

PLYMOUTH RETIREMENT BOARD
Friday, March 29, 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

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

Anthony Tranghese from Fiducient Advisors joined the meeting at 8:31 a.m.

Chairman, Thomas Kelley, was absent.

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

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

Unanimously Voted.

Section I: Regular Business:

Minutes:

Minutes of February 23, 2024	Regular Session
Minutes of February 23, 2024	Executive Session
Minutes of February 23, 2024	COLA Vote

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

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Warrants:

Warrant #12 Dated December 31, 2023	\$ 3,213,955.85 Final
Warrant #1 Dated January 31, 2024	\$ 3,183,139.50 Final
Warrant #2 Dated February 29, 2024	\$ 4,965,789.81 Partial
Warrant # 3 Dated March 31, 2024	\$ 2,686,229.75 Partial
Warrant #4 Dated April 1, 2024:	\$ 6,955.59 Partial
Trial Balance as of January 2024:	\$252,383,388.60

Motion to accept Warrants as listed made by Mr. Ness; Seconded by Mr. Webber.
Unanimously Voted.

January 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 approve the January 2024, Accounting & Banking Reports as listed made by Mr. Ness; Seconded by Ms. LaRosa.
Unanimously voted.

Public Comment:

None

New Business:

Mr. Webber told the Board that the Retiree Assistance Fund finalization has experienced a small delay. He shared that a final draft has been submitted to the newly appointed Human Resources Director and a meeting was requested to finalize shortly after the last Board Meeting. All three of the committee members have responded and are just waiting on the Human Resources Director to respond.

Vice Chair Barrett stated that she will follow up on her end.

PERAC Memos:

Memo #10/2024: Tobacco Company List

The Board acknowledged the PERAC Memo's.

Investments:

Mr. Tranghese told the Board he would review the Pension Quarterly Report with his primary focus on asset allocation. He informed the Board that he had two proposals for some subtle shifts in allocation.

Mr. Tranghese shared that the first couple months of 2024, have been pretty good and informed that Board that there is some Firm news he wants to share. He explained that on December 31, 2023, Fiducient Advisor's joint-venture partner, NFP, signed an agreement to be acquired by Aon. Post close, NFP will be a wholly owned subsidiary and independent but a connected platform with Aon. He added that the transaction is subject to customary regulatory approvals and there are no anticipated changes in services or service team.

Mr. Tranghese told the Board that Fiducient has a team that internally looks at Capital Markets to analyze and revisit the assumption once a year, sometimes twice. He added that assumptions are about 10 years out. Mr. Tranghese reviewed the allocation updates prepared for the Board and referenced the chart showing the 2024 vs. 2023 return assumptions for asset classes. He noted that Fixed Income was +.7% which is a modest change and somewhat meaningful. U.S. all Cap Equity was down just a tic, and the long-term valuation is 8% which when interpreted over the next 10 years is higher than the U.S. average. Mr. Tranghese explained that their team puts all the data together in their modeling tool before making a recommendation for any changes to be made. Mr. Tranghese shared 2 portfolio recommendations for target allocation the team has put forward. The 1st recommendation would be to increase Fixed Income by 6% and decrease International Equity by 5.5% and the 2nd would be to increase Hedge Funds by 2.5% and keeping pretty close in line with recommendation #1 with the benefit of a reduction in risk. He added that it makes sense to take a step back and add to bonds which are more predictable with less volatility. Mr. Tranghese informed the Board that his preference is to recommend the 2nd portfolio option provided.

There was Board discussion regarding the required return mandated by PERAC.

Ms. Barrett shared her concern about meeting the return of 7% however, she stated that even looking at option #2 with an 8.3% return, she feels comfortable.

Mr. Tranghese stated that this is in line with the Board's 7% return.

Mr. Ness told the Board that it seems reasonable.

Ms. Barret asked the Board if they feel any hesitation to decide today, in the absence of the Chairman.

Mr. Webber shared that he is comfortable deciding today if the rest of the Board is.

Mr. Ness asked Mr. Tranghese if the funds would be moved systematically.

