

**PLYMOUTH RETIREMENT BOARD**  
**Friday, October 26, 2018**  
**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 Lynne Barrett, Gerald Coughlin, and Dale Webber. Also present were Town Manager Melissa Arrighi, Police Chief Michael Botieri, Attorney Michael Sacco, Wendy Cherry and Karry Barros. Shawn Duhamel joined the meeting at 8:45 a.m. Anthony Tranghese from FIA joined the meeting at 10:15 a.m.

**Section I: Regular Business**

**Minutes:**

|                               |                   |
|-------------------------------|-------------------|
| Minutes of September 28, 2018 | Regular Meeting   |
| Minutes of September 28, 2018 | Executive Session |

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

**Warrants:**

|                                     |    |                      |
|-------------------------------------|----|----------------------|
| Warrant #8 Dated August 31, 2018    | \$ | 6,341,730.50 Final   |
| Warrant #9 Dated September 30, 2018 | \$ | 4,712,069.87 Partial |
| Warrant #10 Dated October 31, 2018  | \$ | 1,608,982.48 Partial |
| Warrant #11 Dated November 30, 2018 | \$ | 3,997.34 Partial     |

|                                     |    |                |
|-------------------------------------|----|----------------|
| Trial Balance as of August 30, 2018 | \$ | 182,241,009.14 |
|-------------------------------------|----|----------------|

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

**PERAC MEMOS:**

Memo #29/2018: Tobacco Company List  
Memo #30/2018: Appropriation Data Due October 31, 2018

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**Section II: Membership:**

**New Hires:**

**Town:**

- 9% Blakeman, Jessica, Group 1, Dispatcher  
Perm. Full-time: \$783.23 weekly  
Start Date: October 16, 2018
- 9% Nash, Lori, Group 1, Administrative Secretary  
Perm. Full-time: \$752.24 weekly  
Start Date: October 15, 2018
- 9% White, Benjamin, Group 1, Library Technician  
Perm. Full-time: \$615.15 weekly  
Start Date: October 9, 2018

**School:**

- 9% Boyle, Taylor, Group 1, Registered Behavior Technician  
Perm. Full-time: \$1,331.98 bi-weekly  
Start Date: August 29, 2018
- 9% Campbell, Diana, Group 1, Paraeducator  
Perm. Full-time: \$1,031.34 bi-weekly  
Start Date: October 9, 2018
- 9% Coccozza, Kyle, Group 1, Paraeducator  
Perm. Full-time: \$692.33 bi-weekly  
Start Date: September 18, 2018
- 9% Eisen, Victoria, Group 1, Paraeducator  
Perm. Full-time: \$944.27 bi-weekly  
Start Date: September 30, 2018
- 9% Fanning, Samantha, Group 1, Paraeducator  
Perm. Full-time: \$733.05 bi-weekly  
Start Date: September 24, 2018
- 9% Flynn, Wendy, Group 1, Paraeducator  
Perm. Full-time: \$1,151.22 bi-weekly  
Start Date: August 30, 2018

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- 9% La Fountain, Jodi, Group 1, Paraeducator  
Perm. Full-time: \$893.50 bi-weekly  
Start Date: August 29, 2018
- 9% Nichols, Debra, Group 1, Para-3 Care Program  
Perm. Full-time: \$868.88 bi-weekly  
Start Date: October 9, 2018
- 9% Ouellette, Leah, Group 1, Registered Behavior Technician  
Perm. Full-time: \$1,400.96 bi-weekly  
Start Date: August 29, 2018
- 9% Riley, Christine, Group 1, Paraeducator  
Perm. Full-time: \$1,045.90 bi-weekly  
Start Date: September 17, 2018

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

**Buybacks:**

**School:**

Riley, Christine, Clerical Paraeducator has requested to purchase prior part-time service from May 21, 2012 through September 17, 2018 with the Town of Plymouth School Department.  
Total Buyback Amount: \$5,606.90

Motion to accept School Buyback made by Ms. Barrett; Seconded by Mr. Coughlin.  
Unanimously voted.

