

**Haverhill Retirement Board**  
**Tuesday, May 11, 2021 9:00AM**  
**Haverhill City Hall, Room 303**  
**and Zoom**

David Van Dam is inviting you to a scheduled Zoom meeting.  
Topic: Haverhill Retirement Board Meeting  
Time: May 11, 2021 09:00 AM Eastern Time (US and Canada)

Join Zoom Meeting  
<https://us02web.zoom.us/j/81031665552?pwd=WVdxMnc1QldadkdFaDQ4ODRYYkVEdz09>  
Meeting ID: 810 3166 5552  
Passcode: 769805  
One tap mobile  
+13017158592,,81031665552#,,,\*769805# US (Washington DC)  
+13126266799,,81031665552#,,,\*769805# US (Chicago)

Dial by your location  
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The meeting was called to order at: 9:06am

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

Investment Manager Update Presentation- Molpus- 9AM  
Molpus Woodland Group

The following information was obtained from the Investment Manager's presentation to the Board on May 11, 2021 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 October 31, 2020.

MWF IV consists of:

1. Acadia: 185k acres; NAV \$252m (actual IRR: -0.20%)
2. Texarkana: 120k acres; NAV \$194m (actual IRR: 0.17%)
3. 4-States: 26k acres; NAV \$46m (actual IRR: -0.97%)
4. Osceola: 20k acres; NAV \$31m (actual IRR: 2.40%)

Total: 352k acres; NAV \$522m (actual IRR -0.49%)

## Summary

Since inception through Q4 2020, MWF IV has an actual IRR of -0.49% which is 128 basis points lower than reported last quarter mostly due to updated appraisals and damage inflicted on the Acadia property from Hurricane Laura.

Overall, the value of properties decreased by approximately 7.83% compared to Dec 31, 2019 with the Acadia property alone losing 8.1% in value (or \$21.7m). It is worth noting that this was still a better result than expected as the hurricane caused estimated damage of \$28m. The appraiser's opinion of land values helped offset the negative values from timber loss. Acadia is estimated to receive approximately \$5.8m in insurance proceeds by mid-2021. Between the insurance payment and new appraised value, the estimated total negative impact to the investment value of Acadia is roughly \$15.9m.

Texarkana also received a large decrease in value, coming in 9.4% (i.e., 20.2m) lower than the prior appraisal, mostly due to timber prices (especially pulpwood). Operationally, Texarkana has performed well and continues to exceed expectations, with timber sales on that property \$4.3m ahead of budget since inception. Molpus is hopeful this value decrease will be short-lived and that strong cash flow exhibited from the property will provide a basis for the increasing appraisals into the future.

## Conclusion

Although of lesser impact to the overall fund, the 4-States property received a reduction in value of \$3.4m, while the Osceola property received a \$1.3m increase in value. While the overall direction of these appraisals are disappointing – considering the negative impact of Covid 19 and the hurricanes, total NAV plus distributions still stands at \$361m, approximately 98% of the originally invested capital. Molpus believes that the timber investment should potentially lead to a positive return as better times seem to lie ahead.

On a more general level, sawtimber consumption appears imminent. The two most prominent markets driving sawtimber consumption are both doing well and expected to do even better in the near term. Furthermore, the expansion of the US South's lumber market that began several years ago appears to be gaining renewed momentum with several new projects underway or announced.

Unfortunately, the timber surplus has been accumulating for more than a decade and so, one good year will not solve the issue. However, as supply and demand of sawtimber get closer to being in balance, typical weather and operational-induced timber supply shortage could result in more frequent and meaningful timber-pricing spikes and selling opportunities.

## Investment Consultant Review & Update Report

- Overview of Markets and Performance Report
  1. Wainwright Investment Council provided a market update as of May 4, 2021 and performance update for the portfolio as of March 2021.

2. Wainwright Investment Council provided a rebalancing report as of May 4, 2021. Wainwright Investment Council reminded the client that the valuations used for rebalancing purposes are the most recent valuations available from People's United Bank and that those valuations will be different from the valuations ultimately reported by PRIT. The board will take up to \$2.0 Million from PRIT.
3. Wainwright Investment Council provided an update on the distributions received year to date (through May 4, 2021) from the private equity and real estate managers.
4. Wainwright Investment Council provided preliminary performance for Putnam Investments and Fisher Investments as of April 30, 2021.
5. Wainwright Investment Council provided an update on the upcoming distribution from Globespan V with the acquisition of Turbonomics by IBM. In addition, Wainwright Investment Council discussed the fourth amendment to Globespan V to extend the Fund until December 31, 2022. The board approved the amendment.
6. Wainwright Investment Council discussed the amendment from Global Forest Partners on the World Timber Fund on the annual election of the board of directors. The board approved the request.

#### Warrants

Review and approve the warrants:

- April 2021 Warrant #04-2021: \$2,428,903.81 (approved to transfer up to \$2,000,000.00).

The administrator transferred \$1,500,000.00 for the April 2021 warrant, a motion was made by Benevento to accept the above April 2021 Warrant, seconded by Cleary.

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

- Estimated May 2021 warrant: \$2,500,000.00. Up to \$2,000,000.00 for May 2021 month-end warrant – VOTE-

“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.”

There was no executive session needed.

