

BRISTOL COUNTY RETIREMENT BOARD

At a meeting of the Bristol County Retirement Board held on the 22nd day of August, 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
Atty. Michael Sacco, Legal Counsel to the BCRB

Not Present: Christine N. DeFontes, Board Member

INVESTMENT AND FINANCIAL DISCUSSION

Segal Marco Advisors Financial Consultants

In attendance: Marc Procek and Kevin Roundtree

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 July 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 August 2018.
3. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously to approve the Investment Summary Statement for months ending July 2018 as reported to the BCRB by our custodial bank (State Street Bank and Trust); and a year-to-date performance.
4. Mr. Procek provided the BCRB with the search book for the Custodial Bank Search. Three (3) firms submitted responses: State Street Bank, Comerica Bank and People's United Bank. After review and discussion, on a motion made by Member Rivard and second by Member Downey, the BCRB voted unanimously to interview all three (3) firms. The interviews will take place at the September meeting.
5. As the Fiscal Year 2019 Appropriations have been received, Mr. Procek recommended investing \$20 million as follows:

\$10 million in Emerging Markets Equity: \$5 million to Lazard and \$5 million to Aberdeen. On a motion by Member Downey and second by Member Rivard, the BCRB voted unanimously to approve the recommendation.

\$10 million to Fixed Income: \$5 million to PIMCO, \$2.5 million to Stone Harbor and \$2.5 million to Ashmore. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to approve the recommendation.

MANAGER REVIEWS:

All presentation booklets were provided ahead of the meeting.

INVESCO

Presenters: Rivka Altman Portfolio Manager and Robert Moriarty Jr., Relationship Manager

Mr. Altman reviewed the performance of Fund I and II. Fund I is in disposition phase and they anticipate fund-level returns of 18.4% gross IRR. Full liquidation of private CRE investments expected by year end 2018. Over 100% of contributed capital has been returned. Fund II (Vintage Year 2014) portfolio holdings/construction were reviewed. 26% IRR/1.6x EM within the three year investment period, with capital being redeployed. They are anticipating up to four unrealized assets being realized by the end of 2018.

BLACKROCK

Presenters: Meredith Moran and Amy Park, Vice President

Ms. Moran reviewed the firm, the investment team and the investments of each Fund. This is a top down strategy with only quality investments. 87% of capital has been called to date, which they do not anticipate any further calls. Distributions to paid in capital ratio is 1.22x, however total value to paid in capital ratio is 1.48x. For Fund IV, 89% of capital has been called. Blackrock is consistently making distributions. To date, distributions to paid in capital ratio is .93x, however total value to paid in capital ratio is 1.59x. Gross IRR since inception is 11.4%.

COLUMBIA

Presenters: Joseph Dougherty, Relationship Manager and Paul Shelton, Client Portfolio Manager

Mr. Dougherty reviewed the firm's investment philosophy. Columbia's objective is to identify companies gaining market share in industries that are gaining wallet share as a percentage of GDP. They reviewed the current portfolio and the performance. YTD is 10.86% versus benchmark of 7.25% and 5 Year is 16.16% versus benchmark of 16.36%. The Top 5 Contributors and detractors were reviewed.

DN PARTNERS

Presenter: John Dancewicz

Mr. Dancewicz reviewed that after a series of cost cuts in recent years, M&M Pump and Chinada are both performing in line or better than plan. Further cost controls are being implemented to try to improve results and achieve profitability for M&M Pump. Chinada represents over 80% of the remaining value in the fund and has seen strong sales and profitability growth in the past year. Formal valuations are performed annually and write-ups on both companies are expected if the companies continue to perform to plan.

LEGAL:

BOARD REVIEW, DELIBERATION AND VOTE

OLD BUSINESS – LEGAL

1.

ROBERT SZALA
TOWN OF DARTMOUTH-POLICE CHIEF
Accidental Disability Retirement-Heart Law
Attorney: James Quirk

The BCRB reviewed the Regional Medical Panel certificates in which the all three physicians have answered yes to all three questions relative to Mr. Szala's disability and a letter from Atty. Michael Sacco relative to those findings and a letter from Attorney Quirk. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously to approve the accidental disability retirement of Chief Szala, subject to PERAC approval.

2.

