

**PLYMOUTH RETIREMENT BOARD**  
**Friday, May 31, 2019**  
**8:07 a.m.**  
**212 South Meadow Road, Unit #3**  
**Plymouth MA 02360**

Chairman Thomas Kelley called the meeting to order at 8:07 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 Attorney Michael Sacco, Wendy Cherry, and Karry Barros. Anthony Tranghese joined the meeting at 8:50 a.m.

**Section I: Regular Business**

**Minutes:**

Minutes of April 26, 2019

Regular Meeting

Motion to approve Minutes of the April 26, 2019, Regular Meeting made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**Warrants:**

|                                 |                         |
|---------------------------------|-------------------------|
| Warrant #4 Dated April 30, 2019 | \$ 3,089,005.38 Partial |
| Warrant #5 Dated May 31, 2019   | \$ 114,486.94 Partial   |
| Warrant #6 Dated June 30, 2019  | \$ 6,000.00 Partial     |

Trial Balance as of March 31, 2019: \$172,829,639.17

Motion to approve Warrants made by Mr. Duhamel; Seconded by Mr. Coughlin. Unanimously voted.

**Public Comment:**

**New/Old Business:**

Mr. Webber gave a brief review of future conversations to be held with Landlord Bill Hallisey. The following requests will be revisited with Mr. Hallisey:

- 1) Half Wall to be constructed in reception area
- 2) Crank Out Windows to be installed
- 3) Extermination of Insects in the office
- 4) Handicap Ramp to be installed in front of the office entrance
- 5) Locksmith to be contacted to correct doors locking at random

**MACRS Trustee Education Seminar & 2019 Annual Spring Conference**

Motion for Board and Staff to attend the 2019, MACRS Trustee Education Seminar & Spring Conference, June 1<sup>st</sup>-5<sup>th</sup> 2019, made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**2019 Election Results:**

Pursuant to PERAC Regulations 840 CMR, 7.05, Board shall vote to declare Thomas Kelley and Dale Webber to be the elected members of the Board, as they were the only nominees for election for a 3-year term of July 1, 2019, through June 30, 2022. Board to declare that no election shall be held.

Motion to declare Thomas Kelley and Dale Webber the elected members of the Plymouth Retirement Board for a three-year term beginning July 1, 2019, through June 30, 2022, with no election to be held due to Mr. Kelley and Mr. Webber being the only nominees made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**PERAC MEMOS:**

Memo #16/2019: Cash Book Submissions

**Section II: Executive Session:**

Pursuant to MGL Chapter 30A, Section 21 (a)(3), the Board will enter into executive session to discuss ongoing litigation.

Roll-call voted at 8:12 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.

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The Board re-entered the regular meeting by roll-call vote at 8:51 a.m.

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

**Section III: Investments:**

Mr. Tranghese reviewed the Preliminary Flash Report through April 30, 2019. He told the Board that April was a very good month, the S&P was +4.05 in April and +18.25 Year-to-Date even with the drop in May. International Equity was +2.81 for the month of April and +13.07 Year-to-Date. Fixed Income was flat in April, rates dropped again, the 10-Year Treasury rate was approx. 2.2% and the 30 Year was at 3.8%. Asset allocation was \$179,725,075, we were pretty close to target, slightly under weight in International Equity and Fixed Income. Performance for April 2019, was 2.0% and 10% Year-to-Date. PRIT was at 1.7% for the month of April and 8.2% Year-to-Date.

Mr. Tranghese told the Board that as far as Manager performance, there is nothing particular to mention but that Boston Advisors, Boston Partners, and Wellington will continue to be monitored.

Mr. Tranghese reviewed the Preliminary Cash Flow Worksheet for the FY/2020 Pension Fund Appropriation. He told the Board that of the \$14.2 Million dollars being appropriated there is approximately \$9 Million dollars to invest. The remainder will be used for pension payments. He recommended that Board consider increasing Hedge Funds from 4.1% back to 5%.

Motion to approve the July 1, 2019, FY/2020 Appropriation as recommended by Advisor made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

Mr. Tranghese reviewed performance for the OPEB Trust. The Fund was at \$4,977,598 as of March 31, 2019.

Mr. Duhamel asked at what point the Town of Plymouth is able to draw from the Fund.

Ms. Barrett explained that there is a Special Act in place, if the Town needed to draw from the Fund, the Board would take a vote but it needs to be funded to a certain level before the Town is able to take a draw.

Mr. Tranghese told the Board that OPEB performance has been good. The Board reviewed the Preliminary Cash Flow Worksheet detailing the FY/2020 OPEB Appropriation. Mr. Tranghese told the Board that he was unsure of the exact amount so he used One Million dollars in the

worksheet for illustration purposes. The resulting allocation will be 42% in Fixed Income, 42% in Domestic Equity, and 15% International Equity, adding nothing to International Equity.

