

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

The regular quarterly meeting of the Fire and Police Retirement System Board of Trustees was held on Wednesday, the 24th of May 2023 in Council Chambers at City Hall at 9:00 am

Trustees:

Lt. Jeffrey Wyrostek, Chairman, Fire Representative – present
 Capt. James Nelson, Vice Chairman, Police Representative – present
 John C. Neale, Retiree Representative - absent
 John F. Wallace, Civilian Representative - present
 Frank Fogarty, Councilman, City Council Representative – absent
 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
 Jeff Fabrizio, Wainwright Investment Counsel, LLC
 Kim Brown, Pension Clerk

Open Session Called to Order at 9:09 am by Chairman Wyrostek

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√		√	√
Nay							
Abstain							
Absent			√		√		

Presentation by EnTrust Global

Courtney Weir and Brian Schneider were here from EnTrust Global to give an overview of their platform. They handed out a presentation, going over the company’s strategy structure and strategy summary. The Board has a committed capital investment of fourteen million of which ten million has been called to date. Two-thirds of the Fire & Police Retirement System’s exposure is currently invested in public equities, which suffered from mark-to-market volatility in 2022. No formal motion was made to accept the handout into record but the handout is on file.

Presentation by Wainwright Investments LLC

Mike and Jeff from Wainwright went over the March 2023 performance report. The portfolio currently stands at \$149,644,361. The market has been extremely volatile but it’s behaving very well as of late. Mike stated that the Westwood investment may not be reflected in the report. They are looking into this with Principal and will have a better idea at the next meeting. Invesco has been sold but is still on this report as of the first quarter, it will drop off and Westwood will be added, its timing. The custodian is reporting the returns a little bit differently. They are using time rated returns which is acceptable in the industry – you just have to keep that in mind when looking at the report. There is a one quarter lag for some of the Real Estate and Private Equity managers and this is also acceptable per the industry standard reporting but something to keep in mind. Trustee Nelson asked about real estate losses and not getting the returns. Jeff stated that interest rates will affect them and refinancing will be needed and there will be turbulence next year as the managers restructure. Mike stated

that Sigular Guff has been very good to the plan over its eleven year life. We have been paid out several millions and are up 50 to 60% over the years, this is just the very end as it's winding down so the numbers are misleading. We are starting to see real estate peek and level off now. There will be less financing available most likely. Mike believes the Fed's have underestimated the risk of raising the rates so quickly and as far as they have and overestimating the risk of inflation. They don't have to raise rates any more. The bond market is saying we are comfortable no more increases are necessary. Chair Wyrostek asked if the plan could drop all real estate seeing as a fortune has been made already. Is it time to cut bait and put the funds elsewhere? Mike stated that you want some exposure and that is the way the fund is structured. Mike stated that there are no liquidity recommendations needed at this time.

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

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√		√	√
Nay							
Abstain							
Absent			√		√		

To Approve the Consent Calendar

All items under "Consent Calendar" are considered to be of 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 it's normal sequence on the docket.

1. Pension meeting journal for Feb 13th, March 14th, March 28th and May 9th
2. COLA listing for March, April and May 2023
3. Barings Invoice 1st Qtr.
4. IME invoice disability pension request
5. IR+M Invoice 1st Qtr.
6. Invesco Invoice 1st Qtr..
7. Invesco Invoice April 2023
8. Nyhart Invoices (2) 2021 Valuation, FIP
9. Principal Custody Solutions Fee Advise 1st Qtr.
10. RhumbLine Invoice 1st Qtr.
11. Wainwright Investment Counsel, LLC 1st Qtr.
12. Invesco Monthly Account Statements for January, February, March and April 2023
13. Principal U.S. Property Account 1st Quarter Highlights
14. Disbursement – Dover Street
15. Disbursement – Dover Street
16. Disbursement – The Northern Trust Company / Westwood Global
17. Redemption – Principal Global Investors, LLC
18. Redemption – Lion Industrial Trust
19. Redemption – Renaissance
20. Trade Authorization – Vanguard
21. Trade Authorization – Invesco
22. APRA request from Seven Canyons Advisors – Kim replied
23. APRA request for Police Department – Kim replied
24. APRA request from Principal – Malcolm replied
25. APRA request from FIN News – Kim replied
26. APRA request from With Intelligence – Kim replied
27. APRA request from Prequin – Kim replied
28. APRA request from With Intelligence – Kim replied

29. APRA request from Police Beneficial – Kim replied

30. APRA request from Prequin – Kim replied

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

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√		√	√
Nay							
Abstain							
Absent			√		√		

Requests to return contributions from two former employees who left before they were vested.

The Board unanimously voted to return Robert Fontaine and Jacob Mount’s pension contributions.

A motion was made to return funds by Trustee DaSilva and 2nd by Trustee Nelson

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√		√	√
Nay							
Abstain							
Absent			√		√		

Request to buy back into the pension fund from a returning employee who left and has now returned to employment with the City.

