

PLYMOUTH RETIREMENT BOARD
Friday, March 24, 2017
8:10 a.m.
10 Cordage Park Circle, Suite 240
Plymouth MA 02360

Chairman Kelley called the meeting to order at 8:10 a.m. in the conference room of the Plymouth Retirement Office. Present Board members were Lynne Barrett, Gerald Coughlin, Shawn Duhamel, and Dale Webber. Also present were Anthony Tranghese from FIA, Attorney Michael Sacco, Wendy Cherry and Karry Barros.

Section I: Regular Business

Minutes:

Minutes of February 24, 2017	COLA Meeting
Minutes of February 24, 2017	OPEB Meeting
Minutes of February 24, 2017	Executive Session
Minutes of February 24, 2017	Regular Meeting

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

Warrants:

Warrant # 1 Dated January 31, 2017	\$ 6,087,933.96 Final
Warrant # 2 Dated February 28, 2017	\$ 2,043,433.98 Partial
Warrant # 3 Dated March 31, 2017	\$ 120,628.51 Partial
Warrant #4 Dated April 30, 2017	\$ 3,911.19 Partial

Trial Balance as of January 31, 2017	\$ 154,180,838.14
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Motion to approve warrants made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

Public Comment:

Frank Mand, reporter for the Old Colony Memorial, was present at the meeting and introduced himself to the Board.

New/Old Business:

Chairman Kelley asked Ms. Barrett if the 1% of yearly payroll to be added to the OPEB Fund annually, per her recommendation, would begin this year. Ms. Barrett stated that it would be added in July 2017.

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Mr. Webber stated that he would like the Board to consider holding Executive Session before Regular Session on the occasions that there are individuals waiting for hearings to be held. He added that he feels it would be prudent to have those waiting for a scheduled hearing to be heard before regular business if possible.

Mr. Webber reminded the Board that at the meeting of February 24, 2017, he made a suggestion to make the waiting area in the front of the Retirement Office a bit more comfortable. He gave each Board Member a handout with a picture of a waiting area which included a television screen hanging for the viewing pleasure of those waiting. He asked that the Board consider discussing at a later date.

PERAC MEMOS:

Memo: #14/2017: Compliance Training on PERAC's New System, PROSPER

Ms. Cherry and Ms. Barros are registered for this training at 8:30 a.m. on March 29, 2017. Ms. Barrett is registered for the 2:30 p.m. training on March 29, 2017. Chairman Kelley requested that Ms. Cherry register him for the same session as Ms. Barrett.

PERAC Annual Statement:

The Board reviewed the PERAC 2016 Annual Statement.

Motion to approve the 2016, PERAC Annual Statement made by Ms. Barrett; Seconded by Mr. Webber. Unanimously voted.

Section II Membership:

New Hires:

Town:

9% Bernabeo, Michael, Group 1, Motor Equipment Operator-Highway
Perm. Full-time: \$735.32 weekly
Start Date: March 13, 2017

9% Coe, Margaret, Group 1, Administrative Secretary
Perm. Full-time: \$730.32 weekly
Start Date: March 27, 2017

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

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Retirements:

Town:

Roberts, Michelle, J., Group 1, Director of Public Health
18 Years, 6 Months, Creditable Service
Superannuation opt b
Retirement Date March 1, 2017

Audette, Michelle, Group 4, Police Officer
33 Years, 2 Months Creditable Service
Retirement Date: March 24, 2017

Motion to accept Town Retirements as listed made by Ms. Barrett; Seconded by Mr. Coughlin.
Unanimously voted.

Section III: Executive Session:

Pursuant to MGL Chapter 30 A, 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 Ralph Patterson.

Pursuant to MGL Chapter 30 A, Section 21(a)(1). The Board will enter into executive session to hold an Evidentiary Hearing on the Involuntary Accidental Disability Application of Chad Mc Gee.

