

Haverhill Retirement Board

Tuesday, April 12, 2022 9:00AM

Haverhill City Hall, Room 303 and Zoom

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

Topic: Haverhill Retirement Board

Time: Apr 12, 2022 09:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/87857366149?pwd=WlgybmkrdU9pQm5BazNETTZ6aTJhdz09>

Meeting ID: 878 5736 6149

Passcode: 813837

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The meeting was called to order at: 9:03AM

In attendance: Board Members: William Klueber, James Cleary, Richard MacDonald, Angel Wills, Lewis Poore, Gus Aristizabal (Wainwright Investment Counsel); and David Van Dam (Administrator).

A motion was made by Cleary to convene in executive session at 9:04AM for the purpose to conduct a strategy session for collective bargaining and to discuss a non-union employment contract. seconded by MacDonald.

Roll call vote- 5 yes. Cleary, Wills, Klueber. Poore and MacDonald.

Board Labor Attorney, David Jenkins Update

A motion was made by Cleary to adjourn executive session at 9:32AM. seconded by Wills.

Roll call vote- 5 yes. Cleary, Wills, Klueber, Poore and MacDonald.

Investment Manager Presentations

- DSF- Tom Mazza- 10:05AM- DSF did not present as their presentation was received too late to distribute to the board, they will be re-scheduled to present at a future board

meeting.

- Molpus- George Dahdub and Michael Cooper- 10:20AM

Molpus Woodland Group (presented by George Dahdub and Michael Cooper)

The following information was obtained from the Investment Manager's presentation to the Board on April 12, 2022 and from a call with the Manager. The information provided herein, including, but not limited to historical performance and descriptive strategy information, was obtained from third party managers and/or custodians independent of and not affiliated with Wainwright Investment Counsel, LLC ("Wainwright") or its affiliates and has not been independently audited or verified by Wainwright as a result. The information was gathered from sources deemed to be reliable; however, no assurance is made as to the accuracy of the data. Please refer to the Investment Manager's full presentation for additional details and disclosures. Unless noted all the information is as December 31, 2021.

MWF IV ("Fund") consists of:

1. Acadia: 185k acres; NAV \$252m (actual IRR: 3.14%)
2. Texarkana: 120k acres; NAV \$194m (actual IRR: 2.65%)
3. 4-States: 26k acres; NAV \$46m (actual IRR: 2.65%)
4. Osceola: 20k acres; NAV \$31m (actual IRR: 0.32%)

Total: 352k acres; NAV \$ 692.6 m (actual IRR 2.73%)

Summary

Since inception through Q4 2021, MWF IV has an actual IRR of 2.73%. The Fund is \$12 M ahead of model distribution through December 2021. During the life of the Fund, they had two hurricanes, weak timber prices and COVID. These factors have affected the Fund's performance. However, they see improvement as timber prices have moved up. All supply agreements pay the market price. The term of the Fund ends in 2024. Unless they get attractive offers, they expect to hold the four investments until the term of the Fund.

Acadia: Timber revenues for 2021 were \$6.1M vs. \$2.7M budget. In addition, they had seventeen land sales for the year and collected \$ 2.8 M in revenue.

Osceola: Timber revenues for the year were \$890K vs. \$ 1M budget. Above-average rainfall caused harvest disruption for open-market timber sales during the last half of 2021.

Texarkana: Timber revenue for 2021 was \$7.6M, exceeding budget by 27%. Land sales brought an additional \$1.3M in revenue for the Fund.

4-States: Full-year revenue totaled \$1.8M, ahead of budget by 18%. The Fund also received \$1.5M in land sales for the period.

The supply and demand of saw timber have begun to balance; they believe they are in a good position to take advantage of the market opportunities and improve the IRR for investors. Molpus now has 108 employees. They reported the company has no legal or regulatory issues.

