

**PLYMOUTH RETIREMENT BOARD**  
**Friday, November 20, 2015**  
**8:05 a.m.**  
**10 Cordage Park Circle, Suite 240**  
**Plymouth MA 02360**

Chairman Kelley called the meeting to order at 8:05 a.m. in the conference room of the Plymouth Retirement Office. Present Board members were Richard Manfredi, Shawn Duhamel, Lynne Barrett, and Gerry Coughlin. Also present were Attorney Michael Sacco, Anthony Traghese of FIA, Wendy Cherry, and Karry Barros.

**Section I: Regular Business:**

**Minutes:**

Minutes of October 16, 2015	Regular Board Meeting
Minutes of October 16, 2015	Executive Session

Motion to approve minutes made by Mr. Manfredi; seconded by Mr. Duhamel. Unanimously voted.

**Warrants:**

Warrant # 9, Dated September 30, 2015:	\$ 5,428,385.40 Final
Warrant # 10, Dated October 31, 2015:	\$ 1,436,499.15 Partial
Warrant # 11, Dated November 30, 2015:	\$ 149,369.74 Partial
Warrant # 12, Dated December 31, 2015:	\$ 3,873.13 Partial

Trial Balance September 2015: \$145,774,598.29

Motion to approve warrants made by Mr. Manfredi; seconded by Mr. Coughlin. Unanimously Voted.

**Public Comment:**

None

**Section II: General Correspondence:**

**PERAC Memo's:**

Memo #23/2015: New Fraud Prevention Poster

Memo #24/2015: Survey for PERAC Technology Improvement Project

**Legal RFP:**

Director, Wendy Cherry, told the Board that there were three responses to the RFP issued for Legal Services.

Motion made by Mr. Duhamel to grant the legal services contract for the period of December 2015, thru November 2022, to the Law Offices of Michael Sacco; seconded by Mr. Manfredi. Unanimously voted.

**Section III: Membership**

**Application for Section 9 Benefits:**

Christina Colarusso, spouse of deceased retiree Anthony Colarusso, has applied for Section 9 benefits. Mr. Colarusso was retired under ADR, opt b, effective February 2, 2015. All necessary documents have been submitted.

Motion to accept the Sec. 9 Benefits Application of Christina Colarusso made by Mr. Manfredi; seconded by Ms. Barrett. Unanimously voted.

**New Hires:**

**Town:**

- 9% Brindisi, Derek, Group 1, Asst. Town Manager  
Perm Full-time, \$1730.77 weekly  
Start Date: November 2, 2015
- 9% Brumble, Joshua, Group 4, Firefighter  
Perm. Full-time, \$987.85 weekly  
Start Date: November 16, 2015
- 8% Chisholm, Lisa, Group 1, Library Associate  
Perm. Full-time, \$712.47 weekly  
Start Date: November 23, 2015

Retirement Board Meeting Minutes  
November 20, 2015

- 9% Rose, Steven, Group 1, Fire Apparatus Mechanic  
Perm. Full-time, \$858.73 weekly  
Start Date: October 14, 2015
- 9% Santino, Carl, Group 4, Firefighter  
Perm. Full-time, \$987.85 weekly  
Start Date: November 16, 2015
- 9% Schmit, Anne Marie, Group 1, Administrative Assistant  
Perm. Full-time, \$732.31 weekly  
Start Date: October 29, 2015
- 9% Sexton, Nathaniel, Group 4, Firefighter  
Perm. Full-time, \$987.85 weekly  
Start Date: November 16, 2015
- 9% Yule, Brian, Group 4, Firefighter  
Perm. Full-time, \$987.85 weekly  
Start Date: November 16, 2015

**School:**

- 9% Lopes, Kim Marie, Group 1, Cafeteria Worker  
Perm. Full-time, \$778.04 bi-weekly  
Start Date: October 19, 2015
- 9% Moulton, Brian, Group 1, Custodian  
Perm. Full-time, \$1,448.81 bi-weekly  
Start Date: October 13, 2015
- 9% Polleys, Laura, Group 1, Payroll Clerk  
Perm. Full-time, \$2,296.80 bi-weekly  
Start Date: November 20, 2015

Motion to approve Town and School New Hires as listed made by Mr. Manfredi; seconded by Mr. Duhamel. Unanimously voted.