Roll-call voted at 8:15 a.m. to enter into executive session:

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

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

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

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

Section 91 Excess Earnings Hearings:

Michael Daley:

Attorney Sacco gave a short recap of the vote taken on December 16, 2016, to proceed with the scheduled hearing and collecting data regarding potential excess earnings. He stated that the years of 2007-2010 are currently in litigation but the Board made Public Records Requests for Mr. Daley's earnings in years 2011-2016, after he declined the Board's invitation to participate in the process. Attorney Sacco told the Board that based on the Public Records Request responses received, Mr. Daley has excess earnings in the amount of \$965,519.05, in calendar years 2011-2016. He reminded the Board that Mr. Daley has been given every opportunity to participate in the process but has declined. Attorney Sacco stated that it is his recommendation for the Board to find there were excess earnings in the amount of \$965,519.05, notify Mr. Daley who can appeal if he wishes, and move forward in the process.

Motion to find Michael Daley had excess earnings for calendar years 2011-2016, in the amount of \$965,519.05, and move forward in the process of repayment to the System made by Mr. Webber; Seconded by Mr. Duhamel. Unanimously voted.

Attorney Sacco will contact Mr. Daley's Counsel to update him on the Board's vote.

Robert Pomeroy:

Attorney Sacco told the Board that there has been a revised excess earnings calculation based on the Public Records Requests the Board sent out. The current litigation regarding Mr. Pomeroy is for calendar years 2009, and 2013, however; after the Board issued a subpoena to BadgeQuest Inc. for records when it was owned by Mr. Unsworth, and not Mr. Pomeroy, a revised calculation was completed. (Note: Mr. Pomeroy took over ownership of BadgeQuest Inc. in January 2014.)

Attorney Sacco told the Board that Attorney Quirk sent notification late yesterday afternoon opposing the process and this hearing today. Attorney Quirk also raised the question in his notification that the Board had already looked at the years of 2009, and 2013. Attorney Sacco stated that the Board never made a determination at that time in terms of excess earning amount, only that there were excess earnings in the calendar years 2009, and 2013.

Attorney Sacco told the Board that he is comfortable with the process and that the Board has repeatedly provided opportunity for Mr. Pomeroy to participate. He recommends the Board find the revised calculation of excess earnings in calendar years 2008, through 2016, excluding the years of 2009, and 2013, to be \$449,965.42.

Mr. Coughlin stated that Attorney Quirk wrote in his response that there are expenses to consider when running a company and that they are not considered when using gross earnings. He asked Attorney Sacco for his thoughts on the matter.

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Attorney Sacco told the Board that the statute states gross earnings. He added that if Mr. Pomeroy wanted the Board to look at those records, he would have to provide them and he is not willing to do so. He continued by stating that Mr. Pomeroy's current case regarding gross earnings is at CRAB now, the decision could alter on the expense piece however; the Board can only act on the information before it. DALA forced Mr. Pomeroy to provide documentation only on the years in question, 2009, and 2013. Mr. Pomeroy is unwilling to provide any other records to the Board.

Mr. Webber stated that the Board has no way of knowing if all the Public Records Requests were responded to before today for both Mr. Daley and Mr. Pomeroy. He asked Attorney Sacco how to handle responses received after the vote taken today.

Attorney Sacco told the Board that any Public Records Request responses received in the future can be added to the excess earnings total.

Mr. Kelley asked Ms. Cherry to explain the process the office completes yearly to track those retirees working for a municipality.

Ms. Cherry told the Board that there are 721, retirees all of whom receive an Annual Affidavit that requires notarization to prove each retiree is alive and receiving their retirement allowance. On this Annual Affidavit there is a section that asks if the retiree is working for a Municipality in Massachusetts. A total of twenty-one (21) retirees responded that they were employed by a municipality post-retirement and twenty (20) of those that responded, have submitted the worksheets providing proof of hours and earnings. There is one retiree that the Office is currently working with to get his worksheet signed off by the Treasurer of the town he worked for. Mr. Daley did not submit an Affidavit and Mr. Pomeroy did not answer the question regarding working for a municipality by checking "Yes" or "No" instead, he responded, "Employed by Pomeroy Resources Inc. and Badgequest Inc. I have not worked for any municipality during the reporting period."

