (3rd) of the universe. He added that Boston Trust protects best in down markets.

Ms. Barrett asked how long Boston Trust and the Board have been in a relationship.

Mr. Tranghese stated that this is the second seven (7) year RFP cycle they are going through so the relationship has been for more than ten (10) years.

Ms. Barrett told the Board that based on Mr. Tranghese’s recommendation and after reviewing Fiducient’s thorough analysis as well as the track record of Boston Trust, she is making a motion to renew the Board’s contract with Boston Trust as Small Cap Manager; Seconded by Mr. Webber for discussion.

Discussion:

Mr. Ness asked Mr. Tranghese his opinion of Wasatch Global Investors.

Mr. Tranghese explained that growth has been a good place to be which is why Wasatch’s tilt to growth allows the Firm to look a little better than Boston Trust. He added that Boston Trust has a better blend of growth and leadership.

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Motion to renew contract with Boston Trust as Small Cap Manager made by Ms. Barrett;
Seconded by Mr. Webber.
Unanimously Voted.

Ms. Barrett thanked Mr. Tranghese and informed him that she will try and start the OPEB early to hopefully begin in July.

Mr. Tranghese asked if the same process will be followed.

Ms. Barret answered in the affirmative.

Mr. Tranghese thanked the Board and left the meeting at 9:05 a.m.

Minutes:

Minutes of May 31, 2024

Regular Session

Motion to approve Minutes as listed made by Mr. Webber; Seconded by Mr. Ness.
Unanimously voted.

Warrants:

Warrant #4 Dated April 30, 2024:	\$ 38,192,148.22	Final
Warrant #5 Dated May 31, 2024	\$ 2,425,234.07	Partial
Warrant #6 Dated June 30, 2024	\$ 42,144.66	Partial
Warrant #7 Dated July 31, 2024	\$ 4,556,955.59	Partial

Trial Balance as of April 2024: \$255,305,346.64

Motion to approve Warrants as listed made by Mr. Webber; Seconded by Ms. Barrett.
Unanimously voted.

April 2024 Accounting & Banking Reports Presented to Board for Review:

Rockland Trust Checking & Money Market Acct Statements
Rockland Trust Checking & Money Market Acct Treasurer's Reconciliations
Trial Balance
Cash Receipts
Cash Disbursements
Adjustments

Motion to accept the April 2024 Accounting & Banking Reports as presented made by Ms. Barrett; Seconded by Mr. Ness.
Unanimously voted.

Public Comment:

None

New/Old Business:

Robert Ellis, Second Shift Custodian, has submitted a written request for the Board to consider approving one (1) month of creditable service. Mr. Ellis did not accrue creditable service while out on an approved leave of absence during the period of March 2017 through June 2017. Will the Board approve one (1) month of creditable service for Mr. Ellis?

Ms. Cherry explained that the Board has a policy in place in which they may grant one month of creditable service to any member who has been out on an Approved Leave of Absence and did not receive pay.

Motion to approve one (1) month of creditable service for Robert Ellis made by Ms. Barrett;
Seconded for discussion by Mr. Webber.

Discussion: There was Board discussion regarding the difference between an Approve Leave of Absence and collecting Worker's Compensation benefits. Ms. Cherry clarified that the Board may grant one (1) month only of creditable service for an Approved Leave of Absence; however, the Board is not able to grant creditable service for the time a member is out on Worker's Compensation. There was also discussion regarding payroll codes and how there are times when a member's Workers Compensations status overlaps which can cause some confusion regarding the dates that member was collecting Worker's Compensation and supplemental pay.

Motion to grant one (1) month of creditable service to Robert Ellis made by Ms. Barrett;
Seconded by Mr. Webber.
Unanimously voted.

Mr. Webber told the Board he wanted to give an update on an Old Business topic, the Plymouth Retiree Assistance Fund. Mr. Webber informed the Board that the Retirement Office will be a collector of documents, a place to drop off documents for the Retiree Assistance Fund. He added that if every employee and retiree donate \$1.00 a week to the fund, we will be in a great position to help those in need.

Ms. Barret shared that there have already been a dozen employees that signed up on the Town's side.

Mr. Webber told the Board that he plans to hype up some active employees at the upcoming union meeting.

Ms. Barrett told the Board that an email went out to inform all active employees.

Mr. Webber informed the Board that a mailing is going out to retirees from the PREA group. He added that he encourages all retirees to join the PREA group. Mr. Webber then told Ms. Barrett

that the Retirement Office Staff asked how the money deducted from retirees get turned over to the Retiree Assistance Fund.