**Transfers:**

**Town:**

Buscemi, Ronald, Group 1, Fire Mechanic  
8 Years, 10 Months Creditable Service (10/10/06-8/28/15)  
Total Transfer to Barnstable County Retirement Association: \$42,126.96

Retirement Board Meeting Minutes  
November 20, 2015

**School:**

Newman, Tracey, Group 1, Technology & Media Secretary  
2 Years, 9 Months Creditable Service (12/2/13-9/11/15)  
Total Transfer to Hingham Retirement Board: \$10,504.01

Olding, Kathleen, Group 1, Paraprofessional  
7 Years, 6 Months Creditable Service (11/26/07-6/25/15)  
Total Transfer to Hingham Retirement Board: \$6,365.15

Motion to approve Town and School Transfers as listed made by Mr. Manfredi; seconded by Ms. Barrett. Unanimously voted.

**Refunds:**

**School:**

Downton, April, Group 1, Special Needs Aide  
7 Years 3 Months Creditable Service (10/22/07-4/17/15)  
Total Refund Including FWT: \$6,030.82

Motion to approve School Refund as listed made by Mr. Manfredi; seconded by Mr. Duhamel. Unanimously voted.

**Buybacks/Makeups/3(8)(c) Liability:**

**Town**

Dunbar, George, Group 1, GIS Coordinator, IT Department requests to purchase two (2) years, three (3) months of prior Temporary/Seasonal service with the Engineering Department for the period of July 13, 2005 – October 14, 2007. Total makeup amount is \$6,944.56

Flood, Anthony, Group 4, Police Department has requested buyback of prior Permanent Intermittent Police Service for a period of three (3) years eight (8) months (June 21, 1987 – February 19, 1991).  
Total Buyback Amount \$4,448.47

Smolinsky, Stephen, Group 4, Police Department has requested a buyback of prior Permanent Intermittent Police Service for a period of five (5) years (January 25, 1989-January 23, 1994).  
Total Buyback Amount \$2,904.52

Retirement Board Meeting Minutes  
November 20, 2015

Tavares, Richard, Group 4, Police Department, has requested a buyback of prior Permanent Intermittent Police Service for a period of three (3) years, seven (7) months (January 25, 1989 – September 6, 1992).

Total Buyback Amount \$1,944.56

Vecchi, Scott, Group 4, Police Department, has requested a buyback of four (4) years of prior Military Service.

Total Buyback Amount \$3,145.43

**School**

Algar, Cheryl, Group 1, Paraprofessional, requests to purchase five (5) months of prior Part-time Paraprofessional service with the School Department for the period of January 1, 2014-August 26, 2014.

Total Makeup Amount \$567.15

Attorney Sacco told the Board that there was a hearing held (10/20/2015) on the Gomes Matter regarding the purchase of Intermittent Police and Call-Fire Time. He stated we are currently waiting on a decision and he will update the Board once one is made.

Motion to approve Buy Backs/Makeups's as listed made by Ms. Barrett; seconded by Mr. Coughlin. Unanimously voted.

**Retirements:**

**Town:**

Zappala, Paul, Group 4, Fire Fighter  
41 years, 4 months service  
Superannuation retirement, opt c  
Retirement date: November 16, 2015

O'Brien, Dinah, L., Group 1, Director of Community Resources  
33 years, 2 months  
Superannuation retirement, opt c  
Retirement Date: January 4, 2016

Pittsley, Susan, Group 1, Payroll Clerk  
21 years, 11 months service  
Superannuation retirement, opt b  
Retirement date: January 15, 2016

**School:**

Andrews, Donna M, Group 1, Payroll Clerk

Retirement Board Meeting Minutes  
November 20, 2015

23 years, 7 months service  
Superannuation retirement, opt b  
Retirement date: December 11, 2015

Barrus, Donna, Group 1, Cafeteria Worker  
20 years, 0 months  
Superannuation option b  
Retirement date: October 23, 2015

Guertin, Elizabeth, Group 1, Main Office Secretary  
10 years, 0 months service  
Superannuation retirement, opt b  
Retirement date: November 30, 2015

Usher, Robert, Group 1, Custodian  
29 years, 6 months service  
Superannuation retirement, opt b  
Retirement date: October 30, 2015

Motion to accept Town and School Retirements as listed made by Mr. Manfredi; seconded by Ms. Barrett. Unanimously voted.

