

## **HAVERHILL RETIREMENT BOARD**

**Tuesday, May 14, 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: May 14, 2024 09:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/86184212350?pwd=QUtKQVY4MUt2a0g4Nm1WeFNXT2RXdz09>

Meeting ID: 861 8421 2350

Passcode: 186840

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One tap mobile

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Find your local number: <https://us02web.zoom.us/j/kdHcUiVRxm>

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

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

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

In attendance: Board Members: William Klueber, James Cleary, Angel Perkins (remote), Richard MacDonald (remote), Anthony Haugh, Gus Aristizabal (Wainwright Investment Counsel), Laura Angus (Benefits Counselor/Records Access Officer) and David Van Dam, 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.”

A motion was made by Haugh to convene in executive session at 9:02AM for the purpose to discuss medical issues pertaining to member disability applications, evidentiary hearings and request for medical panels, seconded by Cleary.

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

9AM- Board Attorney- Michael Sacco- 9AM

Scott Batchelder- Review of medical panel for disability application- 9:15AM- VOTE

A motion was made by Haugh to adjourn the executive session at 9:50AM, seconded by MacDonald.

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

Wilmington Trust Custodial Agreement-

A motion was made by Cleary to accept the custodial bank contract as it was reviewed and approved by board attorney, Michael Sacco, seconded by Haugh.

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

Manager Presentations-

- Molpus- George Dahduh- 10:00AM

**Molpus Woodlands Group Investments (presented by George Dahduh)**

**Molpus Woodlands Group (“The Company” or “The Firm”).  
Molpus Woodland Fund IV (“MWF IV” or “The Fund”).**

- The Company had \$2.6 billion in assets under management.
- They did not report any legal or regulatory issues at the Firm.
- The Portfolio comprises four timber assets: Acadia, Osceola, Texarkana and 4-states. The Combined property value is \$ 660.9 M.
- Since its inception, the Fund has made distributions of \$ 149 M and reported an increase in value of \$60.6 M.
- The following table indicates how each of the properties is performing vs. the model:

Property	Actual IRR	Model IRR
Acadia	4.13	7.11
Osceola	2.67	8.79
Texarkana	4.75	6.10
4- States	7.698	4.95

- The life of the Fund will end in October 2023. The Fund will start liquidating and expects to sell the assets in the next two years.
- 4-States is in the market and they hope to complete the sale in the coming weeks, at the current NAV.
- Osceola is next to liquidate and they hope the sales process will be completed in the next 60-90 days.
- On Acadia and Texarkana they are planning to put these assets for sale in Q1-2025.
- IR&M- Jonathan Higley- 10:15AM

#### **IRM ("The Company") Core Bond Fund II LLC (The Fund)**

- The company remained private (73 employees are shareholders) and had \$ 98.3 billion in assets under management. The firm celebrated 37 years of doing business in March 2024.
- The firm exclusively manages U.S. dollar-denominated fixed income. The breakdown of assets by strategy are 17% short, 29% intermediate, 34% core and 20% long duration.
- The firm had no legal or regulatory issues to report.
- There have been no changes in senior management.

#### **Performance Update (Net of Manager fees)**

	Portfolio	Bloomberg Aggregate Index
YTD	-0.46	-0.78
1 Year	2.39	1.70
3 Year	-2.00	-2.45
5 Year	1.21	0.36
7 Years	1.74	1.06
10 Year	1.93	1.25

**Portfolio Characteristics:**

	<b>Portfolio</b>	<b>Bloomberg Aggregate Index</b>
Yield (%)	5.06	4.85
Spread to Tsy (bps)	61	39
Effective Duration	6.20	6.21
Convexity	0.64	0.57
# of issues	656	13,530
Average Quality	Aa2/AA-	Aa2/AA

IRM is positioning the portfolio against increased uncertainty (US election, the Fed. and geopolitical risk) but does not make duration bets. The manager has seen relatively resilient spreads within the banking and industrial sector, but their positioning has been continuously de-risking since the beginning of last year. On the corporate side, they are overweight 1-10 year paper and underweighting 10-year plus securities. IRM believes lower quality BBBs are not attractive as they expect higher volatility. The portfolio has a 21 basis point yield advantage versus the index.

