

**PLYMOUTH RETIREMENT BOARD**

**Friday, April 28, 2017**

**8:28 a.m.**

**10 Cordage Park Circle, Suite 240**

**Plymouth MA 02360**

Chairman Kelley called the meeting to order at 8:28 a.m. in the conference room of the Plymouth Retirement Office. Present Board members were Lynne Barrett, Shawn Duhamel, and Dale Webber. Also present were Anthony Tranghese from FIA, Attorney Michael Sacco, Wendy Cherry and Karry Barros. Gerald Coughlin was absent.

**Section I: Regular Business**

**Minutes:**

Minutes of March 24, 2017

Executive Session

Minutes of March 24, 2017

Regular Meeting

Mr. Webber asked for clarification of line 29, and 30, of page 302, in the Executive Session Minutes.

Ms. Barros stated that what was written in the minutes is what she recorded in her notes.

Mr. Webber suggested that in the future, quotations should be used and not paraphrasing if recording a direct response.

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

**Warrants:**

Warrant # 2 Dated February 28, 2017	\$ 3,284,598.12 Final
Warrant # 3 Dated March 31, 2017	\$ 1,603,934.52 Partial
Warrant #4 Dated April 30, 2017	\$ 761,957.69 Partial
Warrant #5 Dated May 31, 2017	\$ 3,911.19 Partial

Trial Balance as of January 31, 2017	\$ 152,828,495.11
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Motion to approve warrants made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**Section II: Executive Session:**

Pursuant to MGL Chapter 30A, Section 21 (a)(1). The Board will enter into executive session to hold a hearing on the Regional Medical Panel findings for the Involuntary Accidental Disability Application of Laura May.

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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 8:32 a.m. to enter into executive session:

Mr. Kelley	yes
Ms. Barrett	yes
Mr. Duhamel	yes
Mr. Webber	yes

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

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The Board re-entered the regular meeting by roll-call vote at 9:22 a.m.

Mr. Kelley	yes
Ms. Barrett	yes
Mr. Duhamel	yes
Mr. Webber	yes

Selectman John Mahoney and Anthony Tranghese entered the meeting.

**Public Comment:**

Selectman John Mahoney introduced himself to the Board. He told the Board he is running for another term as Selectman and is always interested in hearing the numbers regarding the Return, the Actuarial Valuation and the Funding Schedule.

**New/Old Business:**

The Spring MACRS Conference will be held in Hyannis at the Cape Cod Resort and Conference Center from June 4, 2017, through June 7, 2017.

Motion to approve Board and Office Staff to attend the Spring MACRS Conference June 4<sup>th</sup> -7<sup>th</sup> made by Ms. Barrett; Seconded Mr. Duhamel. Unanimously voted.

Attorney Sacco notified the Board that an Involuntary Ordinary Disability Application was filed by Chief Botieri on behalf of Officer James Vachon. Officer Vachon has sent the Board a Letter of Appeal and is entitled to a hearing.

The Board decided to schedule the next Board meeting on Friday April 19, 2017. Attorney Sacco told the Board he would schedule the Court Reporter and notify Officer Vachon and Chief Botieri that the hearing will be held on May 19, 2017, at 8:30 a. m. He told the Board that Officer Vachon has the right to a public or private hearing.

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Mr. Webber noted that he has seen an increase in Involuntary Retirement Applications being filed.

**Section 91 Excess Earnings Repayment:**

Attorney Sacco reviewed Mr. Pomeroy's excess earnings amount of \$445,062.72, and the memo sent to Mr. Pomeroy through his Attorney detailing the Board's offer to allow him an extended repayment schedule if he would enter a binding agreement to provide the Board each year with all documentation pertaining to services he has provided to any Massachusetts Municipality. Attorney Sacco told the Board that Mr. Pomeroy did not respond to the Board's offer and it is his recommendation to withhold Mr. Pomeroy's entire retirement allowance, less health insurance deductions, until repayment has been made.

Motion to withhold the monthly retirement allowance, less health insurance deductions, of Robert Pomeroy until full repayment of excess earnings has been completed made by Mr. Webber; Seconded by Mr. Duhamel. Unanimously voted.

**Section III: Investments:**

**Conference Call-Templeton:**

A conference call was placed at 9:40 a.m. to Sandi Schoren-Testa, Senior Vice President, and Antonio Docal, Executive Vice President, at Templeton Global Equity Group.

Ms. Schoren-Testa greeted the Board and informed them that there were no significant changes to the people, process, or the ownership structure of the firm.

Chairman Kelley expressed concern over the instability in the International Markets, the BREXIT, and the situation with North Korea. He asked Ms. Schoren-Testa if she could touch on those subjects to give the Board a clearer picture of where there are opportunities with stability for the portfolio.

Ms. Schoren-Testa told the Board she was going to turn the conversation over to Mr. Docal.

Tony Docal greeted the Board and provided a summary of the current portfolio positioning outlook. He explained that Templeton is bullish on non-US equity in general and Europe in particular, citing that GDP growth is expected to be stronger in Europe than in the U.S. for the first time in many years, the ECB (European Central Bank) is still very accommodative, corporate earnings growth has been strong and, most importantly, attractive valuations (a two standard deviation measure currently).

Mr. Docal told the Board that although there is certainly potential for conflict to escalate with North Korea, President Trump is working with China helping to get North Korea in line and that the U.S Administration is having some impact.

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Mr. Docal explained to the Board that regarding the BREXIT issue, the Prime Minister called for a snap election and the process needs to be worked through however; there is significant trade between regions that needs to continue and the currencies have adjusted.

