

A regular meeting of the Retirement Board was held at Town Hall, Wednesday November 29, 2017 at 3:12PM.

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: Susan Little (Staff); Cliff White (via conference call); Joe Nahas (via conference call).

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

Wayne read agenda item: Minutes of the October 25, 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 Steve Swanson seconding and the Board unanimously approving).**

The Board unanimously approved the September 2017 Cashbooks **(Vote: Joe Collins motioned with Mike Hagan seconding and the Board unanimously approving).**

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

November Payroll 111302017	\$ 984,867.13
November Expenses 1117	\$ 38,729.10

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

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

SECURITIES PURCHASED:

		<u>BMO November</u>	
<u>520</u>	<u>Aircastle Ltd</u>	<u>4388</u>	<u>Iridium Communications Inc</u>
<u>1903</u>	<u>Allscripts Healthcare Solution</u>	<u>2274</u>	<u>Marten Transport Ltd</u>
<u>269</u>	<u>Analogic Corp</u>	<u>14316</u>	<u>PDL Biopharma Inc</u>
<u>194</u>	<u>Banner Corp</u>	<u>561</u>	<u>Penn National Gaming Inc</u>
<u>4906</u>	<u>Bill Barrett Corp</u>	<u>916</u>	<u>Perry Ellis International Inc</u>
<u>715</u>	<u>Black Hills Corp</u>	<u>1148</u>	<u>Stoneridge Inc</u>
<u>1200</u>	<u>Covenant Transportation Group</u>	<u>4820</u>	<u>Sunstone Hotel Investors Inc</u>
<u>2192</u>	<u>DSW Inc</u>	<u>2703</u>	<u>Tailored Brands Inc</u>
<u>657</u>	<u>Hilltop Holdings Inc</u>	<u>312</u>	<u>Trico Bancshares</u>
<u>396</u>	<u>Idacorp Inc</u>	<u>407</u>	<u>United Community Banks Inc/GA</u>
<u>542</u>	<u>International Bancshares Corp</u>	<u>568</u>	<u>XO Group Inc</u>

Hillswick November

140000 US Treasury Note 1.625% 02/15/2026

Hillswick October

99,000 US Treasury Note 1.625% 02/15/2026

Lyrical October770 HCA Healthcare Inc**Twin November**450 DowDupont Inc750 Pfizer Inc810 Intel Corp310 S&P Global Inc400 Microsoft Corp600 VF Corp

SECURITIES SOLD:

BMO October45 1st Source Corp135 Innoviva Inc282 ACCO Brands Corp84 Integer Holdings Corp160 Aircastle Ltd111 K12 Inc138 Allscripts Healthcare Solution43 Kaiser Alumunum Corp105 American Assets Trust Inc211 KB Home169 American Equity Investment Life93 Kimball International Inc40 Analogic Corp42 KLX Inc87 Angiodynamics Inc85 Koppers Holdings Inc17 Anika Therapeutics Inc106 Kraton Corp138 Arcbest Corp142 Louisiana Pacific Corp183 Archrock Inc149 Luminex Corp76 Argo Group International Holdings188 Mack-Cali Realty Corp40 Aschulman Inc563 McDermott International Inc191 Ashford Hospitality Prime Inc73 Merit Medical Systems Inc42 Bancfirst Corp55 Moog Inc157 Bancorp South Inc126 Myriad Genetics Inc17 Bank of Marin Bancorp64 Natus Medical Inc71 Banner Corp91 Navigant Consulting, Inc137 Benchmark Electronics49 Nelnet Inc132 Boise Cascade Co230 Newpark Resources Inc94 Breenbrier Cos Inc279 NMI Holdings Inc36 Brink's Co87 Northwestern Corp183 Callon Petroleum Co53 Orthofix International NV52 Carrizo Oil & Gas Inc371 Pacific Ethanol Inc135 Cathay General Bancorp79 Pattern Energy Group Inc125 Central Pacific Financial Corp51 PDC Energy Inc70 Chart Industries35 Peapack Gladstone Financial Co171 Chesapeake Lodging Trust138 Pebblebrook Hotel Trust29 Children's Place Inc62 Penn National Gaming Inc245 CNO Financial Group34 Peoples Bancorp Inc/OH129 Cohu, Inc99 Phibro Animal Health Corp51 Columbus McKinnon Corp/NY185 Photronics Inc