**Section IV: New Business:**

**COLA Vote FY/2017:**

Board will hold a COLA vote meeting in January 2016. Meeting date to be set at December 18, 2015, meeting.

**Section V: Executive Session:**

Pursuant to MGL Chapter 30A, Section 21 (a)(1), the Board will enter into executive session discuss and vote the Accidental Disability Retirement application of Roland Santos, Group 4, former Police Department Lieutenant.

Pursuant to MGL Chapter 30A, Section 21 (a)(3), the Board will enter into executive session to hear from its Attorney regarding ongoing litigation.

Roll-call voted at 8:20 a.m. to enter into executive session:

Mr. Kelley	yes
Mr. Manfredi	yes
Mr. Duhamel	yes

Retirement Board Meeting Minutes  
November 20, 2015

Ms. Barrett	yes
Mr. Coughlin	yes
Mr. Duhamel	yes

The Board will re-enter the regular meeting immediately following executive session.

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The Board re-entered the regular meeting by roll-call vote at 8:45 a.m.

Mr. Kelley	yes
Mr. Manfredi	yes
Ms. Barrett	yes
Mr. Coughlin	yes
Mr. Duhamel	yes

**Investments:**

Anthony Tranghese of FIA gave the Board the 3<sup>rd</sup> Qtr. 2015, update stating the fund was at \$143,825,317. The current asset allocation program is working well with 23% Fixed Income, 32% Domestic Equities, 7% Private Equity, 5% Hedge Funds, 10% Real Estate, 8% Emerging Markets and 15% International Development. He continued by stating that the 3<sup>rd</sup> Qtr. 2015, was not good, the fund was down at -4.5% but still outperformed the benchmark of -5.4%. The Year-to-Date as of 9/30/2015, is at -1.2% vs. the benchmark of -2.6%, outperforming by 1.4%. We also outperformed PRIT Year-to-Date at -1.2% vs. PRIT at -1.6%.

Mr. Tranghese told the Board that although Boston Trust had been on the “watch” list, their numbers are now up and he feels very optimistic that they will continue to improve.

Custody RFP Summary: Mr. Tranghese told the Board that of the six responses to the RFP for new Custodial Bank, there were only three that have Municipal Clients in MA. He mentioned that Citizen’s Bank is out of the price range however, Peoples United may be a good option if they are willing to propose a revised lower fee. State Street Bank, our current Custodian, is now charging us more than twice what they have proposed in their bid. Mr. Tranghese suggested the Board put off making a decision until January 2016, as he plans to speak to People’s United and get a bottom line fee price.

Annual Investment Manager Performance Interviews:

- Babson Capital
- RhumbLine Advisors
- Templeton International
- Acadian International

### **Babson Capital Management**

Jeffrey Stammen, Relationship Manager and David Bradin, Portfolio Specialist, were present to give the Babson Capital performance update. Mr. Stammen told the Board that Babson Capital Global High Yield portfolio has \$53 billion in assets under management and a team consisting of 86 dedicated investment professionals from European High Yield, US High Yield and US Structured Credit. There has been no turnover of Portfolio Managers which enables Babson to provide a very stable platform.

Mr. Bradin told the Board that the asset class remains very attractive from a spread standpoint. The Market shows some loan defaults however, overall defaults, remain low. On September 30, 2015, the portfolio out-performed the Credit Suisse Leveraged Loan Index benchmark with -.77% vs. -1.23%, and again out-performed the year-to-date with a return of 2.63% vs. 1.47%. Mr. Braden stated that he feels there is no incentive for the Federal Reserve to raise rates substantially but we should expect to see a small hike in December 2015. The Board thanked both Mr. Stammen and Mr. Bradin.

### **Templeton International**

Sandi Schoren-Testa, Relationship Manager & Product Manager told the Board that she and Cindy Sweeting, Director of Portfolio Management, would be giving the investment update for the Templeton International Foreign Fund.

