

## **BRISTOL COUNTY RETIREMENT BOARD**

At a meeting of the Bristol County Retirement Board held on the 26th day of July, 2017 at the Bristol County Retirement Board Office, 645 County Street, Taunton, Massachusetts at 9:00 A.M.

Present: Christopher T. Saunders, Chairman of the Board  
William M. Downey, Board Member  
Stephen J. Rivard, Board Member  
Christine N. DeFontes, Board Member  
Roxanne L. Donovan, Executive Director  
Atty. Michael Sacco, Legal Counsel to the BCRB

Via Conference Call: John T. Saunders, Board Member

The Bristol County Retirement Board reviewed and approved the most current bank reconciliations and the expense, refund and transfer vouchers.

### **INVESTMENT AND FINANCIAL DISCUSSION**

**Segal Marco Advisors Financial Consultants**  
In attendance: Marc Procek and Michaela Pastore

1. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the investment transactions that were executed by Income Research and Management, Inc. (Fixed Income) and Arrowstreet Capital, Earnest Partners, LSV, RiceHallJames, Trust & Fiduciary Services, Lyrical Partners (Equities), and CBRE Clarion (Real Estate) for the month ending June 2017.
2. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve all other investment transactions executed in-house thus far for July 2017.
3. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the Investment Summary Statement for months ending June 2017 as reported to the BCRB by our custodial bank (State Street Bank and Trust); and a year-to-date performance.
4. Mr. Procek updated the Board that there were ten (10) responses to the Global REIT RFP. Four (4) of which were rated as Highly Advantageous. After review and discussion, on a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to have Segal Marco Advisors further research Brookfield, CBRE and Centersquare. Search books will be provided at the August 30, 2017 Board Meeting.
5. Mr. Procek provided the RFP document for the Domestic Small/Smid Value Equity Managers RFP which will be due September 6, 2017. The Board asked the Executive Director to post the RFP to the PERAC website.
6. As the Fiscal Year 2018 Appropriations are now payable, Mr. Procek recommended investing \$20 million as follows:  
\$10 million in Emerging Markets Equity: \$3 million to Lazard and \$7 million to Aberdeen  
\$10 million to Fixed Income: \$5 million to Colchester Global Bonds, \$3 million to Stone Harbor and \$2 million to Ashmore.  
On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the recommendation.

**OLD BUSINESS – LEGAL**

1.

**FRANCINE HOPKINS (WIDOW OF CHARLES HOPKINS),  
TOWN OF EASTON – POLICE OFFICER VS. BCRS  
DALA, CR-15-470**

Date of Death: April 5, 2014

**Review Notice of Withdrawal**

On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to receive and place on file the Notice of Withdrawal filed by Attorney Quirk on behalf of Mr. Hopkins.

**NEW BUSINESS – REGULAR**

1. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the first payment to newly retired members of the Bristol County Retirement System for the month of July 2017:

Beverly Frates	Town of Dartmouth	June 23, 2017
Carol A Lawrence	Town of Dartmouth	June 30, 2017
Soledade M Gaspar	Town of Dartmouth	June 24, 2017
Ann-Margaret Neenan	Town of Dartmouth	June 4, 2017
Linda A Flaherty	Town of Easton	June 21, 2017
Marilyn A Larrivee	Town of Somerset	June 12, 2017
Susan M Lima	Town of Somerset	June 24, 2017
William A Soares	Town of Somerset Somerset-Berkley	June 1, 2017
Lisa M Viana	Town of Somerset	June 23, 2017
Geraldine A Bouchard	Town of Swansea	June 3, 2017
Robert J LaConte	Town of Mansfield	June 30, 2017
Alycia Olivier	Town of Acushnet	June 23, 2017
Maral E Souza	Town of Westport	June 24, 2017

2. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the make-up payments for the purchase of previous creditable service regarding the following members of the retirement system for the month of July 2017:

Gregory Steele	Town of Dighton	2 Years 7 Months Reserve Police
Richard Pacheco	Town of Dartmouth	0 Years 3 Months Reserve Police

3. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the Bristol County Retirement System fund budget sheet for period ending July 2017.
4. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the Trial Balance of the Bristol County Retirement System for the months ending April and May 2017.
5. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to receive and place on file a memorandum (#21-2017) from Joseph E. Connarton, Executive Director of PERAC, dated July 7, 2017, to the BCRB regarding Mandatory Retirement Board Member Training-3<sup>rd</sup> Quarter 2017.
6. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to receive and place on file a memorandum (#22-2017) from Joseph E. Connarton, Executive Director of PERAC, dated July 17, 2017, to the BCRB regarding PROSPER and the Legal Review of Disabilities.
7. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to receive and place on file a memorandum (#23-2017) from Joseph E. Connarton, Executive Director of PERAC, dated July 20, 2017, to the BCRB regarding MTRS c.32, section 3(8)(c) Reimbursements.
8. The Executive Director and Member Defontes updated the Board that the Advisory Council will be conducting an Election for the seat held by Member Rivard.
9. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, John Sanders-aye, Chairman Saunders-aye) to approve the Board Meeting Minutes for the following month:  
June 28, 2017

Member John Saunders had to end the conference call.

#### **MANAGER INTERVIEWS:**

##### **CLEARBRIDGE INVESTMENTS**

Presenters: Tim West, Director Institutional Sales; Peter Bourbeau, Portfolio Manager

##### **COLUMBIA MANAGEMENT**

Presenters: Richard Carter, Senior Portfolio Manager; Steven Snyder, Head of US Institutional Distribution;  
(Tentatively by phone) Tom Galvin, Lead and Senior Portfolio manager

##### **INTECH INVESTMENT MANAGEMENT**

Presenter: John Cardinali, Managing Director

The Board met with the above managers who were invited to present their investment strategies and philosophies regarding the RFP authored by the Board in the new asset category of Domestic Equity Growth Managers. Each manager prepared detailed presentation booklets and offered strong explanation and insight into their companies. Segal Marco Advisors had prepared a comparative booklet and each manager was fully analyzed. Each manager has a unique strategy to the other presenters. After all the presentations, the Board discussed and reviewed with Mr. Procek his perceptions. Of critical importance was who would be the best fit to assist the Bristol County Retirement System with meeting its long term investment goals. INTECH has underperformed over a number of years and therefore

BCRB Meeting-July 26, 2017

Clearbridge stood out in comparison with stable and consistent performance. After much discussion, on a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye, and Chairman Saunders-aye) to retain Columbia and invest \$30 million with Clearbridge and terminate investment with INTECH.

**EAGLE CAPITAL MANAGEMENT**

Presenters: Will Hyland, Managing Director

**LYRICAL PARTNERS**

Presenters: Andrew Wellington, Portfolio Manager; Gary Faccenda, Managing Director

**LSV ASSET MANAGEMENT**

Presenter: Pete Young

The Board met with the above managers who were invited to present their investment strategies and philosophies regarding the RFP authored by the Board in the new asset category of Domestic Equity Value Managers. Each manager prepared detailed presentation booklets and offered strong explanation and insight into their companies. Segal Marco Advisors had prepared a comparative booklet and each manager was fully analyzed. The Board was very impressed by each manager and highlighted the different philosophies of each. Each manager has a unique strategy to the other presenters. After all the presentations, the Board discussed and reviewed with Mr. Procek his perceptions. Of critical importance was who would be the best fit to assist the Bristol County Retirement System with meeting its long term investment goals. When comparing all three managers, Eagle had the highest fee structure. After much discussion, on a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously (Rivard-aye, Downey-aye, Defontes-aye and Chairman Saunders-aye) to retain Lyrical and LSV.

**EXECUTIVE SESSION**

On a motion by Member Rivard and second by Member Downey the Bristol County Retirement Board voted by roll call vote (Rivard-aye, Downey-aye, DeFontes-aye, C. Saunders-aye) to go into Executive Session at 10:15 a.m., in accordance with M.G.L. Chapter 30A, Section 21. Chairman Saunders indicated that the Board would resume in open session.

On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to adjourn their regular meeting at 12:05 P.M.

The next meeting of the Bristol County Retirement Board is scheduled for Wednesday, August 30, 2017, at 9:00 a.m. at the offices of the Bristol County Retirement Board

**SIGNATORIES:**

Prepared by: \_\_\_\_\_  
Roxanne L. Donovan

\_\_\_\_\_  
Christopher T. Saunders, Chairman of the Board

\_\_\_\_\_  
William M. Downey, Board Member

\_\_\_\_\_  
Stephen J. Rivard, Board Member

\_\_\_\_\_  
John T. Saunders, Board Member

\_\_\_\_\_  
Christine N. DeFontes, Board Member