Motion to approve OPEB Appropriation as recommended made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**Invesco International Growth Trust:**

Rob Moriarty, Director-Relationship Manager, joined the meeting. Mr. Moriarty greeted the Board and explained that Greg Allison, Senior Client Portfolio Manager would be joining the meeting from Austin Texas via conference call. He told the Board that Mr. Allison would be discussing the portfolio's exposure and sensitivities in the environment we are currently experiencing. Mr. Moriarty informed the Board that the Firm is very stable and closed an acquisition with OppenheimerFunds on May 24, 2019. He added that there are no changes to the Investment Team.

Mr. Allison joined the meeting via speakerphone.

Chairman Kelley stated that his question of the day is: What is the answer for the situation in Great Brittan and Prime Minister Theresa May.

Mr. Allison thanked the Board for allowing him to join the meeting and stated he would take a few minutes during his discussion to explain about the situation in the U.K. He added that there is lots of volatility all over. Mr. Allison discussed International Equity selling at a significant discount to U.S. Equities. He told the Board that Market performance typically moves in multi-year cycles noting that there is an even split, International Markets have outperformed the U.S. in twenty-one (21) of the last forty-three (43) calendar years. He informed the Board that beginning in 2000, and continuing for about six (6) or seven (7) years, Non-U.S. Equities went on a "tear" so to speak, outperforming U.S. Since that time, the U.S Market has been the outperformer the majority of time. Mr. Allison told the Board that looking at the big picture, over the next five years, it is likely that a rebalancing will take place in favor of Non-U.S. Equities.

Mr. Allison explained that there is quite a bit of geopolitical stuff going on right now including the U.S. trade with China coming undone, possible tariffs on Mexico, and Prime Minister Theresa May resigning. The extended deadline for BREXIT has been pushed to October 31, 2019. Mr. Allison stated that no one can be certain how these events get sorted out. He added that domestic exposure to the United Kingdom is modest and the economy is doing great right now. He told the Board that the picture is cloudy but if we can be patient, we will be rewarded.

Mr. Kelley asked why cash is so large.

Mr. Allison explained that cash must be below 5% by mandate but we prefer to have some cash due to volatility. This prevents being forced to sell if an opportunity presents itself.

Mr. Kelley asked Mr. Allison what opportunities he sees in the future.

Mr. Allison answered that there are some opportunities in Information Technology, a company named Alibaba (similar to Amazon), and New Oriental Education which is private education and test prep. He explained that it all depends on what the Market provides, we are looking for high quality companies with good balance sheets and attractive valuations. It is necessary to wait for really good companies. Right now, things seem a bit dislocated, but it will pass. He added that there are times when our investment style is out of favor and the current geopolitical problems will not go away soon but, this is healthy for our process.

The Board thanked Mr. Moriarty and Mr. Allison and they left the meeting.

Ms. Barrett and Mr. Duhamel left the meeting at 9:45 a.m.

**Acadian-Non U.S. Small Cap Equity:**

Scott Brymer, CFA, Senior Vice President, Portfolio Manager and Julie Snaman, Assistant Vice President & Associate Relationship Manager joined the meeting.

Ms. Snaman introduced herself and informed the Board that she recently took over the position as Relationship Manager for Plymouth. She told the Board to feel free to reach out to her directly if there is something they need help with. Ms. Snaman informed the Board that Brendan Bradley took over as CIO on January 1, 2019, but other than that, all else is status quo with no changes.

Mr. Brymer told the Board that he is the Strategy Manager for Plymouth's Non-U.S. Small Caps Fund. He explained that Acadian was founded in 1986 on the principle of investing in Non-U.S. smaller companies and that Acadian has experienced outperformance in twenty-one (21) out of twenty-six (26) years, with an inception return of 10.4% versus 6.5% for the benchmark as of April 30, 2019. The benchmark's performance was +2% through April 30, 2019, however, the gap was closed in May 2019. Both the benchmark and the Fund performed at 8% in May.

Chairman Kelley asked Mr. Brymer's opinion on the current trade issues.

Mr. Brymer answered, it is likely something that works itself out in time because everyone has incentive to work these issues out. It is difficult to put a time table on it but hopefully it will be six (6) to twelve (12) months. He added that the China issues makes sense but, in his opinion using tariffs to regulate immigration makes less sense. Mr. Brymer told the Board that current volatility is no higher than a long term average and by keeping our eye on the ball the risks will be managed. The current environment is risk on - risk off with less care about fundamentals. He added that Acadian believes strongly in their process.

The Board thanked Mr. Brymer and Ms. Snaman and they left the meeting at 10:02 a.m.