Ms. Barrett told Mr. Webber that the money gets turned over in a SOP and that she will explain the process to the ladies.

Chairman Kelley asked who the custodian of the fund is.

Ms. Barrett stated that the Town's Treasurer is the custodian and the money will go into an agency account that does not accrue interest for the fund.

Chairman Kelley asked who reviews the requests and will those retirees that receive money from the fund get a 1099 for the money they receive.

Ms. Barrett explained that the employee or retiree donating to the fund will pay taxes on the money, the person receiving the donated money will not need to pay taxes on it. She added that deductions coming from active employees and retirees will go into a Town Agency account. The Town will earn interest on the money and not the fund itself and, the Finance Department will be responsible for the accounting of the fund.

PERAC Emerging Issues Forum:

Save The Date: this year's Emerging Issues Forum will be held at the DoubleTree by Hilton in Westborough, MA on Wednesday, September 18, 2024. Board to vote attendance.

Motion to approve Board Members and Staff who wish to participate in the PERAC Emerging Issues Forum to attend made by Ms. Barrett; Seconded by Mr. Webber.
Unanimously voted.

Third Party Death Audit:

Board to discuss hiring The Berwyn Group to provide death audits of retirees and provide a weekly report. This service would alleviate the need for retirees to obtain a notary signature/stamp on their annual affidavits and would help prevent funds being disbursed to deceased members during the monthly payroll cycle.

Ms. Cherry informed the Board that she and Ms. Barrett spoke with a representative from the Berwyn Group and were quoted a price of \$3,500.00 a year for death audits of retirees only. If the Town wants to partner with the Retirement Board the cost would increase; however, the Town and Retirement Board would split the cost.

Ms. Barrett told the Board that there are approximately 2,000 retirees to track on the Town's side. This number represents retirees and spouses receiving their retirement allowance from the Massachusetts Teacher's Retirement System but receiving their benefits from the Town of Plymouth.

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Mr. Webber asked if this company keeps an eye on obituaries and will then notify if they see a person's obituary.

Ms. Barrett explained that the company uses a database. She added that after the first meeting with their representative, she feels that they will provide good results.

Section II: Membership:

New Hires:

Town:

9% Fleming, Robert, Group 1, Plumbing and Gas Inspector
Perm. Full-time: \$1,254.60 weekly
Start Date: June 3, 2024

Motion to approve Town New Hire as listed made by Ms. Barrett; Seconded by Mr. Webber.
Unanimously voted.

Retirements:

Town:

Peterson, Walter, Group 4, Police Officer
Seventeen (17) years, Nine (9) Months Creditable Service
Superannuation Retirement, opt C
Retirement Date: July 1, 2024

Tavekelian, Stephen, Group 4, Police Lieutenant
Thirty-Three (33) Years, Ten (10) Months Creditable Service
Superannuation Retirement: opt. C
Retirement Date: July 7, 2024

School:

Caruke, Kathleen, Group 1, Special Needs Paraprofessional
Eighteen (18) Years, Ten (10) Months Creditable Service
Superannuation Retirement: opt. B
Retirement Date: June 13, 2024

Martin, Elise, Group 1, Paraprofessional/Marketing School Store
Twenty-Two (22) Years Creditable Service
Superannuation Retirement: opt B
Retirement Date: June 13, 2024

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Motion to approve Town and School Retirements as listed made by Ms. Barrett; Seconded by Mr. Webber.
Unanimously voted.

Section III: Executive Session:

Pursuant to MGL Chapter 30A, Section 21 (a)(3), the Board will enter into Executive Session to discuss ongoing litigation.

There was no Executive Session held.

Adjourn:


Motion to adjourn the meeting at 9:30 a.m. made by Mr. Webber; Seconded by Ms. Barrett
Unanimously voted.

Respectfully submitted,

Karry A. Barros
Assistant Director

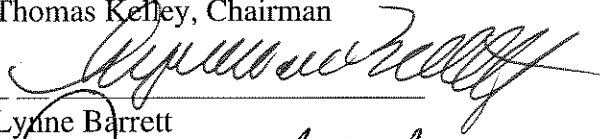
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Plymouth Retirement Board:




Thomas Kelley, Chairman

Dated: July 26, 2024



Lynne Barrett



Dale Webber



Robert Ness



Sharon LaRosa