

**CITY OF EAST PROVIDENCE
POLICE AND FIRE RETIREMENT SYSTEM
JOURNAL**

A regular quarterly meeting of the Fire and Police Retirement System Board of Trustees was held on Monday, the 8th of February 2021 in Council Chambers at 3:00 pm along with audio only Zoom conference call for those that didn't want to attend in person.

Trustees:

- Chief William Nebus, Chairman, Police Representative - present
- Lt. Jeffrey Wyrostek, Vice Chairman, Fire Representative - present
- John C. Neale, Retiree Representative - present
- John F. Wallace, Civilian Representative - present
- Ricardo D. Mourato, Councilman, City Council Representative - present
- Roberto L. DaSilva, Mayor – present
- Malcolm Moore, Director of Finance, Administrator - present

Other Attendees:

- Michael J. Marcello, City Solicitor
- Michael Dwyer, Wainwright Investment Counsel, LLC

Open Session Called to Order at 3:03 p.m. by Trustee Nebus

A motion was made to call the meeting to order by Trustee Mourato and 2nd by Trustee Neale

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

Presentation by Wainwright Investments LLC

Michael Dwyer gave a current overview of the markets. Wainwright expects the economy to grow at a 4,5% - 5% rate. Corporate earnings were holding steady. There was in issue with hedge funds but he would go into detail later.

The pension fund has been trending up in the fourth quarter of 2020. The balance at October 31, 2020 was \$133M, increasing to \$148M as of December 31, 2020 and currently the balance is over \$150M. The fund is up 11.08% in the fourth quarter of 2020. The \$1M Renaissance redemption should show in our account around February 10th.

Renaissance was down 19.43% YTD, due to the hedge fund issues and the Corona Virus. Per their rules, Renaissance cannot have a short position of more than 3% which limits their exposure. Mr. Dwyer explained that Renaissance has been the best performer over the last six years and he believes they will turn it around. Chairman Nebus asked if the board should change the allocation to something more conservative since the fund is over \$150M. Mr. Dwyer advised against the change as the fund is still under 60% funded. Mr. Dwyer believes the current structure is adequate

Mr. Dwyer said that we were over weighted in Vanguard Small Cap Index and Principal RE US Property. Mr. Dwyer proposed a \$2M dollar redemption form Principal. The redemption would be over time as Principal sell off assets.

A motion was made to follow through on Mr. Dwyer’s recommendations by Trustee Mourato and 2nd by Trustee Wallace

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

A motion was made to accept the performance report into record by Trustee Neale and 2nd by Trustee Wallace

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

Discussion/Vote on Changing Actuarial Tables

Elizabeth Wiley, Actuarial Consultant, Nyhart, part of FuturePlan by Ascensus, explained the proposed change. Mortality tables are updated every 10 years. The latest release by the Society of Actuaries was the RP14 table, which was based on 2006 data. To account for yearly changes, the adopted the Mortality Improvement Scale. They now use Generational Mortality to improve year over year.

In the past year, they came out with PUB 2010 tables. These tables have one for public pensions. The tables show that public employee have longer life expectancy than before. The impact of this change would increase the pension liability up between 2% - 6%. The pension board could adopt the change for the 2010 valuation or wait until next year when the city will have to do an experience study. Ms. Wiley explained that per Rhode Island General Law, every three years the pension board has to do an experience study which compares the existing assumptions to actuals and makes recommendation based on the data. One of those recommendations would be to adopt the public pension mortality table.

Mr. Mourato wanted to know when the last time the pension board made changes. Ms. Wiley stated that the last changes were done in the 2016 valuation. The board wanted to know the impact before making any decision. Ms. Wiley did not have that information but could include that in the study.

A motion was made to have Nyhart prepare the report with the current table and the public pension table not to exceed \$4,000 by Trustee Mourato and 2nd by Trustee DaSilva

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

Discussion/Vote on Cancer Clause

A motion was made to table this to the next meeting by Trustee Wyrostek and 2nd by Trustee Wallace

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

To Approve the Consent Calendar

All items under “Consent Calendar” are considered to be of a routine and noncontroversial nature by the Board and will be enacted by one motion. There will be no separate discussion on these items unless a Board member so requests, in which event, the item will be removed from the “Consent Calendar” and will be considered in its normal sequence on the docket.

1. Minutes from 11/16/2020
2. COLA listing for September, October and November 2020
3. Capital Call for Lexington Capital Partners, IX, L.P.
4. Trade Authorization Sell 11/23 – Vanguard 1,000,000
5. Trade Authorization Sell 11/24 – Vanguard 500,000
6. Capital Call for Entrust Global Recovery Fund L.P.
7. Invesco Account Statement for November 2020
8. Capital Call for Dover Street X L.P.
9. IR&M Invoice 4th Qtr.
10. Nyhart Invoice actuarial fees GASB 67 & 68
11. Nyhart Invoice actuarial fees Annual Valuation
12. Invesco Invoice 4th Qtr.
13. Rhumblin Invoice 4th Qtr.
14. Wainwright Investment Council, LLC Invoice 4th Qtr.

A motion was made to accept all items on the consent calendar by Trustee Neale and 2nd by Trustee Mourato

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

Vote to go into Executive Session

The Fire and Police Retirement System of the City of East Providence will meet in Executive Session pursuant to RI General Laws § 42-46-5 (a)(1), § 45-21-2-9 and § 42-46-5 (a)(2)

A motion to go into and call Executive Session to order was by Trustee Neale and 2nd by Trustee Mourato

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

A motion was made to seal minutes and adjourn executive session by Trustee Mourato and 2nd by Trustee Neale

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							

Reconvene in Open Session

Reading of the votes from Executive Session by Michael J. Marcello, City Solicitor:

The Solicitor stated that there were no votes taken.

Adjournment

A motion was made to adjourn the meeting at 5:01 p.m. by Trustee DaSilva and 2nd by Trustee Wallace

VOTE	MAJOR NEBUS	JEFF WYROSTEK	JOHN NEALE	JOHN WALLACE	COUNCILMAN MOURATO	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√	√	√	√	√	√
Nay							
Abstain							
Absent							