

A regular meeting of the Retirement Board was held at Town Hall, Wednesday October 25, 2017 at 3:00PM.

Members present: Wayne Marquis, Appointed Member/Chairman; Steve Swanson, Fifth Member; Cory Grace Ex-Officio Member; Joe Collins, Elected Member; Mike Hagan, Elected.

Others present: Travis Ahern (Administrator); Susan Little (Staff); Cliff White (Consultant).

The Board meeting is being recorded with a digital audio recorder.

Wayne read agenda item: Minutes of the September 27, 2017 meeting to be accepted and signed. Wayne asked the Board if everyone has had a chance to review the minutes. Wayne asked if anyone would like to make a motion to accept the Minutes. **(Vote: Joe Collins motioned with Cory Grace seconding and the Board unanimously approving).**

The Board unanimously approved the August 2017 Cashbooks **(Vote: Steve Swanson motioned with Mike Hagan seconding and the Board unanimously approving).**

The bills payable and payroll warrants were unanimously accepted and signed. **(Vote: Cory Grace motioned with Steve Swanson seconding and the Board unanimously approving).**

October Payroll 10312017	\$ 988,675.75
October Expenses 1017	\$ 170,761.17

Purchases were unanimously accepted **(Vote: Mike Hagan motioned with Cory Grace seconding and the Board unanimously approving).**

Sales were unanimously accepted **(Vote: Steve Swanson motioned with Joe Collins seconding and the Board unanimously approving).**

SECURITIES PURCHASED:

Twin Capital October

<u>970</u>	<u>Express Scripts Holding Co</u>	<u>50</u>	<u>Lyondellbasell Industries N.V. Class A Com</u>
<u>220</u>	<u>FMC Corp</u>	<u>240</u>	<u>Newmont Mining Corp New Com</u>
<u>400</u>	<u>FMC Corp Common Stock USD 1</u>	<u>970</u>	<u>Robert Half Intl Inc Com</u>
<u>700</u>	<u>Intercontinental Exchange Inc</u>		

Hillswick September

<u>24000</u>	<u>US Treasury 4.50% 08/15/2039</u>	<u>17000</u>	<u>US Treasury 1.625% 02/15/2026</u>
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Hillswick October

<u>167000</u>	<u>United Health Group 3/750%</u>
	<u>07/15/2025</u>

BMO October

<u>121</u>	<u>Analogic Corp</u>	<u>535</u>	<u>KB Home</u>
<u>4348</u>	<u>Archrock Inc.</u>	<u>3994</u>	<u>NMI Holdings Inc.</u>
<u>197</u>	<u>ARGO Group International Holdings</u>	<u>208</u>	<u>Northwestern Corp.</u>
<u>552</u>	<u>Bank of Marin Bancorp</u>	<u>608</u>	<u>Orthofix International NV</u>

<u>275</u>	<u>Banner Corp.</u>	<u>594</u>	<u>Pattern Energy Group Inc.</u>
<u>375</u>	<u>First Industrial Realty Trust</u>	<u>346</u>	<u>Portland General Electric Co.</u>
<u>1077</u>	<u>Franklin Financial Network Inc.</u>	<u>2410</u>	<u>Renewable Energy Group Inc.</u>
<u>573</u>	<u>Helen of Troy LTD.</u>	<u>406</u>	<u>Safety Insurance Group Inc.</u>
<u>864</u>	<u>Heritage Financial Corp.</u>	<u>232</u>	<u>Sandy Spring Bancorp Inc.</u>
<u>1204</u>	<u>Herman Miller Inc.</u>	<u>1898</u>	<u>Stoneridge Inc.</u>
<u>5147</u>	<u>Hersha Hospitality Trust</u>	<u>520</u>	<u>Trinseo SA</u>
<u>170</u>	<u>Hyster-Yale Materials Handling</u>	<u>1079</u>	<u>Trust Bank Corp NY</u>
<u>1415</u>	<u>Iberiabank Corp.</u>	<u>806</u>	<u>United Community Banks Inc./GA</u>
<u>365</u>	<u>Integer Holdings Corp.</u>	<u>1118</u>	<u>XO Group Inc.</u>

Lyrical October

4497 HCA Healthcare Inc.

SECURITIES SOLD:

