

HINGHAM RETIREMENT BOARD

Minutes of Meeting

March 26, 2019

A regular monthly business meeting of the Hingham Contributory Retirement Board was duly posted and called to order at 10:05 A.M. in the South Hearing Room on the above date. Susan M. Nickerson, Eileen A. McCracken, Jean M. Montgomery, David P. Jones and Charles J. Cristello were present. Also in attendance, Frank Benham with Meketa Group Inc. Several retirees were also in attendance for the Public Hearing to discuss increasing the COLA base.

**VOTED** On a motion duly made by Charles J. Cristello and seconded by Jean M. Montgomery, it was 5-0 to approve a 3% COLA on the first \$13,000 retirement allowance effective July 1, 2019 pursuant to Chapter 32, §103(i).

The Board opened the Public Hearing and heard from several retirees in attendance. Board members will grant a cost of living (COLA) increase pursuant to Section 103(c) up to a maximum of 3% on the first \$13,000 retirement allowance effective July 1, 2019 (FY2020) pursuant to Chapter 32, §103(i).

Board members thanked the retirees that had attended and closed the Public Hearing.

**VOTED** On a motion duly made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to approve the Minutes of the February 19, 2019 Board Meeting which were accepted as read and signed into the record.

**VOTED** On a motion duly made by Charles J. Cristello and seconded by Jean M. Montgomery it was 5-0 to approve the following Retirement Allowances for February 2019:

<u>Allowances</u>	
Annuity	\$140,807.71
Pension	\$540,327.46
Chapter 157 Veteran	\$701.17
Dependent Allowance	\$771.15
Post 81 (State) COLA	\$4,343.86
Post 97 (Board) COLA	\$85,373.81
<b>Total Payroll Warrant</b>	<b>\$772,325.16</b>

**VOTED** On a motion duly made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to approve the following Retirement Expenses for March 2019:

<u>Expenses</u>	
Postage	\$190.25
Administrator Training	\$2,925.00
CliftonLarsenAllen LLP (Audit 2018)	\$9,000.00
SSRECC MXS	\$374.00
Attleboro 3 8 C Payment	\$179.23
Braintree 3 8 C Payment	\$17,694.48
Milton 3 8 C Payment	\$6,293.19
Weymouth 3 8 C Payment	\$5,792.84
Rollover for C. Nazzaro	\$897.56
Refund for C. Squatrito	\$1,389.58
Fed Tax for C. Squatrito	\$347.39
Refund for M. Nims	\$8,068.82
Fed Tax for M. Nims	\$2,017.20

Refund for H. McEachen	\$1,518.33
Fed Tax for H. McEachen	\$379.58
Refund for C. Tondorf	\$4,574.14
Fed Tax for C. Tondorf	\$1,143.53
Plymouth County Transfer – J. Morgan	\$3,025.70
MTRS Transfer – A. Elliott	\$3,457.26
<b>Total Account Payable</b>	<b>\$69,268.08</b>
<b>Warrant</b>	

**RECEIVED Application(s) for Membership in the Retirement System**

**VOTED On a motion duly made by Eileen A. McCracken and seconded by Charles J. Cristello it was 5-0 to approve the following Application(s) for Membership:**

- |                    |                     |                           |      |
|--------------------|---------------------|---------------------------|------|
| a. Kristin McKenn  | Start Date: 1/24/19 | Food Service              | SCH  |
| b. Michelle Magner | Start Date: 2/25/19 | Kids in Action            | SCH  |
| c. Kara Neterval   | Start Date: 7/1/18  | 2 <sup>nd</sup> Assistant | SSCC |

**RECEIVED Application(s) for Voluntary Superannuation Retirement in the Retirement System**

**VOTED On a motion duly made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to approve the following Application(s) for Retirement:**

- a. Robert Ford – Option B, Retirement Date: 3/15/2019, DPW.