Ms. Sweeting was conferenced in via telephone and introduced herself to the Board. She told the Board that we can think of the world in different stages of recovery at this time, with Europe and Japan still trying to reflate their growth. In 2015, the Markets saw significant risk aversion with equities posting the largest losses, especially during the second and third quarters. The 3<sup>rd</sup> Qtr. 2015, marked a risk adversary period. For the quarter ending 9/30/15, the fund declined less than the benchmark with a return of -10.75% vs. the benchmark of -12.10%. The Year-to-date return still shows an outperformance to benchmark of -5.68% vs. -8.28%. Ms. Sweeting reviewed the Sector Allocation Chart and noted that Financials make up just over a quarter of the holdings and Health Care is second with 16% of the portfolio. Mr. Kelly asked her opinion on what is driving the Health Care turnaround. Ms. Sweeting stated that the sector was considered a growth area throughout the 80's and 90's and then Generic Companies became entrenched throughout the 2000's. There had been great skepticism that pharmaceuticals could return. Some major pharmaceuticals firms have re-rated, and the industry now trades at a slight premium to the broader market, making continued pipeline development essential to future return prospects. Also, we favor lowly valued biotech firms with innovative pipelines offering products with limited competition or demonstrable advantage over existing therapies. The Board thanked Ms. Sweeting and she left the meeting.

Mr. Duhamel left the meeting at 10:00 a.m.



Ms. Schoren-Testa told the Board that a fee restructuring will be taking place beginning January 2016. The new schedule will separate the management fees and the operating expenses with a cap of .15% of the Fund's assets on the operating expenses. The net impact of this change including operating expenses, should result in a savings of 5-6 basis points annually.

Motion to accept fee restructuring beginning January 2016, made by Mr. Manfredi; seconded by Mr. Coughlin. Unanimously voted.

The Board thanked Ms. Schoren-Testa.

### **RhumbLine Advisors**

Denise D'Entremont, Director, and Wayne Owen CEO were present to update the Board of the RhumbLine S&P 500 Index Fund performance. Ms. D'Entremont told the Board that there have been no organizational changes since the date of inception, June 30, 2015. The Firm is managed "in house" and *all*, employee owned. RhumbLine has \$30.7 Billion in assets under management in asset classes that include: Domestic Equity, Fixed Income, and International Equity. RhumbLine's MA S&P 500 Pooled Index Fund has a total Market Value of \$457 Million as of 10/31/2015. The 3<sup>rd</sup> Qtr. 2015, showed a return of -6.42% vs. the benchmark of -6.44%. Year-to-date return is 1.46% vs. the benchmark of 1.45%. The Board thanked both Ms. D'Entremont and Mr. Owen.

### **Acadian**

Scott Brymer, Vice President, and Mark Osyf, AVP & Senior Client Service Associate were present to give the performance review of the Acadian International Small Cap Fund. Mr. Osyf told the Board that there have been no organizational changes. The Firm was founded in Boston, MA in 1986. They have offices in Boston, London, Singapore, Sydney and Tokyo with 311 employees worldwide and \$70.7 Billion in assets under management. He stated that this is a closed Fund. Mr. Kelley wanted an explanation for the closed status. Mr. Osyf explained that because the fund is Small Cap, there is a limit to the amount you can purchase in this class, this is in place to protect the returns.

Mr. Brymer told the Board that the fund had a return of 11.6% through October 2015. It outperformed the benchmark of 8.8% by 2.8%. The one year annualized return is 10%, again, outperforming the benchmark of 8.4%. Since inception, the fund has outperformed the benchmark by .9%, the returns are very good. He added that a systematic approach is used in analyzing stocks. They look for quality characteristics, good cash flows and good balance sheets- a strategy that has a proven 20 year track record. The board thanked Mr. Brymer and Mr. Osyf.

Motion to adjourn meeting at 10:45 made by Mr. Manfredi; seconded by Mr. Coughlin. Unanimously voted.

Retirement Board Meeting Minutes  
November 20, 2015

Respectfully submitted,




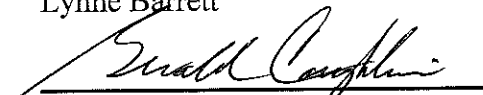


Karry A. Barros  
Assistant Director

**Plymouth Retirement Board:**

  
Mr. Thomas Kelley, Chairman

December 18, 2015  
Dated

  
Richard Manfredi  
Shawn Duhamel  
Lynne Barrett  
Gerald Coughlin