**Section IV: Membership**

**New Hires:**

**Town:**

- 9% Borsari, Douglas, Group 1, Laborer-Highway  
Perm. Full-time: \$757.38 weekly  
Start Date: April 29, 2019
  
- 9% Lunetta, Mark, Group 1, Maintenance Worker-Cemetery  
Perm. Full-time: \$803.10 weekly  
Start Date: May 13, 2019

**School:**

- 9% Murphy, Patrick Group 1, Custodian  
Perm. Full-time: \$1,591.38 bi-weekly  
Start Date: May 13, 2019
  
- 9% Nahas, Nadeam, Group 1, HVAC Technician  
Perm. Full-time: \$2,436.38 bi-weekly  
Start Date: May 1, 2019

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

**Refunds:**

**Town:**

Golden, Nicholas, Group 4, Police Officer  
Two (2) Years, Seven (7) Months Creditable Service (4/11/2016-11/13/2018)  
Total Refund Including FWT: \$13,067.54

Hickey, Michael, Group 1, Laborer  
Refund of additional deductions due to retroactive contract settlement  
Total Refund Amount: \$4.26

**School:**

Bolle, Jennifer, Group 1, Technical Studies Financial/Guidance Secretary  
Two (2) Years, Ten (10) Months Creditable Service (8/18/2015-6/22/2018)  
Total Refund Including FWT: \$9,793.48

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Ruxton, Christopher, Group 1, Paraeducator ASD Program  
One (1) Year, Eight (8) Months Creditable Service (9/5/2017-5/7/2019)  
Total Refund Including FWT: \$3,082.68

Motion to accept Town and School Refunds as listed made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

**Transfers:**

**Town:**

Genao, Silvio, Group 1, Asst. DPW Director  
Transfer additional deductions due to retroactive contract settlement  
Total Transfer to Barnstable County Retirement Board: \$53.11

Livera, Frank, Group 1, Recreation Assistant  
Two (2) Years, Eleven (11) Months Creditable Service (4/19/2016-4/6/2019)  
Total Transfer to Middlesex County Retirement Board: \$11,912.26

**School:**

Mitchell, Holley, Group 1, Paraprofessional  
Seven (7) Months Creditable Service (11/7/2017-6/22/2018)  
Total Transfer to MA Teachers' Retirement System: \$13,297.25

Motion to approve Town and School Transfers as listed made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

**3(8)(c ) Liability:**

Kelly Kunkle, former Paraprofessional for Plymouth Public Schools is currently a member of the MA Teachers' Retirement System. Ms. Kunkle worked as a part-time Paraprofessional from March 14, 2011 to March 1, 2013. Ms. Kunkle was not allowed membership into the Plymouth Retirement System. If proper repayment of deductions and interest is made, will the Board take 3(8)(c ) Liability for one (1) year of service?

Motion to accept 3(8)(c ) Liability for one (1) year of creditable service for Ms. Kunkle if proper repayment is completed made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

**Retirements:**

**Town:**

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Bishop, Jefferey, Group 4, Lieutenant-Plymouth Fire Dept.  
Thirty-Two (32) Years Creditable Service  
Superannuation Retirement opt: c  
Retirement Date: May 20, 2019

Furtado, Richard, Group 1, Assistant Harbormaster  
Thirty-Five (35) Years, Ten (10) Months Creditable Service  
Superannuation Retirement opt: b  
Retirement Date: June 1, 2019

**School:**

Martin, Diane, Group 1, Paraeducator  
Twenty (20) Years, Two (2) Months Creditable Service  
Superannuation Retirement option: b  
Retirement Date: June 17, 2019

**PHA:**

Clements, Lynn, M., Group 1, Assistant Book Keeper  
Twenty-Eight (28) Years, One (1) Month Creditable Service  
Superannuation Retirement option: b  
Retirement Date: June 2, 2019

Motion to accept Town, School, and PHA Retirements as listed made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

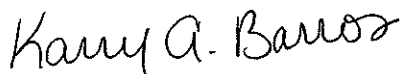
**Next Meeting**

June 21, 2019

**Adjourn:**

Motion to adjourn Regular Meeting at 10:15 a.m. made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

Respectfully submitted,

  
Karry A. Barros  
Assistant Director

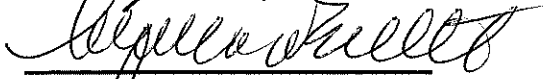



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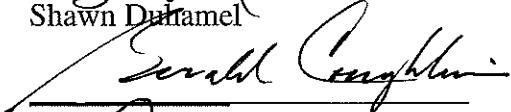
**Plymouth Retirement Board:**

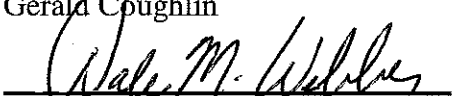
  
\_\_\_\_\_  
Mr. Thomas Kelley, Chairman

**Dated:** July 26, 2019

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

  
\_\_\_\_\_  
Shawn Duffamel

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

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