

HAVERHILL RETIREMENT BOARD

Tuesday, September 10, 2024 9:00AM

Haverhill City Hall, Haverhill Retirement Office, Room 303 and online.

David Van Dam is inviting you to a scheduled Zoom meeting.

Topic: Haverhill Retirement Board Meeting

Time: Sep 10, 2024 09:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/89415867634?pwd=U6rTTirdejalpC3nbARjZrqlurmd03.1>

Meeting ID: 894 1586 7634

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The meeting was called to order at: 9:01AM

A motion was made by Haugh to open the meeting at 9:01AM, seconded by Perkins.

Roll call vote- 3 yes, Perkins, Haugh and Cleary. 1 absent (MacDonald).

In attendance: Board Members: James Cleary (in person), Angel Perkins (remote), Richard MacDonald (remote at 9:04AM), Anthony Haugh (in person), Gus Aristizabal (remote) (Wainwright Investment Counsel), Laura Angus (in person) (Benefits Counselor/Records Access Officer) and David Van Dam (in person), Administrator.

“Executive Session – the Board will convene in executive session pursuant to M.G.L. c. 30A, ss. 21(a)(1) to discuss medical issues pertaining to member disability applications, evidentiary hearings and request for medical panels as well as an investigative session.”

There was no need to go into Executive Session.

Manager Presentation- 9:30AM: The Davis Companies

The Davis Companies (presented by Steve Coyle)
The Davis Companies (“The Company” or “The Firm”)
The Davis Companies Fund V (“Fund V” or “The Fund”)

The Firm has 120 employees across vertically integrated cross-sectional teams that collectively work on their high conviction ideas. Current high conviction ideas: Science and Technology, Residential and Industrial/Self Storage.

Fund V is a 2023/2024 vintage year fund that raised over \$ 877 million in assets and has a net IRR target: 14-16% and a Net Multiple target: 1.6x-1.8x. The Fund officially launched in July 2023 and the estimated term shall last to August 2031. The Fund started to deploy capital (about 30% of the capital) and already has made seven investments and has committed \$ 226 million (deployed \$ 151 million) to these investments. Fund V is going through its J-curve and currently has a net multiple of 0.8x.

They did not have any legal or regulatory issues to report.

Manager Presentation- 9:50AM: Stafford Capital Partners

Stafford Sustainable Capital Fund I (presented by Andrew Beltz and Kate Pargaman)
Stafford Capital Partners (“The Company” or “The Firm”)
Stafford Sustainable Capital Fund I (“SCF I” or “The Fund”)

- This is a 2007 vintage year venture fund.
- The Fund raised \$191.5 M in equity capital.
- The Portfolio has approximately \$4 million remaining.
- Since its inception, The Fund has net MOIC of 0.6x and Net IRR of -6.70%.

- There are seven companies left in the portfolio that represent approximately 73% of the remaining value.
- They explored a secondary sale but the discount was too deep to sell. They will continue to manage the remaining assets in the portfolio and expect to have the final liquidation in the next 12 – 18 months.
- They did not have any legal or regulatory issues to report.

Manager Presentation- 10:10AM: TerraCap II & TerraCap III Capital

TerraCap Management, LLC (presented by Nicholas Vician and Joseph Connolly)
Terracap (“The Company” or “The Firm”)

The Firm has offices in Denver (CO), Atlanta (GA), Naples (FL) and Tampa (FL). They are in the process of closing their sixth U.S. Real Estate Value Fund. They reported no legal or regulatory issues.

Terracap Fund II, LP (“Fund II”):

- This 2013 closed-end vintage fund raised \$102 million in equity capital. In total, the Fund made 24 property investments into 35 buildings. Fund II is targeting to be fully liquidated by year-end.
- Fund II reported 14.7% net IRR and a 1.55x net equity multiple.