BMO September

<u>57</u>	<u>1st Source Corp</u>	<u>44</u>	<u>Kaiser Aluminum Corp</u>
<u>294</u>	<u>ACCO Brands Corp</u>	<u>196</u>	<u>KB Home</u>
<u>166</u>	<u>Aircastle Ltd</u>	<u>97</u>	<u>Kimball International -B</u>
<u>143</u>	<u>Allscripts Healthcare Solutions</u>	<u>44</u>	<u>KLX Inc</u>
<u>109</u>	<u>American Assets Trust Inc</u>	<u>88</u>	<u>Koppers Holdings Inc</u>
<u>175</u>	<u>American Equity Invt Life HI</u>	<u>110</u>	<u>Kraton Corp</u>
<u>66</u>	<u>American Public Education</u>	<u>147</u>	<u>Louisiana-Pacific Corp</u>
<u>470</u>	<u>Analog Devices Inc Com</u>	<u>155</u>	<u>Luminex Corp</u>
<u>36</u>	<u>Analogic Corp</u>	<u>195</u>	<u>Mack-Cali Realty Corp</u>
<u>90</u>	<u>Angiodynamics Inc</u>	<u>31</u>	<u>Magellan Health Inc</u>
<u>28</u>	<u>Anika Therapeutics Inc</u>	<u>585</u>	<u>McDermott Intl Inc</u>
<u>173</u>	<u>ArcBest Corp</u>	<u>76</u>	<u>Merit Medical Systems Inc</u>
<u>70</u>	<u>Argo Group International</u>	<u>55</u>	<u>Minerals Technologies Inc</u>
<u>199</u>	<u>Ashford Hospitality Prime Inc</u>	<u>58</u>	<u>Moog Inc-Class A</u>
<u>44</u>	<u>Bancfirst Corp</u>	<u>131</u>	<u>Myriad Genetics Inc</u>
<u>164</u>	<u>Bancorp South Inc</u>	<u>66</u>	<u>Natus Medical Inc</u>
<u>68</u>	<u>Banner Corporation</u>	<u>95</u>	<u>Navigant Consulting Inc</u>
<u>142</u>	<u>Benchmark Electronics Inc</u>	<u>51</u>	<u>Nelnet Inc=CI A</u>
<u>138</u>	<u>Boise Cascade Co</u>	<u>239</u>	<u>Newpark Resources Inc</u>
<u>38</u>	<u>Brink's Co</u>	<u>70</u>	<u>Nike Inc CI B</u>
<u>191</u>	<u>Callon Petroleum Co</u>	<u>116</u>	<u>NMI Holdings Inc-Class A</u>
<u>54</u>	<u>Carrizo Oil & Gas Inc</u>	<u>82</u>	<u>Northwestern Corp</u>
<u>140</u>	<u>Cathay General Bancorp</u>	<u>124</u>	<u>Omnova Solutions Inc</u>
<u>110</u>	<u>CECO Environmental Corp</u>	<u>28</u>	<u>Orthofix International NV</u>
<u>130</u>	<u>Central Pacific Financial Co</u>	<u>386</u>	<u>Pacific Ethanol Inc</u>

