

**PLYMOUTH RETIREMENT BOARD**  
**Friday, November 17, 2017**  
**8:00 a.m.**  
**10 Cordage Park Circle, Suite 240**  
**Plymouth MA 02360**

Chairman Kelley called the meeting to order at 8:00 a.m. in the conference room of the Plymouth Retirement Office. Present Board members were Gerald Coughlin and Dale Webber. Also present were Anthony Traghese of FIA, Wendy Cherry and Karry Barros. Lynne Barrett and Shawn Duhamel were absent.

**Section I: Regular Business:**

**Minutes:**

Minutes of September 22, 2017	Regular Meeting
Minutes of September 22, 2017	Executive Session

Motion to approve minutes made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

**Warrants:**

Warrant #9/2017, Dated September 30, 2017:	\$ 6,081,020.09 Final
Warrant #10/2017, Dated October 31, 2017	\$ 1,808,044.23 Partial
Warrant #11/2017, Dated November 30, 2017	\$ 1,340,812.97 Partial
Warrant #12/2017, Dated December 31, 2017	\$ 3,911.19 Partial

Motion to approve warrants made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Public Comment:**

Mr. Webber suggested a copy of the Plymouth Board's "Spotlight" piece, published in the Massachusetts Retiree Association Newsletter back in the Fall of 2016, be included and sent over with the Time Capsule Report from the Retirement System.

Chairman Kelley and Mr. Coughlin both agreed.

**New Business:**

Mr. Webber referred to NCPERS notification to oppose legislation relating to Section 5001 of the Tax Cuts and Jobs Act (H.R.1). He recommended letters be sent from the Retirement Office to the Senate Finance Committee Chair and House of Representatives Chair of Ways and Means Committee regarding expressed concerns of the Act. This Act could subject certain investments of state and local government pension plans to the unrelated business income tax (UBIT). State

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agencies are Constitutionally exempt from taxation and the application of Section 5001 to public pension plans erodes the immunity states and the federal government each enjoy from taxation by the other.

Ms. Cherry stated that she would prepare and send out the letters as recommended.

**2018 Budget:**

Motion to approve the 2018 Retirement System Budget made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously Voted.

**New Manager Funding/Termination of Prior Manager:**

Columbia Threadneedle will be replacing Invesco as the High Yield Manager as a result of the recent completed Manager search.

Motion to terminate Invesco as High Yield Manager made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Town Hall Time Capsule:**

The Board reviewed the draft Time Capsule Report completed by Ms. Cherry and agreed to add the "Spotlight" piece Mr. Webber recommended in Public Comment.

Motion to approve draft Time Capsule Report and include the "Plymouth Retirement Board Spotlight" piece made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**PERAC MEMOS:**

Memo #33/2017: New Fraud Prevention Poster

Memo #34/2017: Administrator's Training (November 14, 2017)-Location Change

**COLA Vote FY/2019:**

Motion to hold COLA vote FY/2019 meeting on January 26, 2018, and post 30 days in advance made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Section II: Membership:**

**New Hires:**

**Town:**

9%     Correa, Caitlyn, Group 1, Administrative Secretary  
        Perm. Full-time: \$752.24 weekly  
        Start Date: November 6, 2017

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9% Long, Ammie, Group 1, Librarian  
Perm. Full-time: \$870.63 weekly  
Start Date: November 20, 2017

9% Whalen, Margaret, Group 1, Director of Community Development  
Perm. Full-time: \$1,186.58 weekly  
Start Date: November 20, 2017

**School:**

9% Allen, Obrean, Group 1, Custodian  
Perm. Full-time: \$1,588.80 bi-weekly  
Start Date: October 30, 2017

Motion to accept Town and School New Hires made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Buybacks:**

Fitzpatrick, Nicole, Group 1, Paraeducator, has requested to purchase prior service from November 3, 2015 through September 12, 2017 with the Plymouth School Department.  
Total Buy Back Amount: \$ 1,179.23

LeGeyt, Carrie, Group 1, Behavior Analyst, has requested to purchase prior service from September 1, 2015 through August 30, 2017 with the Plymouth School Department.  
Total Buy Back Amount: \$11,564.41

Motion to accept School Buy Back requests made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Transfers:**

**Town:**

Brindisi, Derek, Group 1, Assistant Town Manager  
One (1) Year Eight (8) Months Creditable Service (11/2/2015-7/28/2017)  
Total Transfer to Worcester Regional Retirement Board: \$125,186.74

Motion to accept Town Transfer made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

**Retirements:**

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**School:**

Cretinon, Alan, Group 1, Skilled Craftsman  
Thirty-Five (35) Years, Two (2) Months Creditable Service  
Superannuation option: c  
Retirement Date: November 28, 2017

Dagesse, Susan, Group 1, Cafeteria Worker,  
Twenty-One (21) Years, Five (5) Months Creditable Service  
Superannuation option: c  
Retirement Date: December 1, 2017

Motion to accept School Retirements made by Mr. Webber; Seconded by Mr. Coughlin.  
Unanimously voted.