The Solicitor read the ordinance. Trustee DaSilva asked how the repayment was to be structured and the Solicitor stated that it is no spelled out. Mr. Holmes stated he would like to pay it in full as soon as possible. Vice-Chair asked about the interest that was to be paid back. The Solicitor thinks the ordinance needs to have set terms and conditions as we all may not be here in the future and it should be consistant. The Board unanimously voted to allow Patrick Holmes to buy back into the pension fund. The amount with interest is calculated to be \$27,739.54 good until the last day of May. A letter will be sent with the amount. Based on Sec. 11-242 of the ordinance the member shall render at least three years of services following his latest reentry into service before he will be entitled to his previously forfeited service credits for pension purposes.

A motion was made to allow funds previously returned to be given back to the pension fund with interest totaling \$27,739.54 on or before 5/31/23 by Trustee DaSilva and 2nd by Trustee Nelson

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√		√	√
Nay							
Abstain							
Absent			√		√		

Correspondence from a retiree.

Chairman Wyrostek received a copy of letter from retired member Richard Ferreira that was sent to Kim Brown that he read to the Board. “Dear Kim, in behalf of the EPPFRA and others, please accept our belief that your recent financial up-grade proposed by Malcom and Board members is well deserved. Your collateral duties were done right and many good comments from varied retirees attests to your experience in this city position. Respectfully, Richard Ferreira Capt. EPPD (ret)” Trustee DaSilva concurs.

Discussion / Recommendation / Action / Vote regarding putting out a RFQ or RFP for legal counsel to assist the Board with updating the ordinances and setting policies.

The Solicitor wanted to state that he did ask for this to be done. Vice-Chair Nelson asked what the Solicitor’s duties were as referred to in Ordinance Section 11-246 #4 and if the Board would be incurring extra financial responsibilities that should be covered in the ordinance. He is wondering if the Solicitor is too busy with City responsibilities to do the pension items. The Solicitor stated that the way he reads the ordinance he needs to be available for litigation. He is not a pension expert and to revise the ordinances to follow state and federal law an expert should be hired he is not qualified to do it. The Solicitor thinks it is something that needs to be done but it’s up to the Board. Trustee DaSilva stated that he thinks the main duty of the Board is fiduciary responsibility to keep the fund solid for all the retirees and those to come. Part of that is to have sound codified policies so the next people on the Board will have something to follow. A manual or book can be given to all retirees and can be updated when necessary. The Chair asked ask how much this would cost. The Solicitor stated that it might be \$300 to \$500 per hour. There is not a plan document for the Board and there really should be one. Trustee Moore stated that most plans are set up in a trust but when this plan was set up they were allowed to use the Ordinances. Vice-Chair asked if there was a punch list and if the cost would be shared by the City and the Board as it would benefit both? Trustee DaSilva stated that he thought that would be fair because Ordinances will be changed at the City level. The Solicitor stated that there are a bunch of issues in the Ordinances that need to be clarified. Trustee Moore stated that the Solicitor would be able to point the expert in the proper direction. The Chair stated this needs to be done right and not piecemealed, it needs to get done right, its history making. Trustee DaSilva stated if it can be codified and put into clear concise policy that people will be able to follow for decades to come it will make everyone’s life easier. It is an investment but it is a pension board responsibility. Trustee Moore stated that the council will have to approve the changes and plan policy for the pension but then should also be told they cannot change the ordinances without prior consent form the pension board. Trustee DaSilva is concerned with protecting the fund for the future. Limits need to be put into place. Trustee Moore said we need an expert in the field; it needs to be set to industry standards. Trustee DaSilva asked about the bargaining units giving benefits away and if the pension board was responsible for honoring them.

A motion was made to table this until the RFQ bids come in by Trustee DaSilva and 2nd by Trustee Nelson

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	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)

A motion to go into and call Executive Session to order at 10:31 am was made by Trustee Nelson and 2nd by Trustee Wallace Trustee DaSilva recused himself and submitted a signed Statement of Conflict of Interest pursuant to RI General Laws § 36-14-6.

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√			√
Nay							
Abstain							
Absent			√		√	√	

A motion was made to seal the minutes, adjourn executive session at 11:06 am and read out the votes by Trustee Nelson and 2nd by Trustee Moore

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√			√
Nay							
Abstain							
Absent			√		√	√	

Reconvene in Open Session

Reading of the votes from Executive Session

A motion was made to have Kim Brown read the votes from executive session by Trustee Nelson and 2nd by Trustee Wallace

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√			√
Nay							
Abstain							
Absent			√		√	√	

The clerk stated that there was a unanimous vote made by all present to have the Solicitor work with the Chair to send a response to Ret. FF Brassill and for the Solicitor to schedule two IME's for Det. Medeiros.

Adjournment

A motion was made to adjourn the meeting at 11:07 am by Trustee Nelson and 2nd by Trustee Moore

VOTE	JEFF WYROSTEK	JAMES NELSON	JOHN NEALE	JOHN WALLACE	COUNCILMAN FOGARTY	MAYOR DaSILVA	MALCOLM MOORE
Aye	√	√		√			√
Nay							
Abstain							
Absent			√		√	√	