<u>73</u>	<u>Chart Industries Inc</u>	<u>56</u>	<u>Pattern Energy Group</u>
<u>177</u>	<u>Chesapeake Lodging Trust</u>	<u>53</u>	<u>PDC Energy Inc</u>
<u>44</u>	<u>City Holding Co</u>	<u>36</u>	<u>Peapack Gladstone Finl Corp</u>
<u>255</u>	<u>CNO Financial Group Inc</u>	<u>144</u>	<u>Pebblebrook Hotel Trust</u>
<u>135</u>	<u>COHU Inc</u>	<u>64</u>	<u>Penn National Gaming Inc</u>
<u>54</u>	<u>Columbus McKinnon Corp NY</u>	<u>35</u>	<u>Peoples Bancorp Inc</u>
<u>193</u>	<u>Convergys Corp</u>	<u>103</u>	<u>Phibro Animal Health Corp-A</u>
<u>42</u>	<u>Cooper-Standard Holding</u>	<u>193</u>	<u>Photronics Inc</u>
<u>109</u>	<u>Customers Bancorp Inc</u>	<u>136</u>	<u>PNM Resources Inc</u>
<u>221</u>	<u>Dana Inc</u>	<u>115</u>	<u>Portland General Electric Co</u>
<u>323</u>	<u>Darling Ingredients Inc</u>	<u>243</u>	<u>Preferred Apartment Commun-A</u>
<u>67</u>	<u>DCT Industrial Trust Co</u>	<u>63</u>	<u>Preferred Bank/Los Angeles</u>
<u>217</u>	<u>Dean Foods Co</u>	<u>111</u>	<u>Progress Software Corp</u>
<u>52</u>	<u>Deckers Outdoor Corp</u>	<u>184</u>	<u>Renewable Energy Group Inc</u>
<u>164</u>	<u>Diodes Inc</u>	<u>28</u>	<u>Rogers Corp</u>
<u>600</u>	<u>Edwards Lifesciences Corp</u>	<u>210</u>	<u>Rowan Companies PLC-A</u>
<u>93</u>	<u>El Paso Electric Co</u>	<u>303</u>	<u>RPX Corp</u>
<u>69</u>	<u>Emcor Group Inc</u>	<u>43</u>	<u>RSP Permian Inc</u>
<u>78</u>	<u>Emergent Biosolutions Inc</u>	<u>152</u>	<u>Rudolph Technologies Inc</u>
<u>92</u>	<u>Employers Holdings Inc</u>	<u>107</u>	<u>Rush Enterprises Inc-CI A</u>
<u>63</u>	<u>Enanta Pharmaceuticals Inc</u>	<u>31</u>	<u>S&T Bancorp Inc</u>
<u>37</u>	<u>Enpro Industries Inc</u>	<u>17</u>	<u>Safety Insurance Group Inc</u>
<u>174</u>	<u>Entegris Inc</u>	<u>51</u>	<u>Sandy Spring Bancorp Inc</u>
<u>35</u>	<u>EPR Properties</u>	<u>24</u>	<u>Saul Centers Inc</u>
<u>299</u>	<u>Express</u>	<u>71</u>	<u>Scansource Inc</u>
<u>110</u>	<u>Exterran Corp</u>	<u>56</u>	<u>Schulman (A.) Inc</u>
<u>71</u>	<u>Fidelity Southern Corp</u>	<u>131</u>	<u>Select Income REIT</u>
<u>46</u>	<u>Financial Institutions Inc</u>	<u>71</u>	<u>Selective Insurance Group</u>
<u>24</u>	<u>First Defiance Finl Corp</u>	<u>140</u>	<u>Sherwin-Williams Co Com</u>
<u>160</u>	<u>First Industrial Realty Tr</u>	<u>69</u>	<u>Southwest Gas Holdings Inc</u>
<u>71</u>	<u>First Interstate Bancsys-A</u>	<u>51</u>	<u>Stapan Co</u>
<u>47</u>	<u>Genesco Inc</u>	<u>40</u>	<u>Stifel Financial Corp</u>
<u>77</u>	<u>Global Brass & Copper Holdings</u>	<u>139</u>	<u>Sucampo Pharmaceuticals-CI A</u>
<u>252</u>	<u>Gray Television Inc</u>	<u>30</u>	<u>The Children's Place</u>
<u>19</u>	<u>Great Southern Bancorp</u>	<u>82</u>	<u>Tier REIT Inc</u>
<u>98</u>	<u>Greenbrier Companies Inc</u>	<u>316</u>	<u>Travelport Worldwide Ltd</u>
<u>123</u>	<u>Hanmi Financial Corporation</u>	<u>48</u>	<u>Trico Bancshares</u>
<u>69</u>	<u>Hawaiian Holdings Inc</u>	<u>17</u>	<u>Trinseo SA</u>
<u>73</u>	<u>HCI Group Inc</u>	<u>57</u>	<u>Triple-S Management Corp B</u>
<u>71</u>	<u>Heartland Financial Corp</u>	<u>78</u>	<u>Tronox Ltd-CI A</u>
<u>70</u>	<u>Heritage Financial Corp</u>	<u>196</u>	<u>TrueBlue Inc</u>

<u>62</u>	<u>Herman Miller Inc</u>	<u>230</u>	<u>Trustco Bank Corp NY</u>
<u>167</u>	<u>Hibbett Sports Inc</u>	<u>256</u>	<u>TTM Technologies</u>
<u>177</u>	<u>Hilltop Holdings Inc</u>	<u>310</u>	<u>Umpqua Holdings Corp</u>
<u>130</u>	<u>Homestreet Inc</u>	<u>137</u>	<u>United Community Banks/GA</u>
<u>1400</u>	<u>Huntsman Corp Common</u>	<u>61</u>	<u>US Silica Holdings Inc</u>
<u>19</u>	<u>Hyster-Yale Materials</u>	<u>304</u>	<u>Vishay Intertechnology Inc</u>
<u>53</u>	<u>Independent Bank Corp-Mich</u>	<u>190</u>	<u>Wabash National Corp</u>
<u>141</u>	<u>Innoviva Inc</u>	<u>86</u>	<u>Walker & Dunlop Inc</u>
<u>71</u>	<u>Integer Holdings Corp</u>	<u>161</u>	<u>Washington Federal Inc</u>
<u>187</u>	<u>Investors Bancorp Inc</u>	<u>70</u>	<u>Wintrust Financial Corp</u>
<u>116</u>	<u>K12 Inc</u>	<u>236</u>	<u>Xenia Hotels & Resorts Inc</u>