Investment Consultant Review & Update Report

- Overview of Markets and Performance Report
 - Investment Rebalancing
 - Asset Allocation
1. Wainwright Investment Counsel provided a market update as of April 6, 2022 and a performance update for the portfolio as of December 31, 2021 and January and February 2022.
 2. Wainwright Investment Counsel provided a rebalancing report as of April 6, 2022. Wainwright Investment Counsel also updated the year-to-date net distributions from partnerships through April 6, 2022.
 3. The Haverhill Retirement Board (“HRB”) approved in the March 2022 meeting to take \$ 10M from the Pension Reserves Investment Trust (PRIT) Core General Allocation Fund as of April 1, 2022 and invest on several of the Pension Reserves Investment Trust (PRIT) sleeves. David Van Dam and Wainwright consulted with both Michael Sacco (board’s attorney) and PERAC and they indicated that there were no legal requirements or disclosures needed. Wainwright Investment Counsel presented the breakdown of the transfer.
 4. Wainwright Investment Counsel discussed the asset allocation and presented several portfolios for discussion. There was no action taken and the discussion was postponed until next meeting.
 5. Wainwright Investment Counsel provided preliminary performance for Putnam Investments and Fisher Investments as of March 31, 2022.
 6. David informed the Board that he would be redeeming \$750,000 from Pension Reserves Investment Trust (PRIT) for benefit payments.
 7. The Board requested to bring three managers to the May 2022 meeting starting at 10:00 AM.

Warrants

Review and approve the warrants:

- March 2022 Warrant #03-2022: \$2,505,619.09 (approved up to \$2,600,000.00 and to transfer up to \$2,000,000.00) and transferred \$2,000,000.00.

A motion was made by Poore to accept the March 2022 Warrant as listed above, seconded by MacDonald.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

- Estimated April 2022 warrant: \$2,600,000.00. Up to \$750,000.00 for April 2022 month end warrant.

A motion was made by MacDonald to accept the estimated April 2022 Warrant as listed above, seconded by Cleary.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

New Member Enrollments- VOTE

Acknowledge new member enrollments:

- **City of Haverhill- Haverhill Public Schools:** Amarys Roldan, Sade Esquivel, Janel L. Bohanon, Jose Montanez, Matthew Gray, Perla Nunez, Vincent Colella, Cory Faro, Jeffrey Shanahan, Bonnie Burnham, Ana Comacho, Adam Hurrell, Marc A. Famiglietti, Kristen M. Clohecy, Xavier Garcia, Elizabeth Daley, Sydney Smith, Kris Darsney and Heidi Rask. **City of Haverhill- Public Library:** Kristi Bryant. **City of Haverhill: City Water Department** Dominic D. Spero and Anthony Quintiliani. **City of Haverhill- Veteran's Services:** Jeffrey Hollett.

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

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

Buybacks/Makeups-

- None at this time.

No action was needed at this time.

Refunds-

- Heather St. Onge (\$7,020.93; 3 yrs., 6 months, Haverhill Public Schools), Jennifer Hartford-Miller (\$5,249.28; 1 yr., 4 months, Haverhill Public Schools), Sarah Nogueras (\$2,900.18; 1 yr., 11 months, Haverhill Public Schools). Hartman Hudson (\$1,576.65; 0 yrs., 5 months, Haverhill public Schools) and Mary Caporale (\$11,271.38; 5 yrs., 5 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, Cleary, Wills, Klueber, Poore and MacDonald.

Rollovers-

- None at this time.

No action was needed at this time.

Transfers-

- **City of Haverhill- Haverhill Public Schools:** Cara Buccini (\$1,858.02; 0 yrs., 10 months- MTRS), Tracy Pereira (\$4,015.68; 0 yrs., 7 months- Revere), Mara-Hiley Chery (\$2,852.30; 0 yrs., 11 months- MTRS) and Jeffrey Dill (\$80,149.17; 10 yrs., 1 month-State). **City of Haverhill- Health and Inspectional Services:** Joseph A. Mirabella

(\$27,953.05; 5 yrs., 8 months- Middlesex).

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

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

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:

- Member Survivor Allowance: A Spousal Affidavit has been submitted for a pension benefit, MGL Chapter 32, Section 12(2)(d) Option D as a result of the death of member Gina Allen. Thomas Allen (spouse) will receive a spousal pension and two dependent allowances for his two children.

A motion was made by Poore to accept the Member Survivor Allowance as listed above, seconded by MacDonald.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

- MGL Chapter 32, § 9 Accidental Death Benefit for Nollie Parolisi, spouse of Ronald A. Parolisi- VOTE

A motion was made by Cleary to move the Accidental Death Benefit for Nollie Parolisi as listed above to the May board meeting, as the board wants to further review the files prior to a vote, seconded by Wills.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

PROSPER Update-

- No action needed at this time.