Terracap Fund III, LP (“Fund III”):

- Closed in July 2016 with \$ 120 M of LP capital and had 13 transactions in 32 buildings.
- Fund III reported a 5.4% net IRR and a 1.27x equity multiple. COVID impacted Fund III as TerraCap decided not to sell any of the properties in Fund III during the pandemic.
- There are two assets left in the Fund. They are waiting for interest rates to come down to put the two remaining assets for sale.

Investment Consultant Review & Update Report

- Overview of Markets and Performance Report
 - Investment Policy Statement Final (IPS)
 - PRIT Manager Presentation in October
 - Manager presentations for November
1. The Davis Companies, Stafford Capital Partners and TerraCap Management presented to the Board.
 2. Wainwright Investment Counsel (WIC) provided a market update as of September 3, 2024. Wainwright Investment Counsel (WIC) discussed the July 2024 performance report. David Van Dam indicated that Haverhill Retirement Board (HRB) would take \$2M from Pension Reserves Investment Trust (PRIT) to cover benefit payments.

3. Wainwright Investment Counsel (WIC) provided a rebalancing report as of September 3, 2024, and updated the year-to-date net distributions from partnerships through the same period.
 4. Wainwright Investment Counsel (WIC) provided preliminary performance for Putnam Investments and Fisher Investments as of August 31, 2024.
 5. Wainwright Investment Counsel (WIC) presented a summary of all the partnerships as of March 31, 2024.
 6. The Haverhill Board will sign the already approved Putnam guidelines.
 7. The Board requested to invite the three remaining managers for the November meeting.
- **NEXT BOARD MEETING:**
 - The next meeting is October 8, 2024. PRIM will present at that meeting.

Actuarial Evaluation for January 1, 2024 Presentation- Linda Bournival- KMS Actuaries-

The actuary presented her report to the board for their review.

A motion was made by Perkins to select Schedule A2B as the selected schedule for the actuarial, seconded by MacDonald.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Warrants

Review and approve the warrants:

- August 2024 Warrant #08-2024: \$2,787,091.65 (approved to transfer up to \$2,300,000.00) and transferred \$2,300,000.00.

A motion was made by Haugh to approve the August 2024 Warrant for \$2,787,091.65 as listed above, seconded by Perkins.

Roll call vote- 3 yes, Perkins, Haugh and Cleary, 1 absent (MacDonald).

- Estimated September 2024 Warrant: \$2,800,000.00 Up to \$2,000,000.00 for September 2024 month end Warrant.

A motion was made by Perkins to approve the Estimated September 2024 Warrant as listed above, seconded by Haugh.

Roll call vote- 3 yes, Perkins, Haugh and Cleary, 1 absent (MacDonald).

New Member Enrollments- VOTE

Acknowledge new member enrollments:

- **City of Haverhill- Haverhill Public Schools:** Lisa Cotter, Carissa McCord, Hunter Hassam, Kelly Robichaud, Michela Weygand, Erika De la Cruz, Karina Anderson, Anabel Duran, Adele Gaulocher, Fatimah Dawood, Emmalee Fixler, Brittney Rosello, Chris Pazos, Joseph Rabideau, Haley Sullivan-Silva and Artemisia Stamoulis.
City of Haverhill: Vincent Brown, Paul Balukonis, Ashley Hussey and Christa Summit.
City of Haverhill- Haverhill Fire Department: Peter Nich and Anthony Della Croce.
City of Haverhill- Haverhill Police Department: Ryan McCartney, Joshua Prescott and Janai Cheney-Johnson.

A motion was made by Haugh to approve the New Member Enrollments as listed above, seconded by Perkins.

Roll call vote- 3 yes, Perkins, Haugh and Cleary, 1 absent (MacDonald).

Buybacks/Makeups-

- Ms. Carol Bioren would like to buyback 8 years and 5 months of her part time Café Worker time with the Haverhill School Department from September 2, 2013 to June 24, 2022 at a cost of \$13,236.93. (Please see letter from Ms. Bioren).