**Refunds:**

**Town:**

Barry, Daniel, Group 1, Custodian  
One (1) Year, Four (4) Months Creditable Service (4/7/2014-8/28/2015)  
Total Refund Including FWT: \$4,524.60

**School:**

Hoagland, Lisa, Group 1, Paraeducator  
Seven (7) Years, Five (5) Months Creditable Service (10/2/2006-3/21/2014)  
Total Refund Including FWT: \$7,496.62

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Walker, Maureen, Group 1, Paraeducator  
Three (3) Years Creditable Service (9/1/2015-9/7/2018)  
Total Refund including FWT: \$6,680.63

Webster, Barbara, Group 1, Paraeducator  
Eleven (11) Years Creditable Service (9/12/2007-9/7/2018)  
Total Refund Including FWT: \$11765.23

Motion to accept Town and School Refunds made by Ms. Barrett; Seconded by Mr. Coughlin.  
Unanimously voted.

**Transfers:**

**Town:**

Grasso, Anthony, Group 1, Dispatcher  
Three (3) Months Creditable Service: (11/30/2017-3/9/2018)  
Total Transfer to Plymouth County Retirement Board: \$1,041.55

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

**Retirements:**

**School:**

Anti, Timothy C., Group 1, Head Custodian  
Thirty-five (35) Years, Nine (9) Months Creditable Service  
Superannuation, opt b  
Retirement Date: November 14, 2018

Pezzone, David, W., Group 1, HVAC  
Twenty (20) Years, One (1) Month Creditable Service  
Superannuation, opt b  
Retirement Date: November 9, 2018

Wood, Deanna, Group 1, Custodian  
Fifteen (15) Years, Seven (7) Months Creditable Service  
Superannuation, opt b  
Retirement Date: November 23, 2018

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Carberry, Cynthia, Group 1, Cafeteria Worker  
Ten (10) Years, Ten (10) Months Creditable Service  
Superannuation, opt b  
Retirement Date: November 23, 2018

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

Board took a brief recess at 8:10 a.m.

Chairman Kelley reopened the meeting at 8:19 a.m.

**Section III: Executive Session:**

Pursuant to MGL Chapter 30A, Section 21 (a)(1), the Board will enter into executive session to hold an Evidentiary Hearing on the Accidental Disability Retirement Application of Police Officer Stephen Powers.

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

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

|              |     |
|--------------|-----|
| Mr. Kelley   | yes |
| Ms. Barrett  | yes |
| Mr. Coughlin | 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 9:25 a.m.

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

Town Manager Melissa Arrighi and Police Chief Michael Botieri both left the meeting.

**Section I (Resumed):**

**Public Comment:**

Chairman Kelley showed the Board a framed copy of "Tony's Law" signed by the Governor. This is the Cancer Presumption Legislation Governor Baker passed earlier this year. The Chairman was presented this at the Fall MACRS Conference by the Professional Fire Fighters of Massachusetts for all his work in helping to get this legislation passed.

**HAZMAT "Stand By" Stipend:**

Ms. Barrett told the Board that Deputy Chief Eldridge reached out to her with questions regarding the "Stand By" Stipend and then reached out to Ms. Barros to have his questions added to the agenda. The questions that he would like answered are:

- 1) Will the Board waive repayment of stipend deductions for the years it was not taken?
- 2) If the deductions are not waived, can the interest be waived?
- 3) If repayment is necessary, how many years back will the Board require to be paid in to have the stipend be included in their 3-year average at retirement.

Attorney Sacco told the Board that back in May 2018, the Board voted to include the "Stand-By" Stipend as regular compensation recognizing that it should have had retirement deductions taken from it all along. He explained that the Board may waive repayment for the years deductions were not taken but all must be waived or none at all. The Board is not permitted to only waive a portion of the time. He added that by making a decision to waive, the Board is setting a precedent and will be forced to waive in similar situations going forward. He told the Board that he has seen Boards waive all repayment, Boards waive none, and Boards that do both. If the Board chooses not to waive repayment, then you will have to go as far back as records exist of non-payment.