BMO October

<u>222</u>	<u>1st Source Corp.</u>	<u>487</u>	<u>Global Brass & Copper Holdings</u>
<u>1509</u>	<u>American Public Education Inc.</u>	<u>1655</u>	<u>HCI Group Inc.</u>
<u>36</u>	<u>Analogic Corp.</u>	<u>1059</u>	<u>Homestreet Inc.</u>
<u>249</u>	<u>Anika Therapeutics Inc.</u>	<u>4260</u>	<u>Investors Bancorp Inc.</u>
<u>690</u>	<u>Arcbest Corp.</u>	<u>697</u>	<u>Magellan Health Inc.</u>
<u>2512</u>	<u>Ceco Environmental Corp.</u>	<u>2841</u>	<u>Omnova Solutions Inc.</u>
<u>1016</u>	<u>City Holding Co.</u>	<u>904</u>	<u>Rudolph Technologies Inc.</u>
<u>676</u>	<u>Dana Inc.</u>	<u>2981</u>	<u>Select Income REIT</u>
<u>439</u>	<u>Employers Holdings Inc.</u>	<u>873</u>	<u>Selective Insurance Group Inc.</u>
<u>455</u>	<u>Entegris Inc.</u>	<u>1771</u>	<u>Tronox LTD</u>
<u>807</u>	<u>EPR Properties</u>	<u>6091</u>	<u>TTM Technologies Inc.</u>
<u>1616</u>	<u>First Interstate Bancsystem Inc.</u>		

Hillswick September

95000 US Treasury .0875% 01/15/2018

Hillswick October

182000 US Treasury 1.625% 10/31/2023

TWIN September

<u>540</u>	<u>Chimera Inv. Corp.</u>	<u>230</u>	<u>Intel Corp.</u>
<u>120</u>	<u>Deere & Co.</u>	<u>350</u>	<u>Lowe's COS Inc.</u>
<u>100</u>	<u>Facebook Inc.</u>	<u>1050</u>	<u>Tupperware Brands Corp.</u>
<u>800</u>	<u>First Energy Corp.</u>		

TWIN October

<u>1400</u>	<u>Altria Group Inc.</u>	<u>70</u>	<u>Nike Inc.</u>
<u>470</u>	<u>Analog Devices Inc.</u>	<u>1010</u>	<u>Philip Morris International Inc.</u>

600 Edwards Lifesciences Corp. 140 Sherwin-William Co.
1400 Huntsman Corp.

Lyrical October

4907 Eaton Corp PLC

The Board unanimously approved the membership of **Brett Gonsalves**, Director of Operations with DPW, start date 10/2/2017 (replaces Mike Nelson); **Kourtney Kellard**, Teacher Aide with Riverside, start date 9/18/2017 (replaces Deb Harlow); **Mathew Selinger**, Teacher Aide with Thorpe School, start date 10/3/2017 (replaces Emily Gotts) (**Vote: Cory Grace motioned with Mike Hagan seconding and the Board unanimously approving**).

The Board noted with sympathy the passing of **Barbara Lear**, surviving spouse of James Lear, died 10/17/2017; **Dorothy Bevitt**, retired Hunt Hospital employee, died 10/10/2017 (oldest Danvers retiree age 103 yrs.)

The Board unanimously approved the transfer of **Daniel Byrne**, transfer to Wakefield Retirement Board, 1 yr., 2 months C/S (9 months Danvers liability) totaling \$2,611.81; **Alan Thibeault**, transfer to Saugus Retirement Board, 12 yrs., 3 months C/S (9 yrs., 6 months Danvers liability), totaling \$93,936.65 (**Vote: Joe Collins motioned with Steve Swanson seconding and the Board unanimously approving**).

Approvals received from PERAC: **Jack Schmidgall** pop-up to Option A calculation

Travis Ahern, Administrator/Finance Director reviewed PERAC Memo's and other items of interest. Travis reviewed PERAC Memo #30/2017 (4th Quarter Training); PERAC Memo #31/2017 (Appropriation Data); PERAC Memo #32/2017 Tobacco list; reminder of PERAC Admin. Training in Danvers 11/14/2017; FY2017 GASB Statement 68.

Cliff White of Morgan Stanley/Graystone provided an educational review for the Board. Cliff updated the Board on preliminary portfolio performance. Cliff explained, the preliminary number for September 30, 2017 show the YTD results are +12.86% versus the Strategic Benchmark of +11.20% and versus the PRIT Core YTD results of +13.6% (with PRIT having a higher risk profile than Danvers). He explained the System is in compliance with the Investment Policy.

Meeting Adjourned: 3:55 (**Steve Swanson motioned with Cory Grace seconding and Board unanimously approving**)

NEXT MEETING: November 29, 2017

Joseph Collins, Elected Member

Michael Hagan, Elected Member

Corinna Grace, Ex-Officio Member

Wayne P. Marquis, Chairman

Stephen Swanson, Fifth Member