Mr. Docal responded to the questions surrounding the pending election in France by indicating they anticipate the polls are correct and Marcon will win. However, were Le Pen to win, they still feel the likelihood of France exiting the European Union is very low. As a result, the uncertainty surrounding the election in France has not changed their perspective.

The Board thanked Mr. Docal and Ms. Schoren-Testa and ended the conference call at 9:55 a.m.

Anthony Tranghese told the Board that Templeton is very optimistic regarding their potential for outperformance in the future. He then reviewed the Capital Markets Flash Report for March 2017. He told the Board that everything besides treasuries performed well. The total Fund as of March 31, 2017, was at \$157,848,703, up for the Qtr. at 4.4% and 11.2% for the One Year.

Mr. Tranghese reviewed asset allocation. He told the Board the portfolio is slightly under in Fixed Income and slightly over in Equities but the plan is to use the Appropriation due in July to get the portfolio to target.

During the Manager Performance review, Mr. Tranghese noted that WTC-CIF II Core Bond (Series 1) is at 1.2% Year-to-Date outperforming the benchmark, Bloomberg Barclays U.S Aggregate Index at .8%. He told the Board that the Templeton International Equity Fund is at 7% Year-to-Date, slightly underperforming the benchmark, MSCI AC World ex US at 7.9%. The PRIT General Allocation Fund is at 10.7% for the One-Year and our Fund is at 11.2% for the same time period. Mr. Tranghese added that our 10-Year Returns are ahead of PRIT as well and the portfolio is well diversified.

Mr. Duhamel asked Mr. Tranghese how the month of April is looking.

Mr. Tranghese stated that April has been “sideways” for the most part however, this week was very good.

Mr. Tranghese told the Board that there were forty (40) respondents to the Small Cap RFP issued and gave the Board a sheet with each respondent listed on it. He stated that they are in the review process and will have FIA’s evaluation results at the next Board meeting.

Mr. Tranghese gave Board Members a Cash Flow Worksheet showing a preliminary option for investment of the FY18 Appropriation. He explained that the worksheet does not contemplate adding to International Equity however, it is possible to contemplate adding or not, between now and the May meeting.

Chairman Kelley asked Mr. Tranghese to explain the Private Equity component of the portfolio.

Mr. Tranghese explained that each year the Board makes a commitment of funds into PRIT’s Vintage Year and that is how the private equity money gets put to work. He stated that Private

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Equity has been the best performer, at 15.8% for the 7-Year Annualized Performance. He added that it is nice to balance the portfolio using the State's Plan.

### **Section IV: Regular Business Continued:**

#### **PERAC MEMOS:**

Memo #15/2017: STS/LStar Event

Memo #16/2017: Tobacco List

Memo #17/2017: Mandatory Retirement Board Member Training – 2<sup>nd</sup> Quarter 2017

### **Section V: Membership**

#### **New Hires:**

##### **Town:**

Chiros, Andrea, Group 1, Social Outreach Worker

Perm. Full-time: \$852.29 weekly

Start Date: April 3, 2017

Dimauro, Anthony, Group 1, Network Technician

Perm. Full-time: \$1,066.68 weekly

Start Date: April 17, 2017

Newell, Cameron, Group 1, Dispatcher

Perm. Full-time: \$741.87 weekly

Start Date: March 22, 2017

##### **School:**

Williams, Ryan, Group 1, Custodian

Perm. Full-time: \$1,514.73 bi-weekly

Start Date: March 20, 2017

Motion to accept Town and School New Hires as listed made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

#### **Refunds:**

##### **Town:**

Robbins, David J, Group 1, Heavy Motor Equipment Operator

Three (3) Years, Four (4) Months Creditable Service (10/15/2013-3/6/2017)

Total Refund Including FWT: \$13, 811.52

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Motion to accept Town Refund made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**Rollovers:**

**School:**

Hawes, Tammy, Group 1, Paraprofessional  
Six (6) Years, Ten (10) Months Creditable Service (11/08/2004-6/30/2016)  
Total Rollover: \$13,856.64

Motion to accept School Rollover made by Ms. Barrett; Seconded by Mr. Duhamel.  
Unanimously voted.

**Retirements:**

**Town:**

Giessler, Karen, Group 1, Library Technician  
Twenty (20) Years, Three (3) Months Service  
Superannuation Retirement, opt b  
Retirement Date: April 12, 2017

Motion to accept Town Retirement made by Ms. Barrett; Seconded by Mr. Duhamel.  
Unanimously voted.

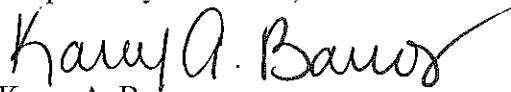
**Next Meeting:**

May 19, 2017

**Adjourn:**


Motion to adjourn Regular Meeting at 10:25 a.m. made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

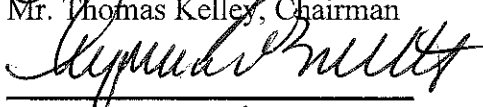
Respectfully submitted,


  
Karry A. Barros  
Assistant Director

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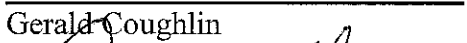
**Plymouth Retirement Board:**


  
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Mr. Thomas Kelley, Chairman

  
\_\_\_\_\_  
Lynne Barrett

  
\_\_\_\_\_  
Shawn Duhamel

**DO NOT SIGN**

  
\_\_\_\_\_  
Gerald Coughlin

  
\_\_\_\_\_  
Dale Webber

May 19, 2017  
Dated