

HAVERHILL RETIREMENT BOARD

Tuesday, August 08, 2023 9:00AM

Haverhill City Hall, Room 303

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

Topic: Haverhill Retirement Board Meeting

Time: Aug 8, 2023 09:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/83771975128?pwd=SIFTUTJ0MTh1QVFmVW1XcFhjQnZuQT09>

Meeting ID: 837 7197 5128

Passcode: 563560

One tap mobile

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 - +1 719 359 4580 US**
 - +1 253 205 0468 US**
- +1 253 215 8782 US (Tacoma)**
- +1 346 248 7799 US (Houston)**
 - +1 360 209 5623 US**
 - +1 386 347 5053 US**

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The meeting was called to order at: 9:04AM

In attendance: Board Members: William Klueber, James Cleary, Richard MacDonald, Anthony Haugh, Gus Aristizabal (Wainwright Investment Counsel) and David Van Dam, Administrator.

Remote: Angel Perkins and Laura Angus (Benefits Counselor/Records Access Officer).

“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.”

A motion was made by Cleary to convene in executive session at 9:05AM for the purpose to discuss medical issues pertaining to member disability applications, evidentiary hearings and request for medical panels, seconded by Haugh.

Roll call vote- 4 yes, MacDonald, Cleary, Haugh and Klueber, 1 absent (Perkins).

9AM- Board Attorney- Michael Sacco

Steven Trocki- Review of Medical Panel and involuntary disability application - 9:20AM

A motion was made by Cleary to adjourn the executive session at 9:38AM, seconded by Haugh.

Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.

Manager Presentation- Putnam Investments- 10AM

Putnam Investments (presented by William Monroe and Lisa Horkan)

Putnam Investments (“The Company”) U.S. Small Cap Growth (“The Strategy”)

- The company had \$173 billion in assets under management, with 49% in equity, 43% in fixed income, and 8% in multi-asset allocation.
- Assets by client: 43% retail, 34% institutional, and 23% defined contribution.
- The Portfolio Manager, William Monroe, is supported by three dedicated analysts: Tania Harsono, Ryan Leonard, and Jarrod Burton (who joined about a year ago).
- Great-West Lifeco, Putnam’s parent company, agreed to sell Putnam to Franklin Resources, Inc. The current expectation is that the existing US equity team will remain the same. In addition, they do not expect any changes to the US SCG team currently managing Haverhill's strategy. They expect the transaction to close in Q4, 2023.

Portfolio	Q2-2023	YTD	1 yr.	3 Yrs.	5 Yrs.	Since PM Inception	10 Yrs.
	8.39	16.20	18.98	8.85	11.02	13.81	4.23
Russell 2000 Growth	7.05	13.55	18.53	6.10	4.22	7.42	3.61

The since PM (Bill Monroe) Inception is 3/31/2017.

Portfolio Characteristics:

	Product	Benchmark
Current Number Of Holdings:	91	1.089
Annual Turnover (LTM):	69%	
Current P/S:	2.3x	1.8x
Earnings Growth (Next 5 Yrs):	12.6%	15.0%
Weighted Average Market Cap:	\$4.7 B	\$3.4 B
Median Market Cap	\$4.7 B	\$1.3 B
Beta (last 5 years)	0.90 --	
Tracking Error (last 5 years)	6.31% --	
Up Capture Ratio (last 5 years)	100.39% --	
Down Capture Ratio (last 5 years)	78.72% --	

Over the last year (June 30, 2023), the portfolio outperformed the benchmark (19.45% vs. 18.53% for the Russell 2000 Growth Index, gross of manager and Wainwright fees). The portfolio outperformed the index due to strong stock selection in Industrials, Financials, IT, Utilities, Energy, Real Estate, and Materials. Healthcare, Communication Services, and Consumer Discretionary were a detractor.

Investment Consultant Review & Update Report

- Overview of Markets and Performance Report
 - Real Estate RFP Response Review
 - Manager presentations for September
1. The Board received an update from Putnam Investments.
 2. Wainwright Investment Counsel (WIC) provided a market update as of August 1, 2023. Wainwright Investment Counsel (WIC) discussed the June 2023 performance.
 3. Wainwright Investment Counsel (WIC) provided a rebalancing report as of August 1, 2023. Wainwright Investment Counsel (WIC) also 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 July 31, 2023.
 5. Wainwright Investment Counsel (WIC) presented a summary of all the partnerships as of March 31, 2023.
 6. Wainwright Investment Counsel (WIC) presented the Request for Proposal (RFP) rankings for the real estate search. The Board invited DSF, Terracap, TA Associates and The Davis Company to present at the September 12 meeting via Zoom.

NEXT BOARD MEETING:

Invite one manager to the September meeting.

Warrants

Review and approve the warrants:

- July 2023 Warrant #07-2023: \$3,148,023.15 (approved to transfer up to \$2,000,000.00) and transferred \$2,000,000.00.

A motion was made by MacDonald to accept the July 2023 Warrant as listed above for \$3,148,023.15, seconded by Cleary.

Roll call vote- 5 yes. Cleary, Perkins, MacDonald, Haugh and Klueber.