<u>186</u>	<u>Convergys Corp</u>	<u>131</u>	<u>PNM Resources Inc</u>
<u>40</u>	<u>Cooper-Standard Holdings Inc</u>	<u>125</u>	<u>Portland General Electric Co</u>
<u>104</u>	<u>Customers Bancorp Inc</u>	<u>233</u>	<u>Preferred apartment Communities</u>
<u>184</u>	<u>Dana Inc</u>	<u>61</u>	<u>Preferred Bank/Los Angeles</u>
<u>311</u>	<u>Darling Ingredients Inc</u>	<u>107</u>	<u>Progressive Software Corp</u>
<u>64</u>	<u>DCT Industrial Trust Inc</u>	<u>278</u>	<u>Renewable Energy Group Inc</u>
<u>209</u>	<u>Dean Foods Co</u>	<u>27</u>	<u>Rogers Corp</u>
<u>50</u>	<u>Deckers Outdoor Corp</u>	<u>202</u>	<u>Rowan Cos Plc</u>
<u>158</u>	<u>Diodes Inc</u>	<u>291</u>	<u>RPX Corp</u>
<u>90</u>	<u>El Paso Electric Co</u>	<u>42</u>	<u>RSP Permian Inc</u>
<u>67</u>	<u>Emcor Group Inc</u>	<u>108</u>	<u>Rudolph Technologies Inc</u>
<u>75</u>	<u>Emergent Biosolutions Inc</u>	<u>103</u>	<u>Rush Enterprises Inc</u>
<u>70</u>	<u>Employers Holdings Inc</u>	<u>30</u>	<u>S&T Bancorp Inc</u>
<u>61</u>	<u>Enanta Pharmaceuticals Inc</u>	<u>33</u>	<u>Safety Insurance Group Inc</u>
<u>36</u>	<u>Enpro Industries Inc</u>	<u>58</u>	<u>Sandy Spring Bancorp Inc</u>
<u>148</u>	<u>Entegris Inc</u>	<u>23</u>	<u>Saul Centers Inc</u>
<u>288</u>	<u>Express Inc</u>	<u>68</u>	<u>Scansource Inc</u>
<u>106</u>	<u>Exterran Corp</u>	<u>32</u>	<u>Selective Insurance Group Inc</u>
<u>68</u>	<u>Fidelity Southern Corp</u>	<u>67</u>	<u>Southwest Gas Holdings Inc</u>
<u>44</u>	<u>Financial Institutions Inc</u>	<u>49</u>	<u>Stepan Co</u>
<u>23</u>	<u>First Defiance Financial Corp</u>	<u>38</u>	<u>Stifel Financial Corp</u>
<u>170</u>	<u>First Industrial Realty Trust</u>	<u>80</u>	<u>Stoneridge Inc</u>
<u>45</u>	<u>Franklin Financial Solutions Network Inc</u>	<u>133</u>	<u>Sucampo Pharmaceuticals Inc</u>
<u>45</u>	<u>Genesco Inc</u>	<u>79</u>	<u>Tier REIT Inc</u>
<u>53</u>	<u>Global Brass & Copper Holdings</u>	<u>304</u>	<u>Travelport Worldwide Ltd</u>
<u>243</u>	<u>Gray Television</u>	<u>46</u>	<u>Trico Bancshares</u>
<u>18</u>	<u>Great Southern Bancorp Inc</u>	<u>38</u>	<u>Trinseo SA</u>
<u>118</u>	<u>Hanmi Financial Corp</u>	<u>55</u>	<u>Triple-S Management Corp</u>
<u>66</u>	<u>Hawaiian Holdings Inc</u>	<u>188</u>	<u>TrueBlue Inc</u>
<u>68</u>	<u>Heartland Financial USA Inc</u>	<u>267</u>	<u>Trustco Bank Corp NY</u>
<u>24</u>	<u>Helen of Troy Ltd</u>	<u>298</u>	<u>Umpqua Holdings Corp</u>
<u>104</u>	<u>Heritage Financial Corp/WA</u>	<u>166</u>	<u>United Community Bank Inc/GA</u>
<u>110</u>	<u>Herman Miller Inc</u>	<u>59</u>	<u>US Silica Holdings Inc</u>
<u>217</u>	<u>Hersha Hospitality Trust</u>	<u>292</u>	<u>Vishay Intertechnology Inc</u>
<u>161</u>	<u>Hibbett Sports Inc</u>	<u>182</u>	<u>Wabash National Corp</u>
<u>170</u>	<u>Hilltop Holdings Inc</u>	<u>83</u>	<u>Walker & Dunlop Inc</u>
<u>80</u>	<u>Homestreet Inc</u>	<u>155</u>	<u>Washington Federal Inc</u>
<u>26</u>	<u>Hyster-Yale Materials Handling</u>	<u>67</u>	<u>Wintrust Financial Corp</u>
<u>60</u>	<u>Iberiabank Corp</u>	<u>227</u>	<u>Xenia Hotels & Resorts Inc</u>
<u>51</u>	<u>Independent Bank Corp/MI</u>	<u>47</u>	<u>XO Group Inc</u>