Ms. Barrett told the Board that she did some research and knows that since the Town switched their payroll to Munis, deductions from the stipend have not come out.

Chairman Kelley explained that the error was caused by the Board and since those impacted thought that deductions were being taken from their stipend, they should be held harmless.

Mr. Webber stated, based on Counsels explanation and the Chairman's opinion, motion to waive repayment of deductions not taken from the HAZMAT Team "Stand By" Stipend in prior years; Seconded by Mr. Duhamel.

Discussion: Ms. Barrett told the Board that she understands that it was the Board's mistake but in the interest of making things whole, she would like the Board to consider amending the motion to go back three (3) years, have the unpaid stipend deductions repaid for the past three (3) years.

Attorney Sacco told the Board that the choice to repay or waive is all, or nothing. Choosing a time period to have repaid is not permitted.

Motion to waive full amount of unpaid deductions for the HAZMAT "Stand By" Stipend made by Mr. Webber; Seconded by Mr. Duhamel. Unanimously voted.

**Legal:** 169 Camelot Drive - Discussion on Workplace Hazards

Attorney Sacco told the Board that after Mr. Webber gave his presentation at last month's meeting, Chairman Kelley asked him to put together a memo for documentation. Due to the fact that hazardous exposures are very difficult to prove, Mr. Webber has correctly documented and laid the ground work in the event an employee were to become ill. In Addition to the memo, a letter was drafted to the Town Manager expressing the Board's concerns.

Ms. Barrett asked Attorney Sacco how he determined that 97% of the liability would be on the Town as stated in paragraph two (2) of his letter.

Attorney Sacco answered that he got the figure from the appropriation data, explaining that the Housing Authority carries approximately 2.5% of the appropriation liability and the Town holds the remainder.

Ms. Barrett told the Board that when she received the Draft Copy of the letter to the Town Manager, she assumed that the Board would be taking a vote to send it at this meeting as the Board has done in the past with PTSD cases and other issues. She expressed that she feels offended that there a vote was not taken to send the letter to the Town Manager but instead, it was sent without being voted.

Chairman Kelley responded to Ms. Barrett by saying that he believed there was an understanding, that since the Board reviewed the draft and there were no objections, the letter was sent without being voted.

Mr. Webber agreed with Ms. Barrett and stated that he had come to the meeting prepared to make a motion to send the letter to the Town Manager, he was not aware it had already been sent. He added that he agrees with the Chairman that the letter should be sent but was not aware it had been already.

Ms. Barrett stated that going forward, the Board should discuss and vote before sending letters to the Town.

Attorney Sacco told the Board that in relation to the Powers matter discussed in Executive Session, he would like to provide a memo to the Medical Panel in order to receive a clear and concise opinion. This could avoid the potential for requesting clarification in the future.

The Board gave permission for the requested memo to be included.

**Budget:**

Ms. Barrett asked Ms. Cherry if a staff 2% COLA was included in the budget for July 2019.

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Ms. Cherry answered that it had.

Mr. Webber asked what time period is covered in the budget relating to a staff COLA increase.

Ms. Barrett explained that the budget being voted is for calendar year 2019, however, any COLA increase would be effective July 1, 2019, the start of Fiscal Year 2020.

Motion to accept 2019, Plymouth Retirement System Budget made by Mr. Coughlin; Seconded by Mr. Webber. Unanimously voted.

**Section IV: Investments:**

Mr. Tranghese briefly reviewed the Flash report through September 30, 2018. The total Fund was at \$187,548,900, and +4.5% Year-to-Date.

**Investment Manager Presentations 2018:**

**10:15-Invesco-International Growth Trust-**

Robert Moriarty Jr., Director, introduced himself to the Board. Mr. Moriarty has been with the Firm for approx. 6.5 years and is a native of New England. He told the Board that the Firm manages over \$980 billion in assets worldwide. They have one culture with a broad range of distinctive investment capabilities united by their shared purpose. There have been no changes to the team or philosophy. They are portfolio driven by a bottoms-up approach with a long-term focus. The Firm plans to purchase Oppenheimer Funds in February 2019, which holds over \$240 Billion in Assets Under Management. There are no changes anticipated for current clients as Oppenheimer's main focus is on retail clients.