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Mr. Tranghese explained that most often the funds are moved systematically; however, it can be accomplished over a period of months, depending on the magnitude. He added that there is a natural rebalancing monthly that takes place to make pension payments.

Ms. Barrett stated that she trusts Mr. Tranghese's recommendation and asked if there is a motion to take a vote today.

Motion to adopt Mr. Tranghese's recommendation of Portfolio Target Allocation #2 shown on the final page of the Plymouth Retirement Board Quarterly Investment Review-Fourth Quarter 2023, handout made by Mr. Webber; Seconded by Mr. Ness. Unanimously voted.

Mr. Tranghese discussed the Pension Fund performance for February 2024. He told the Board that Core Bonds were down -1.7% while U.S. Small Cap modestly outpaced Large Cap due to a surge in the biotechnology industry. International developed markets, while positive, trailed the U.S. and emerging regions. Emerging Markets are flat for the year which is the result of the Chinese Markets.

The Pension Fund total market value as of February 29, 2024, was \$255,650,827. Performance for the month of February 2024, was +2.0% vs. the Plymouth Blended Benchmark at +2.2%. The One-Year performance through February 29, 2024, was +11.8% vs. the benchmark at +13.2%. Mr. Tranghese informed the Board that the Pension Fund is still outpacing PRIT at +10.5% for the One-Year number. Mr. Tranghese noted that the International Managers have done well with performance numbers at +2.0% vs. the International Equity Hybrid BM at +.9% Year-to-Date through February 29, 2024.

There was Board discussion regarding Chapter 68 of the Acts of 2007, specifically Section 2 (c 1/2) which states: The commission shall annually review the investment performance and funded ratio of all systems using data compiled as January 1 of the year which the review occurs. A system found by the commission to have a funded ratio less than 65% and an average rate of return during the previous 10 Years that is at least two percentage points less than that of the PRIT Fund rate of return (over the same period) shall be declared underperforming by the commission and the commission shall notify, in writing, any system deemed to be underperforming pursuant to this paragraph that it shall transfer ownership control of its assets to the PRIM Board.

Mr. Tranghese reviewed the OPEB Fund performance.

The OPEB Fund total market value as of February 29, 2024, was \$13,056,380. Performance Year-to-Date through February 29, 2024, was +2.7% vs. the OPEB Index Policy at +2.6%. The One-Year performance through February 29, 2024, was +16.2% vs. the benchmark at +16.0%.

There was Board discussion regarding the possibility of more broadly diversifying the OPEB Fund.

Mr. Tranghese told the Board that for the OPEB Fund to invest in another mandate, it is necessary to hire a custodian.

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Ms. Barrett explained that the expense of hiring a custodian would need to be incorporated into the Town's budget. She added that this cost would need to be determined by October 2024.

Mr. Tranghese shared that he suspects the cost would be rather small.

Ms. Barrett stated that the Town will be adding to the fund in July 2024, which would bring it up over \$14 Million.

Mr. Ness shared that he does not feel the need to rush.

Mr. Webber stated that he feels that the Board should invest in another mandate as soon as able as that has been the goal all along.

Ms. Barrett informed the Board that she will look into the matter and discuss it again at a future meeting.

Ms. Barret asked Ms. Cherry for an update on the status of KMS completing the January 1, 2024 Valuation.

Ms. Cherry shared that KMS is working on it now and when it is completed, the actuary will come in and present to the Board for their review.

The Board thanked Mr. Tranghese and he left the meeting at 9:25 a.m.

Annual Statement:

Draft 2024 Annual Statement for review and vote

Motion to approve the 2024 Draft Annual Statement made by Mr. Ness; Seconded by Mr. Webber. Unanimously voted.

Office Lease:

Board to review and vote new office lease for the period of March 1, 2024, through February 28, 2029.

Mr. Ness expressed concern regarding the grammatical errors throughout the lease and asked if Ms. Cherry would send it back to Mr. Hallisey to be corrected.