- Estimated August 2023 Warrant: \$2,700,000.00. Up to \$2,000,000.00 for August 2023 month end Warrant.

A motion was made by MacDonald to accept the Estimated August 2023 Warrant as listed above for \$2,700,000.00, seconded by Cleary.

Roll call vote- 5 yes. Cleary, Perkins, MacDonald, Haugh and Klueber.

New Member Enrollments- VOTE

Acknowledge new member enrollments:

- **City of Haverhill-** Haverhill Public Schools: Keith Frost, Casey DelDotto, Esmirna Ramos Montilla, Katrina Lauritzen, Christopher Murray, Celine O'Dowd, Eva Ronquillo Roca, Giovanna Almonte and Yocasta Ramos. **Whittier Vo-Tech-** Matthew Perron. **City of Haverhill- Haverhill Public Library:** Kerri MacLaury.

A motion was made by MacDonald to accept the New Member Enrollments as listed above, seconded by Cleary.

Roll call vote- 5 yes. Cleary, Perkins, MacDonald, Haugh and Klueber.

Buybacks/Makeups-

- None at this time.

Refunds-

- Chery Victoria (\$35,533.58; 6 yrs., 0 months, Haverhill Police Department) and Anthony Fraza (\$3,812.20; 1 yr., 5 months- Haverhill Public Schools).

A motion was made by MacDonald to accept the Refunds as listed above, seconded by Haugh.

Roll call vote- 5 yes. Cleary, Perkins, MacDonald, Haugh and Klueber.

Rollovers-

- Michele Mitchell (\$6,087.18; 2 yrs., 10 months; Haverhill Public Schools).

A motion was made by Cleary to accept the Rollovers as listed above, seconded by Haugh.

Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.

Transfers-

- **City of Haverhill- Haverhill Public Schools:** Ryan Raycraft (\$16,781.46; 4 yrs., 5 months- Andover) and Robert Diffin (\$34,744.31; 9 yrs., 6 months- MTRS).

A motion was made by Cleary to accept the Transfers as listed above, seconded by Haugh.

Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.

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: **Whittier Regional Vocational High School:** Kathryn Sawicki (06/17/2023; 14 yrs., 8 months).

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

Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.

- Maureen E. Early is requesting 1 month of creditable service for her time that she was out on FMLA (unpaid) to care for her husband as she was an ESP for the Haverhill Public Schools from (October 17, 2019 through December 20, 2019); (Please see letter from Ms. Early).

A motion was made by Haugh to give Maureen E. Early 1 month of service as she requested in her letter to the board for her unpaid time off (FMLA) to take care of her husband, seconded by Cleary.

Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.

PROSPER Update-

- No action needed by the board at this time.

Old Business-

The board did not discuss any old business.

Minutes

• Review and approve the July 11, 2023 Regular Meeting Minutes. VOTE
A motion was made by Cleary to accept the July 11, 2023 Regular Meeting Minutes as presented, seconded by Haugh.

Roll call vote- 3 yes, Cleary, Haugh and Klueber, 2 abstains (Perkins and MacDonald).

Correspondence to be reviewed

PERAC Memo #17	07/25/2023	Reinstatement to Service under G.L c. 32, section 105
DALA Memo	07/14/2023	Updated Information for Inclusion in Appealable Decisions
WolfPopper LLP	07/11/2023	Litigation Update
Michael Sacco, P.C.	07/20/2023	E-mail regarding recent Developments
Scott+Scott	08/03/2023	2Q2023 Litigation Update
Eastern Bank	05/2023 & 06/2023	Bank Reconciliation

The administrator provided all of the above correspondence for the boards review.

New Business-

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

A motion was made by MacDonald to hold the September board meeting remotely through Zoom, seconded by Haugh.

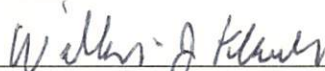
Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.


Adjourn- VOTE

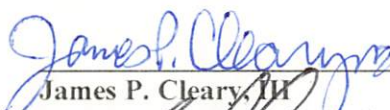
A motion was made by MacDonald to adjourn the board meeting at 11:21AM, seconded by Haugh.

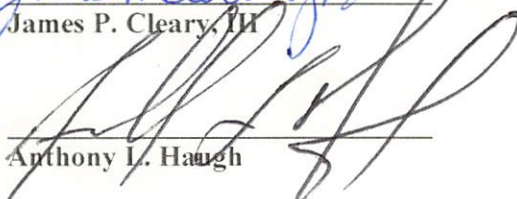
Roll call vote- 5 yes, Cleary, Perkins, MacDonald, Haugh and Klueber.

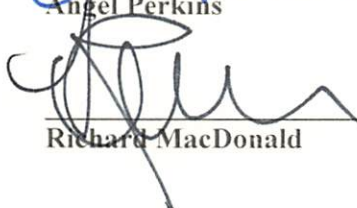
Date of next scheduled Retirement Board meeting is Tuesday, September 12, 2023 at 9:00AM.


William J. Klueber, Chairman


Angel Perkins


James P. Cleary, III


Anthony L. Haugh


Richard MacDonald