No action was needed at this time.

Old Business- Status of Teamsters Union Local 170 Agreements. Status update on the employment agreement with Laura Angus, Benefits Counselor/Records Access Officer. 3(8)(c) payments.

The status of the Teamsters Union Local 170 agreement and the proposed employment agreement with Laura Angus was addressed in the executive session on the same day.

A motion was made by Poore to move the 3(8)© payment discussion to the May board meeting, seconded by Wills.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

Minutes

- Review and approve the March 8, 2022 COLA meeting minutes, the March 8, 2022 executive session meeting minutes and the March 8, 2022 regular meeting minutes.
VOTE

Board member Poore requested that the March 8, 2022 COLA meeting minutes be adjusted to read: A motion was made by Poore to give the maximum COLA increase of 3% for FY23 based on \$13,000.00 allowable by the mayor, seconded by Cleary. This language will be reflected in the updated March 8, 2022 COLA meeting minutes to be approved next month.

A motion was made by Cleary to accept the March 8, 2022 executive session meeting minutes, seconded by Poore.

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

A motion was made by Cleary to accept the March 8, 2022 regular meeting minutes, seconded by Wills.

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

Correspondence to be reviewed

PERAC Memo #27	09/17/2018	Direct Deposit Scam
PERAC News #59	03/05/2022	PERAC Pension News
PERAC Memo #9	03/05/2022	Extension of Open Meeting Law Waivers
PERAC Memo #10	03/29/2022	Tobacco Company List
PERAC Memo #11	04/01/2022	Mandatory Retirement Board Member Training-2 nd Quarter 2022
Wolf Popper, LLP	03/03/2022	Litigation Update
Eastern Bank	01/2022 & 02/2022	Bank Reconciliation

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

New Business-

- Have the Board review 12/31/2017 and 12/31/2019 actuarial projections and decide basis of 12/31/2021 actuarial projections for the following items: Mortality Tables, Projected Growth/ Valuation Tables, Salary Costs Tables, and COLA costs.

A motion was made by Poore to stay at the current mortality table, seconded by Cleary.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

A motion was made by Will to use 7% as the projected growth, seconded by Poore.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

A motion was made by Poore to use a salary cost of 4%, seconded by MacDonald.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

A motion was made by Poore to increase the COLA base to \$15K on July 1, 2022, seconded by Cleary.

Roll call vote- 4 yes, Cleary, Wills, Klueber, Poore and 1 no (MacDonald).

- A review of Divesting all funds and Investments in Russia, and Belarus.

Gus Aristizabal, boards consultant from Wainwright Investment Counsel, informed the board that they did not have any investment in Russia or Belarus.

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

A motion was made by MacDonald to have the May 10, 2022 board meeting be remote through Zoom, seconded by Wills.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

A motion was made by Poore to allow any board member to attend the MACRS Spring 2022 Conference, seconded by Cleary.

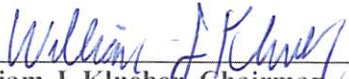
Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

Adjourn- VOTE

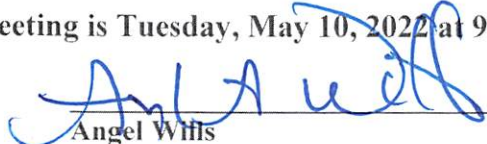
A motion was made by Cleary to adjourn the meeting at 11:48AM, seconded by MacDonald.

Roll call vote- 5 yes, Cleary, Wills, Klueber, Poore and MacDonald.

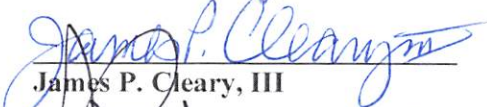
Date of next scheduled Retirement Board meeting is Tuesday, May 10, 2022 at 9:00AM.



William J. Klueber, Chairman

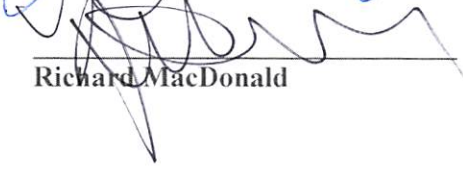


Angel Wills



James P. Cleary, III

Lewis F. Poore, Jr.



Richard MacDonald