Ms. Cherry told the Board that she would send the lease back and request that it be corrected before the Board signed.

The Board will vote the lease next month after corrections have been made.

Section II: Membership:

PERAC Modification of Retirement Allowance

Pursuant to MGL, Chapter 32, Sec 8(3), Kenneth Rood's monthly allowance has been suspended, as he has exceeded his allowable earnings for 3 consecutive years. Mr. Rood will begin paying the Plymouth Human Resource Office directly for his insurance premiums until he his retirement allowance is re-instated.

Ms. Chery explained that this is just a notification from PERAC informing the Board of Mr. Rood's suspended monthly allowance.

Ms. Barrett stated that Mr. Rood makes too much money working post-retirement while collecting his ADR allowance.

New Hires:

Town:

9% Hazard, Tyler, Group 1, Election Coordinator
Perm. Full-time: \$1,157.62 weekly
Start Date: February 26, 2024

School:

9% Eno, Brett, Group 1, Groundskeeper Floater
Perm. Full-time: \$1,921.60 bi-weekly
Start Date: March 4, 2024

9% Muscato, Michelle, Group 1, Bus Driver
Perm. Full-time (25 hrs. per week): \$1,227.27 bi-weekly
Start Date: March 11, 2024

9% Perry, Patricia, Group 1, Bus Driver
Perm. Full-time (20 hrs. per week): \$981.82 bi-weekly
Start Date: March 11, 2024

Motion to accept Town and School New Hires as listed made by Mr. Webber; Seconded by Ms. LaRosa. Unanimously voted.

Buybacks:

School:

Trail, Gail, Group 1, Paraeducator, has requested to purchase seven (7) months of creditable service for the period that she was inadvertently removed from the pension system by the School Payroll department. The total buyback for this service is \$828.86.

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Motion to accept School Buyback as listed made by Mr. Webber; Seconded by Ms. LaRosa.
Unanimously voted.

Refunds:

Town:

Rodrigues, Daniel, Group 1, Laborer-Cemetery
Seven (7) Months Creditable Service (7/10/2023-2/16/2024)
Total Refund Including FWT: \$2,957.31

School:

Kolb, Cheryl, Group 1, Paraeducator
Nine (9) Years, Two (2) Months Creditable Service (1/3/2005-3/27/2014)
Total Refund Including FWT: \$9,608.36

Wallace, Catherine, Group 1, Paraeducator
Refund of Required Minimum Distribution
Total Refund Including FWT: \$350.00

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

Rollovers:

School:

Wallace, Catherine, Group 1, Paraeducator
Twelve (12) Years, Six (6) Months Creditable Service (10/1/2001-6/20/2014)
Total Rollover: \$8,102.60

Motion to approve School Rollover as listed made by Mr. Webber; Seconded by Ms. LaRosa.
Unanimously voted.

Transfers:

School:

Brault, Danielle, Group 1, Paraeducator
Eleven (11) Months Creditable Service (9/23/2019-8/20/2020)
Total Transfer to MTRS: \$3,384.36

Motion to approve School Transfers as listed made by Mr. Webber; Seconded by Ms. LaRosa.
Unanimously voted.

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Executive Session:

There is no Executive Session this month.

Adjourn:

Motion to adjourn the meeting at 9:35 a.m. made by Mr. Webber; Seconded by Mr. Ness.
Unanimously voted.

Respectfully submitted,

Karry A. Barros
Assistant Director

Plymouth Retirement Board:

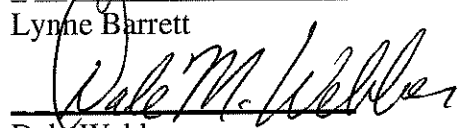
DO NOT SIGN

Dated: April 26, 2024

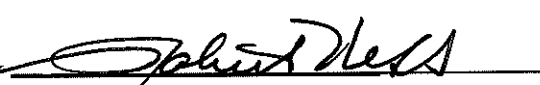
Thomas Kelley, Chairman



Lynne Barrett



Dale Webber



Robert Ness



Sharon LaRosa