Greggory Allison, Sr. Client Portfolio Manager, joined the meeting via speaker phone. Mr. Allison greeted the Board and stated that there have been no changes to the International Growth team, process, or philosophy. The International Growth Trust, having \$2 Billion in AUM in this strategy has gone through a tough period of performance in 2017-2018. He added that over the past four (4) months, things have improved slightly. Gross Performance for the Qtr., through September 30, 2018, was at 1.71% vs. the benchmark (MSCI AC World ex-USA Growth Index) at -.26%, showing outperformance of 1.97%. Performance Year-to-Date was -3.73% vs. the benchmark of -2.54% showing an underperformance of -1.19%. Mr. Allison shared that the experience has not been ideal, it has been challenging on a relative basis, but this team has managed the strategy for twenty-six (26) years. In their experience, after each momentum cycle comes to an end, outperformance follows. He added that the portfolio is responding as they would expect and that there is hope for rotation.

Mr. Allison ended the conference call and Mr. Moriarty thanked the Board for their time.

**10:35 a.m.-Boston Advisors-Large Cap Core**



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Andrea Mackey, Institutional Client Service Manager and James Gaul, CFA, Vice President & Portfolio Manager joined the meeting and introduced themselves.

Ms. Mackey informed the Board that the Firm had a drop in assets down to \$2.7 Billion after losing Nation Wide, one of their largest clients. She explained that the split happened at the end of the summer and that Nation Wide cut ties with all their Quantitative Managers, the split was not performance based. She added that there were also two (2) new hires added in 2018.

Mr. Duhamel left the meeting at 10:45 a.m.

Mr. Gaul told the Board that allocation has been the primary driver of performance over the past twelve (12) months. There was a positive allocation effect in seven (7) of the eleven (11) sectors. The top sectors were Energy and Consumer Discretion. The portfolio generated +12 basis points of alpha (net) for the twelve months ending September 30, 2018, at 18.03% vs. the S&P 500 Total Return at 17.91%. Performance for the 3<sup>rd</sup> Qtr. was 7.37% vs. the benchmark at 7.71% and Year-to-Date at 10.33% vs. the benchmark at 10.56%.

The Board thanked Ms. Mackey and Mr. Gaul for their time and they left the meeting.

**11:00 a.m.-Templeton – International Equity**

Sandi Schoren-Testa, Senior Vice President/Institutional Relationship Manager and Matthew Nagle, Executive Vice President/Portfolio Manager/Research Analyst joined the meeting and introduced themselves.

Ms. Schoren-Testa informed the Board that there have been no changes to ownership or the portfolio. The Global Equity Group has thirty-eight (38) Portfolio Managers and Research Analysts averaging 20 years of industry experience. The team's average years with the Firm is fifteen (15), a stable team, historically having low turnover.

Mr. Nagle told the Board that 2017, was a great year with synchronized global growth. The Fund was +22% net of fees in 2017. During 2018, at the peak of the market, the trade wars began which has caused lots of pressure on the markets. Year-to-Date performance (net of fees) through September 30, 2018, was at -2.07% vs. the benchmark (MSCI AC World ex U.S. Index) at -2.67%. The One-year performance through September 30, 2018, was 1.49% vs. the benchmark at 2.25%. Mr. Nagle reviewed the Returns and Valuation Graph noting that Value Style has been in a slump over the past eight (8) years. He explained that as interest rates rise, Value performs better but as they drop, Growth is a better performer.

Mr. Kelley asked on a Global Scale, where Templeton fit in.

Mr. Nagle answered that they are at \$90 Billion and although performance is not where they want it to be right now, it is improving.

The Board thanked Ms. Schoren-Testa and Mr. Nagle and they left the meeting.