**RECEIVED Application(s) for Make-Ups/Buybacks**

**VOTED On a motion duly made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to approve the following Application(s) for Make-Ups/Buybacks:**

- |                     |      |             |              |                   |
|---------------------|------|-------------|--------------|-------------------|
| a. Jeffrey Jones    | HMLP | \$65,470.16 | 8yrs./8 mo.  | Rollover          |
| b. Michaela Finn    | SCH  | \$262.09    | 0yrs/1 mo.   | Rollover          |
| c. MaryEllen Miller | TWN  | \$3,391.61  | 0yrs./10 mo. | Rollover/Lump Sum |

**RECEIVED Application(s) for Withdrawal and/or Transfer of Deductions**

**VOTED On a motion duly made by Charles J. Cristello and seconded by Jean M. Montgomery it was 5-0 to approve the following Application(s) for Withdrawal and/or Transfer of Deductions:**

- |                         |     |          |            |
|-------------------------|-----|----------|------------|
| a. Colleen Tondorf      | SCH | Refund   | \$4,574.14 |
| b. Ashley Elliott       | SCH | Transfer | \$3,457.26 |
| c. Jennifer Morgan      | SCH | Transfer | \$3,025.70 |
| d. Colleen Squatrito    | SCH | Refund   | \$1,389.58 |
| e. Margaret Ulrich-Nims | SCH | Refund   | \$8,068.82 |
| f. Christine Nazzaro    | SCH | Rollover | \$897.56   |
| g. Helen McEachen       | SCH | Refund   | \$1,518.33 |

**VOTED On a motion duly made by Charles J. Cristello and seconded by Jean M. Montgomery it was 5-0 to approve a \$500,000 fund transfer as of April 1, 2019 to supplement Retirement Payroll and Expenses.**

**VOTED On a motion duly made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to approve the Actuarial RFP timeline. The contract is for 5 years with a possible 2 year extension.**

**VOTED** On a motion duly made by Charles J. Cristello and seconded by Jean M. Montgomery it was 5-0 to appoint Antonetta Fopiano as the Election officer for the Fourth Member Position.

**VOTED** On a motion duly made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to approve the election schedule for the Fourth Member Position.

The Board reviewed the **PRIM Board Monthly Account Statement** and the **PRIT Fund Performance** for both January and February 2019.

**Trial balances** were reviewed by the Board for January and February 2019.

“Investment consultant Frank Benham of Meketa Investment Group presented the board with a quarterly review. As of December 31, 2018, the System was valued at \$114.7 million. The System’s investments declined 6.2% in the fourth quarter. Private Equity and Core Fixed Income were the best performing asset classes for the quarter. Over the trailing year, the System lost 2.6%, due primarily to a 10.5% decline in the public equity portfolio. In contrast, the private equity portfolio was up 24.5% over the calendar year. The System ranked in the top 5<sup>th</sup> percentile of its peer group over the trailing year.

Mr. Benham discussed several policy changes recently made by PRIM. As a result of their recent asset allocation study, PRIM adopted a slightly more conservative forward-looking posture, for example, by reducing the target allocations for public equities and value-added fixed income (i.e., credit). The portfolio that PRIM adopted has an expected return of 6.8% over the next seven years and 7.9% over the 30-year horizon. Mr. Cristello noted for the Board and the audience that if PRIM has an assumed rate of return of 7.35%, our assumption of 7.5% in our recent actuarial report will have to be revisited again in the future. This is based on the capital market assumptions provided by their investment consultant.

Separately, PRIM increased the amount of the real estate portfolio that is eligible for internal management to 15%.

PRIM also loosed the guidelines of its private equity co-investment program, by increasing the annual commitment limit from 10% to 20%, and by increasing the maximum size for an individual co-investment from \$30 million to \$75 million.

Mr. Benham noted that Meketa recently completed its merger with PCA. He does not anticipate any changes to the team that services the “Retirement Board”

**VOTED** On a motion made by Charles J. Cristello and seconded by Eileen A. McCracken it was 5-0 to adjourn the regular business meeting at 11:00 A.M.

The next meeting of the Board of Retirement will be held on Tuesday, April 23, 2019 at 10:00 A.M.

Respectfully submitted,

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Antonetta Fopiano, Retirement Board Assistant

**APPROVED**  
**BOARD OF RETIREMENT**

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Susan M. Nickerson, Ex-Officio

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Jean M. Montgomery, Elected Member

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Eileen A. McCracken, Appointed Member

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Charles J. Cristello, Appointed Member

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David P. Jones, Elected Member