

BRISTOL COUNTY RETIREMENT BOARD

At a meeting of the Bristol County Retirement Board held on the 28th day of March, 2018 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
John T. Saunders, Board Member
Christine N. DeFontes, Board Member
Roxanne L. Donovan, Executive Director

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

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

INVESTMENT AND FINANCIAL DISCUSSION

1. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously 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 February 2018.

2. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve all other investment transactions executed in-house thus far for March 2018.

3. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve the Investment Summary Statement for months ending February 2018 as reported to the BCRB by our custodial bank (State Street Bank and Trust); and a year-to-date performance.

4. The BCRB reviewed the research provided by Segal Marco Advisors. Two of the four firms require a closing date that would be too soon for all of the legal requirements and approvals. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to interview Dune Real Estate and TerraCap Partners. Interviews will take place at the April 25, 2018 Board meeting.

5. The BCRB reviewed the responses for the Fixed Income RFPs:

For Core Fixed Income, Twenty-three (23) firms responded. Seven (7) firms were rated "Highly Advantageous", One (1) firm was rated "Advantageous" and Fifteen (15) were rated "Not Advantageous or Unacceptable". After discussion, on a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to have Segal Marco Advisors provide further research on IR&M, Wells Capital and Loomis Sayles.

For TIPS, Eight (8) firms responded. Three (3) firms were rated "Highly Advantageous" and Five (5) firms were rated "Not Advantageous". After discussion, on a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously to have Segal Marco Advisors provide further research on IR&M, Wellington and Western Asset.

6. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to receive and place on file memorandum (#15-2018) from Joseph E. Connarton, Executive Director of PERAC, dated March 22, 2018, to the BCRB regarding Tobacco Company List (Quarterly Memo).

7. Cash flow needs were discussed. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve Segal Marco Advisors recommendations as follows:

\$5 million from Emerging Market Equity. \$2.5 million from Lazard and \$2.5 million from Aberdeen.

\$5 million from non-US Developed Equity. \$2.5 million from Freedom/RBC and \$2.5 million from Arrowstreet.

MANAGER REVIEWS:

All presentations were sent prior to the meeting.

EASTERN TIMBERLAND INVESTMENT Conference Call: Timothy Hartigan, Managing Director

Mr. Hartigan provided an update on the fund. There have been seven transactions in six states. They are fully invested and in the management phase. 9.34% gross, 8.48% net since-inception return. Performance and portfolio were discussed. Distributions started in 2017.

BROOKFIELD TIMBERLAND MANAGEMENT Conference call: Marley Cooper, Manager, Investor Relations and Mark Bishop, Managing Director

Ms. Cooper highlighted that the fund continued to operate well in 2017, yielding healthy cash distributions and generating returns in line with expectations. The valuation of the fund continues to perform in-line with underwriting with an investment IRR of approximately 13%. Given the contractual nature of the operating cash flow, they expect regular distributions going forward.

DUPONT CAPITAL Conference call: Chris Pettia, Senior Portfolio Specialist, Kimberly Fetterman, Client Services Manager and Paul Leahy, Head of Relationship Management

Mr. Pettia noted that the fund is in liquidation mode. The fund will end in the next 18-24 months. Top ten investments by NAV make up 71% of the Fund's remaining value. He reviewed performance by strategy. As of 9/30/17, the total return multiple was 1.2x.

COLCHESTER GLOBAL BOND FUND Conference call: Janhavi Kumar, Senior VP and Lily Leong, Vice President

Ms. Kumar noted the philosophy of Colchester to invest primarily in high quality sovereign bond markets that offer attractive real yields and sound finances. There is a conscious focus on generating attractive real returns. Portfolio construction was reviewed from the beginning to final portfolio. Risk is carefully managed at all stages of portfolio construction. Since Inception in December 2012, the gross return has been 6.33%. For 2017, the gross return was 8.68%. Top contributors and detractors were reviewed.

OLD BUSINESS – LEGAL

1.

JOY CEDERQUIST VS. BCRB **CR-15-232**

On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to receive and place on file Attorney Sacco's Memorandum of Law in Lieu of a Hearing.

