

BRISTOL COUNTY RETIREMENT BOARD

At a meeting of the Bristol County Retirement Board held on the 25th day of October, 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
Stephen J. Rivard, Board Member
John T. Saunders, Board Member
Christine N. DeFontes, Board Member
Roxanne L. Donovan, Executive Director

Not in Attendance: William M. Downey, 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 J. Saunders, 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 September 2017.
2. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve all other investment transactions executed in-house thus far for October 2017.
3. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the Investment Summary Statement for months ending September 2017 as reported to the BCRB by our custodial bank (State Street Bank and Trust); and a year-to-date performance.
4. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to receive and place on file a memorandum (#32-2017) dated October 6, 2017 from Thomas J. O'Donnell, Compliance Officer, of PERAC, to the BCRB regarding an updated Tobacco Company List.
5. Mr. Procek presented research books for Small Cap Growth and Value Managers. For Value, Pzena appears more volatile and with the highest fees. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to interview Earnest Partners and Fisher Investments. For Growth, Rice Hall James performance has been lacking compared to peers. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to interview Frontier Capital Management Company and Wasatch Advisors, Inc.
6. Mr. Procek addressed concerns regarding change of ownership for Centersquare in the REIT's Search. After review and discussion, on a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to replace CBRE Clarion and hire Brookfield for \$10 million investment. The new investment period with Brookfield Private Advisors will not exceed seven (7) years from funding date.
7. Mr. Procek provided the search criteria for the next RFP search for International Core, Growth & Value Equity. Bids will be due November 29th. The Board asked the Executive Director to post the RFP to the PERAC website.
8. A new RFP search for Value-Add/Oppportunistic Real Estate Managers will be conducted after the International Search.
9. The BCRB reviewed the Retention Agreement submitted by Labaton Sucharow LLP in litigation against Ubiquiti Networks. Chairman Saunders had one correction to make in the agreement. With the amendment made, on a

motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the agreement.

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MANAGER REVIEWS:

INCOME RESEARCH

In Attendance: Matt Drasser, Senior Vice President and Mike Sheldon, Senior Portfolio Manager

Mr. Drasser reviewed the firm updates and assets of the firm. Our Fixed Income account is up 3.98% for the year versus 3.49% for the Barclay's benchmark. Our TIPS account is up 1.39% versus 1.36% for the benchmark. IRM is comfortable with their exposures and believe their portfolio will benefit from a high-quality, domestic focus. Mr. Sheldon explained the benefits of being overweight in Securitized Bonds.

STONE HARBOR INVESTMENT PARTNERS LP

Conference Call: John Madden, Partner, Client Relationship Manager

Presentation booklets were provided prior to the meeting. Mr. Madden reviewed the firm update and assets of the firm. The Collective investment trust structure was reviewed. In the year since funding began, the portfolio is up 8.67% compared to the index of 7.29%. YTD, the portfolio is up 13.23% compared to the index of 11.61%. The largest contributor was to hard currency sovereign allocation. Mr. Madden reviewed the Emerging Markets Outlook, addressing the major risk factors. The projected index spreads and total returns were reviewed.

LAZARD

Conference call: Frank Sposato, Director, Monika Shrestha, Director, Portfolio Manager/Analyst and Stephanie van Hengel

Presentation booklets were provided prior to the meeting. Mr. Sposato reviewed the investment philosophy and process for this emerging market investment. Ms. Shrestha reviewed Lazard's investment philosophy and objectives. Lazard focuses on companies that are financially productive and inexpensively valued. Ms. Shrestha reviewed the key observations for YTD 2017 noted that they have underperformed lately compared to index due to environmental issues. They are keeping with their Relative Value Strategy and do not invest just because certain market classes gain momentum. They reviewed the portfolio content and the most recent transactions and profiles of their largest holdings. YTD as of September 30, 2017, the returns net of fees were 20.00% versus Index at 27.78%.

OLD BUSINESS – LEGAL

1.

NANCY A. CABRAL-McKENNA FOR ALEC CABRAL
Survivor Benefits under Robert Cabral, Swansea Police Department
Date of Death: November 5, 2005

The BCRB reviewed the request for repayment schedule reduction proposed by Mr. McKenna and the Structured Settlement documents provided. After discussion, on a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to reduce the monthly payments to \$500 per month if a new repayment agreement, which is to include the insurance company that will release the settlement in October 2018, is agreed upon.

2.

HANS WOLF vs. BCRB
TOWN OF EASTON-POLICE
CR-17-896

On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to receive and place on file a notice from Edward B. McGrath, Chief Administrative Magistrate of DALA regarding a Notice of Receipt of Appeal from Hans Wolf, Town of Easton police officer regarding the BCRB's denial on the accidental disability application of Mr. Wolf.

3.