BMO November

<u>380</u>	<u>Anika Therapeutics Inc</u>	<u>1029</u>	<u>K12 Inc</u>
<u>4353</u>	<u>Ashford Hospitality Prime Inc</u>	<u>729</u>	<u>KB Home</u>
<u>1592</u>	<u>Chart Industries Inc</u>	<u>274</u>	<u>Kraton Corp</u>
<u>651</u>	<u>Children's Place Inc</u>	<u>1795</u>	<u>Pattern Energy Group Inc</u>
<u>1250</u>	<u>Convergys Corp</u>	<u>4216</u>	<u>Photronics Inc</u>
<u>350</u>	<u>Dana Inc</u>	<u>265</u>	<u>Rush Enterprises Inc</u>
<u>667</u>	<u>Diodes Inc</u>	<u>1791</u>	<u>TIER REIT Inc</u>
<u>152</u>	<u>Emcor Group Inc</u>	<u>479</u>	<u>TrueBlue Inc</u>
<u>341</u>	<u>Entegris Inc</u>	<u>1806</u>	<u>Vishay Intertechnology Inc</u>
<u>2138</u>	<u>Greenbrier Cos Inc</u>	<u>2576</u>	<u>Wabash National Corp</u>
<u>912</u>	<u>Homestreet Inc</u>		

Hillswick November

115000 US Treasury Note.0875% 01/15/2018

Hillswick October

70000 US Treasury Note .0875% 01/15/2018

Lyrical October

1228 Eaton Corp PLC

Twin November

<u>310</u>	<u>Autodesk Inc</u>	<u>350</u>	<u>Oracle Corp</u>
<u>700</u>	<u>CBS Corp</u>	<u>630</u>	<u>Wells Fargo & Co</u>
<u>150</u>	<u>Crown Castle International Corp</u>	<u>2060</u>	<u>International Game Technology</u>

Joe Nahas from **BPG/Equus** updated the Board on portfolio performance via a conference call @ 3:17. Joe reviewed Fund 8. He explained the fund is in the liquidation phase. They have 3 remaining assets in the fund. Willowick Apartments sold today. They expect an investment return of 1.2% with an IRR of 2%. Joe reviewed Fund IX. He explained the August 2020 is the deadline for dissolution and at this point they are comfortable with the timeline. They have sold 9 of 21 assets and distributed ¾ of paid in capital. They expect a 1.7% investment return and an IRR of 16%. They expect heavy sales in 2019 with sales trailing off in 2020. They don't expect at this point to use the option for a 1 yr. extension. The Board thanked Mr. Nahas for his time. Conference call ended

Cliff White of Morgan Stanley/Graystone updated the Board on preliminary portfolio performance via a conference call @ 3:30PM. Cliff explained, the return for October 31, 2017 shows the YTD results are +13.84% versus the Strategic Benchmark of +12.46% and versus the PRIT Core YTD results of +14.10% (with PRIT having a higher risk profile than Danvers). He explained the System is in compliance with the Investment Policy.

Cliff discussed with the Board and Board approved a \$500K investment in PRIM Fund Private Equity VY18 based on Cliff's advice (**Vote: Steve Swanson motioned with Joe Collins seconding and the Board unanimously approving**). The Board thanked Cliff for his time. Conference call ended.

The Board unanimously approved the membership of **Palma Smiarowski**, Records Room Secretary with the Police Dept., start date 10/30/2017 (replaces Lynne Horn – retirement); **Karen Nicholson**, Teacher aide with Great Oak School, Start date 9/18/2017 (replaces Kristen Serino – promotion); **Laura Rogers**, Teacher Aide with Thorpe School, start date 10/31/2017 (replaces Emily Gotts); **Alexander Lent**, Library Director with Peabody Inst. Library, start date 10/31/2017 (replaces Alan Thibeault); **David Hester**, Custodian with DPW Bldg. Maintenance, start date 11/27/2017 (replaces Steve Foss) **(Vote: Cory Grace motioned with Mike Hagan seconding and the Board unanimously approving).**

The Board noted with sympathy the passing of **John Lyons**, retired Police Officer, died 11/19/2017; **Alice Wojciechowski**, retired Code Admin. Secretary, died 11/17/2017; **Elizabeth Keresev**, retired R.N. with Hunt Hospital, died 11/22/2017.

The Board unanimously approved the retirement of **Frank Sacco**, Fire Captain, Superannuation Option C, effective 1/25/2015; **William Kerwin**, Operator III Water Treatment Plant, Superannuation Option A, effective 1/5/2018; **Chris Ryan**, Staff Accountant, Superannuation Option C, effective 2/3/2018 **(Vote: Joe Collins motioned with Mike Hagan seconding and the Board unanimously approving).**

Board discussed travel allowance. Board requested further information be provided at the next Board Meeting. Issue tabled until next meeting.

Board discussed possible dates for the December meeting. Board agreed on January 10, 2018. The regular schedule of the last Wednesday of the month will resume with the January 31, 2018 meeting.

Meeting Adjourned: 4:40 **(Joe Collins motioned with Steve Swanson seconding and Board unanimously approving)**

NEXT MEETING: January 10, 2018

Joseph Collins, Elected Member

Michael Hagan, Elected Member

Corinna Grace, Ex-Officio Member

Wayne P. Marquis, Chairman

Stephen Swanson, Fifth Member