NEW BUSINESS – LEGAL

1.

**KATHLEEN CINCOTTA VS. BCRS
FREETOWN LAKEVILLE SCHOOL
CR-18-0225**

On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to receive and place on file Notice of Receipt of Appeal regarding Anti-Spiking provisions question.

2.

**ROBERT GRINHAM
TOWN OF EASTON-POLICE
TERMINATION AUGUST 5, 2005**

The BCRB reviewed documents related to Mr. Grinham's termination and memorandum from Attorney Sacco. As Mr. Grinham was found not guilty on all charges, on a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously that his termination was not a crime of moral turpitude. Mr. Grinham can receive a retirement allowance.

NEW BUSINESS – REGULAR

1. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve the first payment to newly retired members of the Bristol County Retirement System for the month of March 2018:

Maureen M Call	Town of Easton	January 2, 2018
Scott J Francis	Acushnet Housing	January 7, 2018
Cheryl A Desa	County of Bristol	February 3, 2018
Nancy A Curry	Town of Dartmouth	February 17, 2018
Stephen J Smith	Town of Mansfield	February 6, 2018
Patrick J Mahoney	Town of Norton	February 3, 2018
James E Precourt	Town of Norton	February 1, 2018
Martha S Gordon	Dighton Rehoboth-Survivor Benefit	January 14, 2018
Scott J Benevides	Town of Somerset-ADR	January 21, 2018
Deborah A Allerdt	Town of Freetown	January 20, 2018
Paul A Paquette	Town of Somerset	February 17, 2018
Bradley M Freitas	Town of Westport	February 15, 2018
Robert A Marquis	Swansea Water	February 3, 2018
William D Schneller	Town of Berkley	February 17, 2018

2. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously 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 March 2018:

Christopher Maguy	Town of Dighton	3 Years 7 Months Call Fire
Alan Bowen	Town of Acushnet	6 Years 2 Months Pro-rated Service
Paul Boucher	Town of Berkley	2 Years 5 Months Pro-rated Service
Emanuel Sousa	Town of Seekonk	0 Years 0 Months Correction
Deborah Allerdt	Town of Freetown	0 Years 0 Months Correction
Jason Perry	Town of Berkley	5 Years 0 Months Call Fire
Jose Peixoto	Town of Seekonk	0 Years 5 Months Pro-rated Service
Zackary Petitpas	Town of Freetown	5 Years 0 Months Call Fire
Patrick J Mahoney	Town of Norton	0 Years 0 Months Correction
William D Schneller	Town of Berkley	0 Years 0 Months Correction

3. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve the Bristol County Retirement System fund budget sheet for period ending March 2018.

4. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve the Trial Balance of the Bristol County Retirement System for the months ending December 2017 (Preliminary).

5. **COLA (Cost of Living Adjustment) HEARING-** The Bristol County Retirement Board discussed the annual Cost of Living Allowance increase which is scheduled for July 1, 2018. With discussion of financial performance and a review of the costs associated with a COLA increase, on a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously to grant a **3% increase** to the base amount (\$18,000) allowed effective July 1, 2018 for all retirees who retired on or before June 30, 2017.

6. On a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously to receive and place on file a memorandum (#13-2018) from Joseph E. Connarton, Executive Director of PERAC, dated February 23, 2018, to the BCRB regarding Mandatory Ethics Training.

7. On a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously to receive and place on file a memorandum (#14-2018) from Joseph E. Connarton, Executive Director of PERAC, dated March 2,

2018, to the BCRB regarding Interest Payments in Certain Situations and All Client's Memorandum from Attorney Sacco regarding this matter.

8. The BCRB conducted an annual performance evaluation of the Executive Director. On a motion by Member Rivard and second by Member DeFontes, the BCRB voted unanimously to approve a \$5,000 annual salary increase for 2018 for Ms. Donovan, retroactive to January 1, 2018. Ms. Donovan thanked the Board.

9. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve the Board Meeting Minutes for the following month:
February 28, 2018

On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to adjourn their regular meeting at 11:10 A.M.

The next meeting of the Bristol County Retirement Board is scheduled for Wednesday, April 25, 2018, 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