The regular Meeting of the Holyoke Retirement Board was called to order by Chairman John McCarthy at 8:30 A.M. Present were Michele Aubrey, Anthony Dulude, Bellamy Schmidt and Tanya Wdowiak. Also present were Executive Director, Cheryl Dugre, Assistant Executive Director Melissa Melendez, and Chief Investment Officer Ray Depelteau. City Councilor, Michael Sullivan joined the meeting after roll call.

I. **Pension Obligation Bonds:**
The Board discussed the benefits of issuing Pension Obligation Bonds with Councilor Sullivan. Mr. Sullivan will file an order with the Finance Committee to meet with the City’s bond council and the Retirement Board.

Mr. Sullivan left the meeting at 8:55 A.M.

II. **Investments:**
   A. **January Performance:**
      The Board reviewed performance and cash flow worksheets for January 2019. The fund had a good month, recouping some of the December losses.

   B. **Asset Allocation:**
      The Board reviewed current asset allocation targets. Mr. Depelteau suggested adjustments designed to lower the risk in the portfolio as follows:

      | Asset Type                    | Percentage |
      |-------------------------------|------------|
      | Large Cap Equities            | 17%        |
      | Mid Cap Equities              | 6%         |
      | Small Cap Equities            | 6%         |
      | International Large Cap       | 20%        |
      | Emerging Markets              | 8%         |
      | Fixed Income                  | 13%        |
      | Value Added Fixed Income      | 6%         |
      | Real Estate                   | 10%        |
      | Portfolio Completion (Hedge)  | 4%         |
      | Private Equity                | 10%        |

      On a motion made by Mr. Schmidt, seconded by Mr. Dulude, the Board voted unanimously (5-0) to implement the new asset targets suggested by Mr. Depelteau in a reasonable fashion over time. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt and Ms. Wdowiak.

   C. **Consultant RFP:**
      The Board discussed hiring a consultant to provide services in 1) risk mitigation strategies, 2) asset allocation studies, and 3) performance measurement. Segal Marco Advisors, the Board’s current consultant, provides only performance measurement. Segal’s contract has expired.

      On a motion made by Mr. Dulude, seconded by Ms. Aubrey, the Board voted unanimously (5-0) to issue an RFP for consultant services. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt and Ms. Wdowiak.
D. **Vendor Disclosures:**
The Board is in receipt and reviewed the Vendor Disclosures of the following Managers and/or Consultants:

Segal Marco Advisors  
Long Wharf Real Estate Partners  
RBC  
Invesco  
Seizert Capital Partners  
American Realty  
Oberweis Asset Management  
Putnam Investments  
Acadian Asset Management  
Aberdeen Standard Investments  
Brandywine Global  
Wasatch Advisors

Mr. Depelteau left the meeting at 9:30 A.M.

III. **Minutes** of Board meetings held on January 23, 2019.

On separate motions made by Mr. Dulude, seconded by Mr. Schmidt, it was voted unanimously (5-0) to accept **Item III “Minutes,” Item IV “Bank Reconciliation,” Item V “Statement of Financial Activities,” Item VI “Retirement Applications,” and Item VII “Expenses.”** Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt and Ms. Wdowiak.

IV. **Bank Reconciliation:**  
Peoples Checking account - as of January 31, 2019  
Peoples Payroll account - as of January 31, 2019

V. **Statement of Financial Activities:**  
The Board reviewed statements for January 31, 2019.

VI. **Retirement Applications:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Superannuation</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Henry Seidel</td>
<td>Water Department</td>
<td>Superannuation</td>
<td>04/20/2019</td>
</tr>
<tr>
<td>Jagwiga Orsulak</td>
<td>School Department</td>
<td>Superannuation</td>
<td>03/01/2019</td>
</tr>
<tr>
<td>Joan Champagne</td>
<td>School Department</td>
<td>Superannuation</td>
<td>03/30/2019</td>
</tr>
<tr>
<td>Dora Lopez</td>
<td>School Department</td>
<td>Superannuation</td>
<td>03/26/2019</td>
</tr>
<tr>
<td>Brian Fitzgerald</td>
<td>Board of Health</td>
<td>Superannuation</td>
<td>03/30/2019</td>
</tr>
</tbody>
</table>

VII. **Expenses:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Bills</td>
<td>$18,222.96</td>
</tr>
<tr>
<td>Transfers and Refunds</td>
<td>208,066.61</td>
</tr>
<tr>
<td>Fiduciary Insurance</td>
<td>18,177.00</td>
</tr>
<tr>
<td>Management Fees</td>
<td>131,230.58</td>
</tr>
<tr>
<td>Office Payroll</td>
<td>26,972.44</td>
</tr>
<tr>
<td>3(8)c Payments</td>
<td>44,605.40</td>
</tr>
</tbody>
</table>
B. **Pension Payroll** ........................................... $1,849,072.42  
**Annuity Payroll** ........................................... 367,967.87  
**Total Payroll** ........................................... $2,217,040.29