EDWARD RAPOSA
Sheriff's Department Retiree
Excess Hours/Earnings

The BCRB reviewed the options available for repayment of the excess hours worked in Fall River. After discussion, on a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to request that Mr. Raposa repay the BCRS the amount refunded from the Fall River Retirement System. If Mr. Raposa agrees, then the BCRB will request a repayment schedule of \$200.00 per month until repaid.

NEW BUSINESS – REGULAR

1. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the first payment to newly retired members of the Bristol County Retirement System for the month of October 2017:

Daniel L Lenoci	Town of Norton-ADR	August 13, 2017
Cynthia N DeCosta	Somerset Berkley	July 1, 2017
Bree H Krasnianski-Powers	Town of Rehoboth-ADR	June 1, 2017
Stephen Droukas (widower of Catherine Harrington)	Town of Easton-Option D	August 18, 2017
Auzenda G Brasidio	Town of Dartmouth	August 30, 2017
Sandra T Bowen	Freetown Lakeville & Town of Freetown	August 29, 2017
Diane L Vieira	Town of Dartmouth	September 2, 2017
Dennis Medeiros	Dighton Rehoboth	August 31, 2017
David A Bonaparte	Town of Raynham	September 1, 2017
Denis Murphy	Town of Raynham & Raynham Water	July 31, 2017
Peter J Burke	Town of Swansea	August 31, 2017
Richard A Looker Jr	Town of Swansea	August 31, 2017
Paul J. Hargadon	Town of Mansfield	September 10, 2017

Eleanor Lallier	Town of Mansfield	September 30, 2017
Richard Soares	Town of Somerset	September 30, 2017
John Cucinotta	Town of Raynham	September 30, 2017

2. On a motion by Member Rivard and second by Member J. Saunders, 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 October 2017:

Timothy Turner	Town of Somerset	2 Years 4 Months Pro-rated Service
Daniel Meadows	Town of Berkley	3 Years 4 Months Reserve Police
Deborah Collins	Town of Dartmouth	0 Years 6 Months Pro-rated Service
Tracy A Juda	Town of Mansfield	0 Years 0 Months Correction
Barry J Ferreira	Dighton Water District	5 Years 7 Months Pro-rated Service
Rose Marie McGinty-Kimmel	Town of Mansfield	3 Years 11 Months Pro-rated Service
Denis Murphy	Raynham Water	0 Years 0 Months Correction
Dennis Medeiros	Dighton Rehoboth	0 Years 0 Months Correction
Robert E Johnson II	Town of Rehoboth	14 Years 3 Months Pro-rated Service
Todd Kuczewski	Town of Dighton	2 Years 9 Months Reserve Police

3.

CATHERINE HARRINGTON, TOWN OF EASTON
Date of Death: August 17, 2017

On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve an application for member/survivor benefits pursuant to M.G.L. Ch. 32, Sec. 12(2)(d) filed by Steven Droukas, husband of the late Catherine Harrington.

4.

BRUCE C ELLIS, SR.
Town of Raynham-Police Officer
Date of Death: September 23, 2017

On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the request for Survivor Benefits Under Section 101.

5. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the Bristol County Retirement System fund budget sheet for period ending October 2017.
6. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the Trial Balance of the Bristol County Retirement System for the months ending August 2017.
7. The BCRB reviewed the request for insurance quotes. Only one broker responded, with three quotes. After review of the proposals, on a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to change insurance carriers to Glatfelter Insurance Company.
8. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to receive and place on file a memorandum (#30-2017) from Joseph E. Connarton, Executive Director of PERAC, dated September 28, 2017, to the BCRB regarding Mandatory Retirement Board Member Training-4th Quarter 2017.
9. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to receive and place on file a memorandum (#31-2017) from Joseph E. Connarton, Executive Director of PERAC, dated October 5, 2017, to the BCRB regarding Appropriation Data Due October 31, 2017.
10. On a motion by Member Rivard and second by Member J. Saunders, the BCRB voted unanimously to approve the Board Meeting Minutes for the following month:
September 27, 2017

Member Rivard and Executive Director Donovan updated the Board on the topics discussed at the Segal Marco Advisors Educational Summit. It was well attended by other retirement professionals and investment managers. John DeMairo, President & CEO of Segal Marco Advisors opened the summit updating everyone on the successful merger with the Marco Consulting Group and a review of the company as it stands today. Strategic Themes and Market Outlooks were presented to the group. Breakout sessions included information regarding working toward liability goals, active vs. passive investment strategies, opportunistic investing and inflation projections. Overall the summit was educational and informative.

On a motion by Member Rivard and second by Member John Saunders, the BCRB voted unanimously to adjourn their regular meeting at 11:42 A.M.
The next meeting of the Bristol County Retirement Board is scheduled for Wednesday, November 29, 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

Stephen J. Rivard, Board Member

John T. Saunders, Board Member

Christine N. DeFontes, Board Member