**Investment Consultant Review & Update Report**

- Overview of Markets and Performance Report
  - Molpus IRS Letter
  - Putnam Investments Compliance Letter for 1Q24
  - TerraCap II & III 2022 & 2023 Audited Financials
  - Manager Presentations for June
1. Molpus Woodlands Group and Income, Research & Management provided their annual update to the Board.
  2. Wainwright Investment Counsel (WIC) provided a market update as of May 5, 2024. Wainwright Investment Counsel (WIC) discussed the March 2024 performance report.
  3. Wainwright Investment Counsel (WIC) provided a rebalancing report as of May 5, 2024. 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 April 30, 2024.
  5. Wainwright Investment Counsel (WIC) presented a summary of all the partnerships as of December 31, 2023.
  6. David informed the Board that he would take \$2 million from PRIT to make benefit payments. No additional money is needed. The Board also voted to take up to \$2 million a month from the Pension Reserves Investment Trust (PRIT) Fund to cover benefits and other expenses for the next PRIT fiscal year (July 1/24 to June 30/25).
  7. The Board would like to invite one manager to present at the next meeting.

### Warrants

Review and approve the warrants:

- April 2024 Warrant #04-2024: \$2,776,898.17 (approved to transfer up to \$2,000,000.00) and transferred \$2,000,000.00.

A motion was made by MacDonald to accept the April 2024 Warrant as listed above for \$2,776,898.17, seconded by Perkins.

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

- Estimated May 2024 Warrant: \$2,700,000.00 Up to \$2,000,000.00 for May 2024 month end Warrant.

A motion was made by Cleary to accept the Estimated May 2024 Warrant as listed above, seconded by Haugh.

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

### New Member Enrollments- VOTE

Acknowledge new member enrollments:

- **City of Haverhill- Haverhill Public Schools:** Jessica Cyr, Samantha Rooney, Jennifer Morse, Cailin Bridges, Emma Smith, Jasmine Seen and Tiffany Pierce-Rivet. **City of Haverhill- Haverhill Water Department:** Salvatore Toscano. **City of Haverhill- Treasury Department:** Seneth Chhun. **City of Haverhill- Haverhill Police Department:** Alex Valenti.

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

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

### Buybacks/Makeups-

- None at this time.

No action needed by the board at this time.

### Refunds-

- Edward O'Neill (\$525.76; 0 yrs., 3 months, Haverhill Public Schools), Nylani DeAza (1,153.15; 0 yrs., 4 months, Haverhill Public Schools) and Christopher Sargent (\$3,675.85; 1 yr. 9 months, Haverhill Public Schools).

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

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

### Rollovers-

- Ryan Ferris (\$3,892.87; 1 yr., 7 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, Perkins, MacDonald, Haugh, Cleary and Klueber).

#### Transfers-

- **City of Haverhill- Haverhill Public Schools:** Jessica Johnson (\$5,725.37; 2 yrs., 11 months- MTRS), Kris Darsney (\$605.47; 0 yrs., 5 months- MTRS), Timothy Kowalewski (\$2,277.62; 0 yrs., 8 months- MTRS), Michael Kwegyir-Attah (\$3,781.21; 1 yr., 8 months- MTRS), Andrew LeFoley (\$841.29; 0 yrs., 6 months- MTRS), Lindsay Deschenes (\$2,236.67; 0 yrs., 11 months- MTRS), Cassidy Toomey (\$1,185.42; 0 yrs., 4 months), Daniel Tashjian (\$1,982.14; 1 yr. 0 months- MTRS), David Segnini (\$1,282.71; 0 yrs., 8 months- MTRS), Fatima Picanso (\$1,324.88; 0 yrs., 4 months- MTRS), Amanda Murphy (\$21,244.33; 9 yrs., 1 month- MTRS), Caitlin Limoli (\$3,088.14; 1 yrs., 7 months- MTRS), Carter Cotrupi (\$3,103.34; 0 yrs., 7 months- MTRS) and Robert Gariepy (\$2,344.24; 0 yrs. 9 months- MTRS).