VIII. **Issues-Request-Policy:**

A. **PERAC Memos and Correspondence:**
   - Memo #8/2019  2019 Interest Rate
   - Memo #9/2019  Accounting Changes
   - Memo #10/2019 Administrative Reminders
   - Memo #11/2019 Workers’ Compensation Data Match in PROSPER

B. **Pension Appropriations FY2019:**

<table>
<thead>
<tr>
<th></th>
<th><strong>Total Due</strong></th>
<th><strong>Total Paid</strong></th>
<th><strong>Balance Due</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>$11,894,294.00</td>
<td>$7,929,529.36</td>
<td>$3,964,764.64</td>
</tr>
<tr>
<td>Gas &amp; Electric</td>
<td>3,933,325.00</td>
<td>2,622,216.64</td>
<td>1,311,108.36</td>
</tr>
<tr>
<td>Water</td>
<td>531,980.00</td>
<td>266,000.00</td>
<td>265,980.00</td>
</tr>
<tr>
<td>Housing</td>
<td>900,302.00</td>
<td>525,176.15</td>
<td>375,125.85</td>
</tr>
<tr>
<td>Waste Water</td>
<td>28,211.00</td>
<td>28,211.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$17,288,112.00</td>
<td>$11,371,133.15</td>
<td>$5,916,978.85</td>
</tr>
</tbody>
</table>

C. **Disabilities:**

Mr. McCarthy asked the Board to go into Executive Session under Purpose 7 of the Open Meeting Law: “To comply with, or act under the authority of, any general … law …”, that law being Exemption (c) of the Public Records Law (G.L. c. 4, s. 7(26)(c)) exempting personnel and medical files or information and other materials or data relating to a specifically named individual, the disclosure of which may constitute an unwarranted invasion of personal privacy. A roll call vote was taken to go into Executive Session. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt, and Ms. Wdowiak.

EXECUTIVE SESSION ................. 9:36 A.M.
EXECUTIVE SESSION adjourned ...... 9:38 A.M.

On a motion made by Ms. Aubrey, seconded by Mr. Dulude, the Board voted unanimously (5-0) to deny the Accidental Disability application of Ms. Rolanda Rattelle because the totality of the medical evidence does not support the burden of proof required. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt, and Ms. Wdowiak.

D. **NCPERs Conference:**

The Annual Conference will take place in Austin, TX from May 18-23, 2019.

On a motion made by Mr. Dulude, seconded by Ms. Aubrey, the Board voted (4-1) to allow those interested to attend this conference. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, and Ms. Wdowiak. Mr. Schmidt cast the dissenting vote.

E. **Retiree Peter Lynch:**

Through an internal audit, an error was discovered in the retirement calculations involving veterans’ military service purchases for Mr. Lynch. The error has been corrected as is statutorily required. Mr. Lynch was advised of his right to appeal and has filed with DALA. The Board is in receipt of a request from Mr. Lynch to waive the amount of overpayment.
On a motion made by Mr. Schmidt, seconded by Mr. Dulude, the Board voted unanimously (5-0) to waive the amount of overpayment less the cost of Mr. Lynch’s veterans service purchase. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt, and Ms. Wdowiak.

**F. Deanna Dunn DALA Appeal:**
Ms. Dugre informed the Board that the hearing date has been postponed and will be scheduled for some time in April.

**G. Actuarial RFP:**
On a motion made by Mr. Dulude, seconded by Mr. Schmidt, the Board voted unanimously (5-0) to issue an RFP for Actuarial Services. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt, and Ms. Wdowiak.

**H. SFI:**
Mr. Schmidt reminded the Board Members to file their Statements of Financial Interests with PERAC before May 1st.

**I. March Meeting:**
The next regularly scheduled meeting of the Holyoke Retirement Board will be held on Wednesday, March 20, 2019 at 8:30 A.M.

There being no further business, a motion to adjourn was made by Mr. Schmidt, seconded by Mr. Dulude, passing unanimously (5-0) on a roll call vote. Voting “yes” were Ms. Aubrey, Mr. Dulude, Mr. McCarthy, Mr. Schmidt, and Ms. Wdowiak.

MEETING .........................adjourned 9:55 A.M.

**List of Documents Reviewed at 2/27/19 Meeting:**
Draft minutes of 1/23/19 meeting
Statement of Financial Activities as of January 2019
Cash Requirement Forecast
Appropriation FY2019 Worksheet
PERAC Memos #8-11/2019
Regarding Investments:
  • January Worksheets and Cash flow
  • Consultant RFP
  • Asset Allocation worksheets
Medical panel clarification for Rolanda Rattelle
NCPERs Annual Conference registration forms
*The Voice, March 2019*

Respectfully submitted,

[Signature]
Cheryl A. Dugre
Executive Director

ATTESTED TO:

[Signature]
Elected Member

John T. McCarthy (Chairman)
Michele Aubrey
Appointed Fifth Member

Anthony Dulude
Elected Member

Bellamy H. Schmidt
Appointed Member

Tanya Wdowiak
Ex-Officio Member