**11:30 a.m.- Wellington-Core Bond, CIF Research Equity, Opportunistic Inv. Allocation**

Leigh Crosby Assistant Vice President/Account Manager introduced herself and three presenters that accompanied her: Scott Chandler-Investment Director (Opportunistic Investment), Amar Reganti- Investment Director (Core Bond), and Matt McKenna-Investment Director (Research Equity).

Ms. Crosby told the Board that she was pleased to say Wellington is celebrating twenty (20) years of relationship with the Board. There are no Firm changes to report. Wellington is a Trillion Dollar Firm and a trusted advisor and strategic partner to clients worldwide. She added that there has been a challenging environment the past few weeks effecting returns. Ms. Crosby informed the Board that the SEC investigation regarding Private Equity has been closed.

Mr. Chandler told the Board that there have been no material changes to the Opportunistic Investment Fund Team or Investment Process. The portfolio is managed by a stable team of seasoned investors. He explained that performance has been very tough this year. Domestic markets have outperformed the International Markets broadly and the portfolio has struggled to keep up in a US-Equity led rally. Looking back to the three (3) years prior outperformance, the recent underperformance is just a blip in time. The Fund was at -2.8% vs. the benchmark (Wellington Opp. Index) at 2.9% for the Qtr. ending September 30, 2018. Year-to-Date performance through September 30, 2018, was at -4.5% vs. the benchmark at 2.2%. Mr. Chandler concluded by telling the Board that the team will be focused on positioning the portfolio for better performance going forward.

Mr. Reganti told the Board that there are no changes to the structure or process of the Core Bond Fund. The Team's objective is straight forward, they seek to consistently outperform the broad fixed income market as represented by the Bloomberg Barclays US Aggregate Bond Index with equivalent of lower levels of risk. They believe a diversity of high quality investment ideas managed in a risk-controlled framework should lead to superior investment results. Performance for the 3<sup>rd</sup> Qtr. 2018 (through September 30, 2018) was at .20% vs. the benchmark (Bloomberg Barclays US Aggregate) at .02%. Year-to-Date performance through September 30, 2018, was at -1.38% vs. the benchmark at -1.60. He explained that the Fund is doing what it is supposed to do, make slow gains over long periods. He added that the 4<sup>th</sup> Qtr. outlook is relatively bullish with some concerns over escalating trade tensions.

Mr. McKenna introduced himself to the Board and told the Board he lives in West Plymouth. He updated the Board that Mary Pryshlak, Director of Global Industry Research, took over for Mark Mandel, Head of Research Portfolios. The US Research Equity Fund team's objective is to consistently outperform the S&P 500 Index over 3-5 year periods. They use a Team approach allowing deep coverage across a broad universe emphasizing on stock selection. The portfolio does not have sector bets and 40% of the team members are investors in the Firm. Performance for the 3<sup>rd</sup> Qtr. 2018, (through September 30, 2018) was at 7.6% vs. the benchmark (S&P 500) at 7.7%. The One-year performance through September 30, 2018, was at 17.6% vs. the benchmark at 17.9%. He added that it is highly likely we will see more volatility and that is a good thing.

Chairman Kelley asked Mr. McKenna where Wellington fits in on a global scale.

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Mr. McKenna answered that they are in the top five (5), having a Trillion in assets.

The Board thanked the Wellington group and they left the meeting.

The Board thanked Mr. Tranghese and he left the meeting.


**Next Meeting:**

November 30, 2018

**Adjourn:**




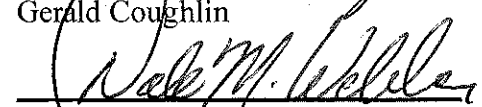
Motion to adjourn Regular Meeting at 12:00 p.m. made by Mr. Webber; Seconded by Mr. Coughlin. Unanimously voted.

Respectfully submitted,



Karry A. Barros  
Assistant Director

**Plymouth Retirement Board:**

  
Mr. Thomas Kelley, Chairman  
Lynne Barrett  
Shawn Duhamel  
Gerald Coughlin  
Dale Webber

November 30, 2018  
Dated