**Investments:**

Mr. Tranghese gave the 3<sup>rd</sup> Qtr. Investment Review stating that the total Fund was at \$174,895,109 as of September 30, 2017. The Fund performed at 3.6% for the quarter vs. the Blended Benchmark at 3.9%. Year-to-Date performance was 12% vs the Blended Benchmark at 11.8%.

The Board reviewed the Manager Performance Overview. Mr. Tranghese noted that Barings Floating Rate is currently below investment rate but if interest rates should rise, they will perform well. He added that Acadian, the International Small Cap Manager, has performed very well. Over the past three (3) years they are up 13%, performing better than 87% of their peers. Mr. Tranghese stated that the Managers have done well and adding those asset classes has benefited the portfolio.

Mr. Tranghese briefly explained the Private Equity piece of the portfolio stating that the Private Equity Composite is all years rolled into one (1), performing at 18% Year-to-Date. He added that this piece of the portfolio has been very helpful for overall returns. Mr. Tranghese told the Board that a vote needs to be done regarding the commitment for Vintage Year 2018.

Motion to commit \$3.5 Million to Private Equity Vintage Year 2018, made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Barings Floating Rate:**

Michael Ziobrowski, CFA, CAIA and Jackie Hatter entered the meeting and introduced themselves.

Mr. Ziobrowski told the Board that Barings is a \$299+ Billion global financial services firm dedicated to meeting the evolving investment and capital needs of their clients with their headquarters located in Charlotte North Carolina. As part of the MassMutual Financial Group, they have the stability and flexibility to take a long-term approach. He informed the Board that

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there have been no changes in the process or team, only that there are some individuals that have grown in the firm and moved ahead. Mr. Ziobrowski told the Board that Mike Freno is Head of Global Fixed Income & Multi Asset with David Mihalick as Head of U.S. High Yield Investments.

While reviewing performance Mr. Ziobrowski noted that last year they were slightly behind however, currently outperforming Year-to-Date. The Net Asset Value as of September 30, 2017, is \$1,079.07 Million. Year-to-date performance (through September 30, 2017) is 3.40% vs. Credit Suisse Leveraged Loan index at 3.04%.

Mr. Webber noticed on the Sector Breakdown that there was a Food/Tobacco Sector listed and asked why this would be listed as PERAC does not allow companies such as these to be invested in.

Mr. Tranghese explained that these are co-mingled funds and the percentage is within PERAC guidelines.

Mr. Ziobrowski gave a brief sector positioning review noting that Manufacturing and Financial Sectors are overweight and the Retail Sector, due to pocket weakness, is underweight at this time.

The Board thanked Mr. Ziobrowski and Ms. Hatter and they left the meeting.

**Acadian:**

Heather Mazzarella, Client Service Associate and Scott Brymer, Vice President & Portfolio Manager entered the meeting.

Mr. Brymer told the Board that the firm was founded in Boston in 1986, they currently have offices in Boston, London, Singapore, Sydney and Tokyo with 341 employees world-wide. They have 10 Massachusetts Clients and have outperformed in twenty (20) out of twenty-four (24) years with a since inception return of 11.3% versus 7.0% for the benchmark as of October 31, 2017.

Mr. Brymer stated that there have been no changes to the process but Churchill Franklin, CEO, will be retiring and will be replaced by John Chisholm and Ross Dowd. Also, Mark Roemer, Vice President and Portfolio Manager is new to the U.K.

Mr. Brymer told the Board that as of October 31, 2017, Market Value was \$10,036,760. Performance through October 31, 2017 was 33.3% vs. the benchmark at 27.5%. The One-Year was 31.8% vs. the Benchmark at 27.5%.

Mr. Brymer gave a quick overview of performance attribution stating that stock selection in Japan, France, United Kingdom and Singapore all helped the portfolio while stock selection in Switzerland and Denmark as well as exposure in Canada hurt the portfolio. He concluded by informing the Board that the annualized return since inception is 1.9%.

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The Board thanked Ms. Mazzarella and Mr. Brymer and they left the meeting.

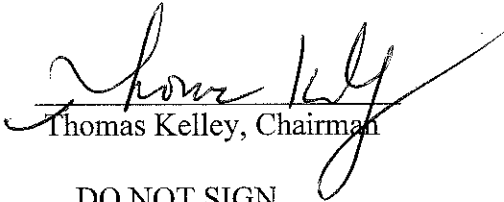
Motion to adjourn at 9:25 a.m. made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

Respectfully submitted,



Karry A. Barros  
Assistant Director

**Plymouth Retirement Board:**



Thomas Kelley, Chairman

December 15, 2017

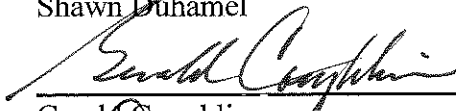
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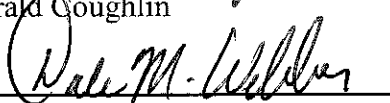
Lynne Barrett

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Shawn Duhamel



Gerald Coughlin



Dale Webber