Chapter 32, Section 9 Benefits Remand Letter from PERAC Regarding Lawrence Comeau and Spouse. The board can vote to send it to a 1 doctor medical panel for review.

A motion was made by Poore to send the Lawrence Comeau accidental death benefit file for spousal benefits to a medical panel, seconded by Benevento.

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

Approve 2020 Annual Statement

A motion was made by Benevento to approve the 2020 Annual Statement, seconded by Cleary.

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

Review Legal RFP Responses

After a review of the 3 Labor Relations Legal RFP proposals, KP Law, Murphy, Hesse, Toomey & Lehane and Law Offices of Derek Moitoso, a motion was made by Poore to select KP Law, based on the recommendation of the board attorney Michael Sacco, seconded by Benevento.

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

Review of Resumes for Retirement Assistant Position

No action was taken, the board will review after the hiring of a labor relations attorney.

Request from Benefit Counselor for Review of Benefits- Vacation time update-

The above item was moved to the July 13, 2021 board meeting.

New Member Enrollments- VOTE

Acknowledge new member enrollments:

- **City of Haverhill-Haverhill Public Schools:** Tammy Bioren, Sarah Melino, Anna R. Pearse and Nathallia Carrasco.

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

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

Buybacks/Makeups-

- James Conte is buying back 2 years and 3 months of Wastewater time (06/23/2021-10/04/2014); \$2,506.25.

Buybacks/Makeups were tabled until the June 8, 2021 board meeting to get clarification on the details.

Refunds-

- Gwendolyn Junghanss (\$7,840.30; 1yr., 11 months), Matthew White (\$23,923.72; 0 yrs., 9 months), Llisel Hiraldo (\$2,703.83; 0 yrs., 11 months), Lisa Rivera (\$3,865.50; 0 yrs., 9 months), Nicole A. Roux (\$20,832.03; 4 yrs., 7 months), Ricky Mercado (\$1,464.763; 0 yrs., 3 months) and Duverly Jacques (\$6,015.661 3 yrs., 2 months).

Refunds were tabled until the June 8, 2021 board meeting to get clarification on the details.

Rollovers-

- None at this time.

No action was taken.

Transfers-

- None at this time.

No action was taken.

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 Superannuations: **City of Haverhill- Haverhill Public Schools:** Jose A. Castillo (04/16/2021; 12yrs., 3 months). Luis A. Gonzalez (06/30/2021; 36yrs., 7 months) and Bonnie J. Lalumiere (07/01/2021; 22yrs., 3 months).

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

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

PROSPER Update- No action needed at this time.

No action was taken.

Old Business- Medicare Opt In and PTG Certificate of Insurance and Boston Systems & Solutions, LLC IT 2 year Service Agreement.

The board requested that the administrator write a letter to the Mayor from the board requesting his review of the Medicare Opt-In details presented in an article in the November 2020 issue of The Voice and to include a copy of the article with the letter. The board would like to get a clear picture on how many people would be eligible and how much would it cost.

The administrator provided a copy of the PTG Certificate of Insurance to the board as they requested at the April 13, 2021 board meeting.

A motion was made by MacDonald to accept the new 2 year IT Service Agreement with Boston Systems & Solutions, LLC. seconded by Cleary.

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

Minutes

- Review and approve the April 13, 2021 regular meeting minutes. VOTE

A motion was made by Cleary to accept the April 13, 2021 regular meeting minutes, seconded by Benevento.

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

- Review and approve the April 13, 2021 executive session meeting minutes. VOTE

A motion was made by Cleary to accept the April 13, 2021 executive session meeting minutes, seconded by Benevento.

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

Correspondence to be reviewed

PERAC Memo #15	4/13/2021	Implementation of Paid family Medical Leave ("PFML")
PERAC Pension News	4/2021	Pension News
Scott + Scott	4/27/2021	Litigation Update
Scott + Scott	5/5/2021	1Q2021 Litigation Update
Wolf Popper LLP	4/12/2021	Litigation Update
Eastern Bank	03/2021	Bank Reconciliation

The administrator made all correspondence available for the board to review.

New Business-

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

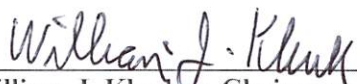
The board decided to continue remote board meeting through June of 2021.

Adjourn- VOTE

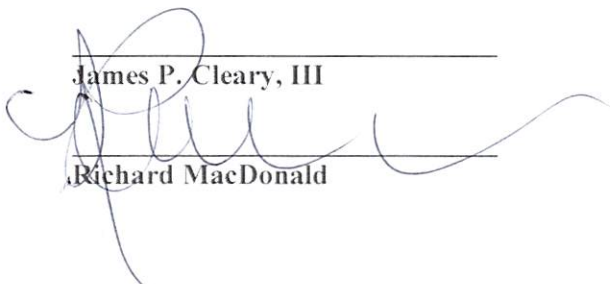
A motion was made by Cleary to adjourn the meeting at 10:50AM, seconded by MacDonald.

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

Date of next scheduled Retirement Board meeting is Tuesday, June 8, 2021 at 9:00AM.

  
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William J. Klueber, Chairman

  
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Charles Benevento

  
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James P. Cleary, III

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Lewis F. Poore, Jr.

  
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Richard MacDonald