A motion was made by Haugh to approve the Buyback request for Ms. Carol Bioren as per her letter at a cost of \$13,236.93, seconded by MacDonald.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Refunds-

- Nicolas Hendricks (\$24,016.26; 4 yrs., 5 months, City), Lodis Ramos (1,606.16; 0 yrs., 10 months, School) and Emma Smith (\$449.00; 0 yrs., 4 months, School).

A motion was made by Perkins to approve the Refunds as listed above, seconded by Haugh.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Rollovers-

- No Rollovers at this time.

No action needed by the board at this time.

Transfers-

- **City of Haverhill- Haverhill Public Schools:** Daniel Beane (\$970.57; 0 yrs., 4 months- MTRS), Keryn Smith (\$8,963.07; 4 yrs., 0 months- MTRS), Destiny Butler (\$10,598.02; 3 yrs., 8 months- State) and Paul DeCoste (\$29,574.82; 4 yrs., 6 months- Essex). **City of Haverhill:** Susan Hamel (\$25,655.92; 10 yrs. 4 months- Essex). **Haverhill Housing Authority:** Sasha Torres (\$57,274.60; 10 yrs., 2 months- State).

A motion was made by MacDonald to approve the Transfers as listed above, seconded by Haugh.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Retirements/Disabilities/Survivor Benefits- VOTE

Retirement Board Staff have verified that the necessary paperwork is in order and has determined applicants to be eligible for such benefits:

Acknowledge Superannuation's: **City of Haverhill- Haverhill Public Schools:** Jeannette Woolf (08/20/2024; 14 yrs., 6 months) and Denis M. Johnson (08/31/2024; 26 yrs., 3 months). **Whittier Regional Vocational Technical High School:** Debra A. Smith (09/13/2024; 15 yrs., 11 months).

A motion was made by Haugh to approve the Retirements/Disabilities/Survivor Benefits as listed above, seconded by MacDonald.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

PROSPER Update-

- No action needed by the board at this time.

No action needed by the board at this time.

Old Business-

- Election update-

The Administrator updated the board on the election status.

Minutes

- Review and approve the August 13, 2024 Regular Meeting Minutes and the August 13, 2024 Executive Session Meeting Minutes. VOTE

A motion was made by MacDonald to approve the Regular Meeting Minutes from August 13, 2024, seconded by Perkins.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

A motion was made by MacDonald to approve the Executive Meeting Minutes from August 13, 2024, seconded by Haugh.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Correspondence to be reviewed-

PERAC Memo #21	08/14/2024	New Anti-Spiking Exemptions
PERAC Memo #22	08/14/2024	New Standard for Calculating Public Sector Post-Retirement Work Limitations

PERAC Memo #23	08/19/2024	Veteran's Buyback Changes
Scott+Scott	08/27/2024	Litigation Update
WolfPopper	08/29/2024	Litigation Update
Eastern Bank	07/2024	Bank Reconciliation

The Administrator provided all correspondence to the board for their review.

New Business-

Matters and issues the Board would like to discuss at future meetings.

- Firefighter stipend for scheduling details- Vote

A motion was made by Haugh to not allow the stipend to be part of a retirement calculation, seconded by MacDonald.

Roll call vote- 2 yes, MacDonald, Haugh, 2 no, (Perkins and Cleary), motion fails.

- Volunteer vs. Firefighters Call Service- Vote

A motion was made by MacDonald to approve the classification for anyone who was previously a Volunteer Firefighter and was paid for their service should now be classified as a Call Firefighter and allowed to buyback their service time, seconded by Haugh.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Adjourn- VOTE

A motion was made by Perkins to adjourn the board meeting at 11:50AM, seconded by Haugh.

Roll call vote- 4 yes, Perkins, MacDonald, Haugh and Cleary.

Date of next scheduled Retirement Board meeting is Tuesday, October 08, 2024 at 9:00AM in person and online.

James P. Cleary, Chairman

Anthony L. Haugh

Angel Perkins

Richard MacDonald