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

Roll call vote- 5 yes, Perkins, MacDonald, Haugh, Cleary 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: **City of Haverhill- Recreation Department:** Lori J. Swenson (06/22/2024; 12 yrs., 0 months).

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

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

#### PROSPER Update-

- No action needed by the board at this time.

#### Old Business-

- Office computer equipment-

The administrator told the board that the new IT project was going to start on Thursday, May 16, 2024.

#### Minutes

- Review and approve the April 09, 2024 Regular Meeting Minutes and April 09, 2024 Executive Session Meeting Minutes. VOTE

A motion was made by Haugh to accept the April 09, 2024 Regular Meeting Minutes as presented, seconded by Perkins.

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

A motion was made by Haugh to accept the April 09, 2024 Executive Session Meeting Minutes as presented, seconded by Perkins.

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

Correspondence to be reviewed-

PERAC Memo #12	04/17/2024	PERAC Regulations 840 CMR 4.00 and 25.0
PERAC Memo #13	04/17/2024	PERAC Regulations 840 CMR 2.00, 8.00, 11.00, 12.00 & 15.00
The Allocator Newsletter	04/04/2024	The Allocator Prizes Honors Michael Trotsky (PRIM)
Eastern Bank	03/2024	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.

- 2023 Annual Statement- Vote

A motion was made by MacDonald to accept the 2023 Annual Statement, seconded by Haugh.

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

- Union representative would like to meet with the board at the July 9, 2024 meeting-

A motion was made by Haugh to have the board labor attorney from KP Law, David Jenkins reach out to James Marks, the union representative to start the negotiation on the contract, seconded by MacDonald.

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

- PTG Contract-

The board attorney, Michael Sacco recommended that the board not enter into a contract with PTG.

A motion was made by Cleary to authorize the administrator to sign the PRIT Fund Fiscal FY25 Automatic Redemption Form and Monthly Maintenance Balance Election Form for the monthly retiree payroll warrants for up to \$2 million, seconded by Haugh.

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

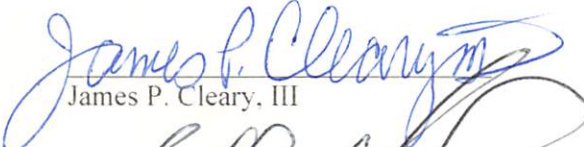
Adjourn- VOTE

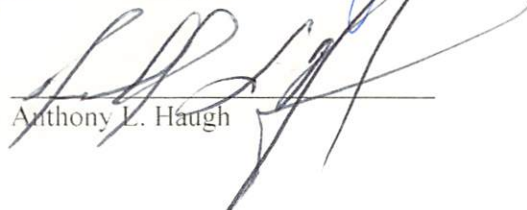
A motion was made by Haugh to adjourn the board meeting at 11:03AM, seconded by Cleary.


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

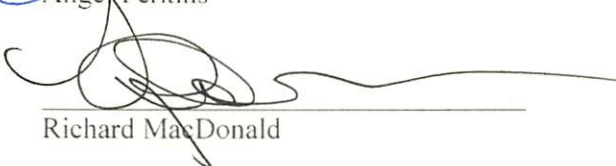
**Date of next scheduled Retirement Board meeting is Tuesday, June 11, 2024 at 9:00AM in person and online.**

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William J. Klueber, Chairman

  
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James P. Cleary, III

  
\_\_\_\_\_  
Anthony L. Haugh

  
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Angel Perkins

  
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Richard MacDonald