SCOTT GAUCHER
TOWN OF SEEKONK-POLICE OFFICER
Accidental Disability Retirement Hearing
Attorney Leigh Panettiere

The BCRB reviewed the Regional Medical Panel certificates in which the two of the three physicians have answered no to questions #1 (incapable of performing the essential duties of his position) relative to Mr. Gaucher's disability

and a letter from Atty. Michael Sacco relative to those findings. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously by Roll Call vote (Rivard-aye, Downey-aye, John Saunders-aye and Chairman Saunders-aye) to deny the accidental disability retirement of Mr. Gaucher.

3.

PAUL HARGADON
TOWN OF MANSFIELD-RETIRED POLICE OFFICER
Accidental Disability Retirement Hearing
Attorney Leigh Panettiere

The BCRB reviewed the Regional Medical Panel certificates in which the two of the three physicians have answered yes all three questions relative to Mr. Hargadon's disability and a letter from Atty. Michael Sacco relative to those findings. . On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously by Roll Call vote (Rivard-aye, Downey-aye, John Saunders-aye and Chairman Saunders-aye) to approve the accidental disability retirement of Mr. Hargadon, subject to PERAC approval.

NEW BUSINESS – LEGAL

1. The BCRB reviewed the All Clients memorandum from Attorney Sacco regarding recent CRAB decisions.

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 August 2018:

Matthew Tobin	Dighton Rehoboth	June 30, 2018
Norman A Mitchell Jr.	Town of Easton	July 2, 2018
Robert Grinham	Town of Easton	June 22, 2018
Deborah A Travers	Town of Freetown & Freetown Lakeville	July 5, 2018
Dennis G Cloutier	Town of Mansfield	June 30, 2018
Sheila L DePalma	Town of Mansfield	June 23, 2018
Donna L Neely	Town of Mansfield	June 23, 2018
Barbara A Rea	Town of Mansfield	June 23, 2018
Kathleen M Smolinski	Town of Mansfield	June 30, 2018
Linda A Maye-Doherty	Town of Norton	June 28, 2018
Deborah L Souto	Town of Seekonk	July 7, 2018
Stephen J Conroy	Town of Somerset	July 19, 2018
Elizabeth A Botelho	Town of Swansea	June 30, 2018
Daniel T Lowney Jr	Town of Swansea	July 5, 2018

David A Rabbit	Swansea Water	June 30, 2018
Anthony P Furtado	Town of Westport	July 1, 2018
Frank A Napert	Town of Westport	July 6, 2018
Stephen J Antinelli	Town of Swansea	July 7, 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 August 2018:

Christopher R Carreiro	Town of Swansea	5 Years 0 Months Call-Fire Service
John Acord Jr	Town of Somerset	3 Years 2 Months Refunded Service
James Gonneville	Town of Freetown	2 Years 1 Month Call-Fire Service
Luke Bisio	Town of Raynham	1 Year 4 Months Pro-rated Service

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

4. On a motion by Member Downey and second by Member John Saunders, the BCRB voted unanimously to approve the Trial Balance of the Bristol County Retirement System for the months ending June 2018.

5. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously to receive and place on file memorandum (#22-2018) from Joseph E. Connarton, Executive Director of PERAC, dated July 24, 2018, to the BCRB regarding Public Records Law Side Letter Provisions.

6. On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously to receive and place on file memorandum (#23-2018) from Joseph E. Connarton, Executive Director of PERAC, dated July 27, 2018, to the BCRB regarding Reinstatement to Service under G.L. c.32 § 105.

7. On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to receive and place on file memorandum (#24-2018) from Joseph E. Connarton, Executive Director of PERAC, dated July 27, 2018, to the BCRB regarding Cost of Living Increase for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors.

8. On a motion by Member Downey and second by Member John Saunders, the BCRB voted unanimously to approve the Board Meeting Minutes for the following month:
July 25, 2018

On a motion by Member Rivard and second by Member Downey, the BCRB voted unanimously to adjourn their regular meeting at 12:30 P.M.

The next meeting of the Bristol County Retirement Board is scheduled for Wednesday, September 26, 2018, at 9:00 a.m. at the offices of the Bristol County Retirement Board

SIGNATORIES:

Prepared by: _____

Christopher T. Saunders, Chairman of the Board

William M. Downey, Board Member

Stephen J. Rivard, Board Member

John T. Saunders, Board Member