Motion to find Robert Pomeroy had excess earnings for calendar years 2008-2016, excluding years 2009, and 2013, in the amount of \$449,965.42, and move forward in the process of repayment to the System made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

Reporter Frank Mand left the meeting.

Section III: Executive Session:

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 9:00 a.m. to enter into executive session:

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

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

The Board re-entered the regular meeting by roll-call vote at 9:27 a.m.

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

Regular Business Continued:

Third Party Monitoring:

The Board had a brief discussion regarding the securities litigation firm, Labaton Sucharow LLP, which included some concerns over a continued relationship with this firm.

Attorney Sacco stated that if the Board wishes to dissolve their relationship with Labaton Sucharow LLP, there is a thirty (30) day window from the time notice is given.

Motion to cancel the existing contract with securities litigation firm, Labaton Sucharow LLP, made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

Investments:

Mr. Tranghese reviewed the February Flash report with the Board. He told the Board that performance has been good. The Total Fund was at \$157,129,785 as of February 28, 2017, +3.2% for the Quarter and +15.3% for the One (1) Year. He gave a brief review of Asset Allocation adding that at some point it makes sense for the Board to consider a revamp of Private Equity.

Mr. Tranghese told the Board that Fixed Income is where the best performance has taken place with Wellington CIF II Core Bond at 3.7% for the One (1) Year and both Floating Rate and High Yield up double digits over the past twelve (12) months.

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Mr. Tranghese reviewed the Plymouth Retirement System Performance and Asset Allocation Comparison vs. the PRIT Fund as of December 31, 2016. He gave a brief recap of the provisions of Chapter 68 of the Acts of 2007, which provides for the transfer of retirement board assets to the Pension Reserve Trust Fund (PRIT) if they are "found by the commission to have a funded ratio of less than 65% and an average rate of return during the previous ten (10) years that is at least two (2) percentage points less than that of the PRIT Fund rate of return over the same period." He stated that the most recent funded ratio for the Town of Plymouth Retirement System is at 49.2%, with a Valuation Date of January 1, 2015, and that the threshold established in Chapter 68 is 65%. Mr. Tranghese told the Board that the trailing period performance as of December 31, 2016, shows the Town of Plymouth at 5.71% vs. PRIT Fund at 5.04%, Plymouth outperforming by +.67%. He added that this comparison is unofficial as PERAC's numbers do not come out until next month, but it will be close. Mr. Tranghese stated that in looking at the trailing ten-year relative performance, Plymouth is very comfortably ahead. He briefly reviewed the asset allocation targets for PRIT and the Town of Plymouth as well.

Mr. Tranghese reminded the Board that if they would like to make arrangements to spend a day in Boston for Manger Reviews, it will be necessary to schedule that soon.

Ms. Barrett stated that the months of either September or October would work best with her work schedule. The rest of the Board agreed with Ms. Barrett. Mr. Tranghese told the Board he would schedule the reviews for Fall 2017, and inform the Board of the date once confirmed.

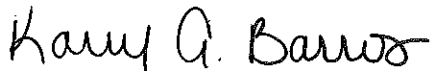
Next Meeting:

April 28, 2017

Adjourn:

Motion to adjourn Regular Meeting at 10:23 a.m. made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

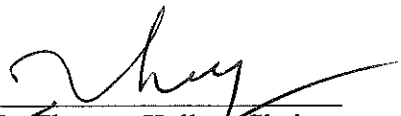
Respectfully submitted,

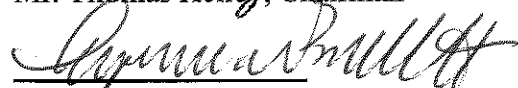



Karry A. Barros
Assistant Director

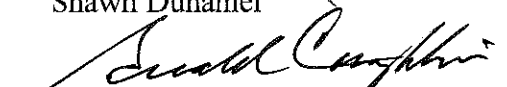
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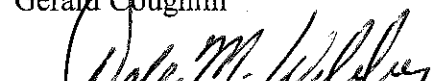
Plymouth Retirement Board:


Mr. Thomas Kelley, Chairman


Lynne Barrett


Shawn Duhamel


Gerald Coughlin


Dale Webber

April 28, 2017
Dated