

HAVERHILL RETIREMENT BOARD
Tuesday, September 11, 2018 9:00AM
Haverhill City Hall, Room 303

The meeting was called to order at: 9:10AM

In attendance: Board Members: William Klueber, James Cleary, Charles Benevento, Richard MacDonald and Lewis Poore; David Van Dam (Administrator) and Gus Aristizabal (Wainwright).

A moment of silence was observed for the 9/11 victims.

Investment Consultant Review & Update

- Overview of Markets and Performance Report.
- 1. Charles Lax, Tim Wright and Steve Kurylo provided an update to the Board on Grandbanks. Kurt Faulhaber provided an update on Stafford.
- 2. WIC discussed all the transactions that will take place with PRIT on October 1, 2018. The Board discussed the cash availability as a result of the full liquidation from DDJ and voted to keep \$ 2.4 m of the available cash to pay benefits. WIC will provide David Van Dam a proposed sheet with all the transfers that have been approved by the Board. The third and final portion of the transfer will be affected December 31, 2018.
- 3. WIC provided updated performance figures through July 31, 2018. WIC discussed how the performance report will not have a benchmark for the PRIT Core. The Board requested that WIC contact PRIT to find the appropriate benchmark to include in the next performance report.
- 4. WIC provided updated performance figures for Fisher Investments and Putnam as of August 31, 2018.
- 5. WIC will prepare RFPs for the remaining managers in the portfolio (excluding PRIT Core). PERAC requires an RFP process to be conducted every 7 years.
- Up to \$2.4M for September month-end warrant – VOTE.

A motion was made by Poore to approve up to \$2.4 for the September 2018 warrant, seconded by MacDonald.

Vote- 5 yes

A motion was made by Poore to transfer \$3.3 million from People's Bank to PRIT as part of the October transfer of funds to the PRIT Fund.

Vote- 5 yes

Investment Manager Update

- Stafford- 9:30AM-9:45AM- Kurt Faulhaber- 619-471-7455

Stafford Capital Partners Sustainable Fund I

<i>Performance</i>	<i>SSC I</i>
<i>Summary Cash Flow</i>	<i>(in \$ millions)</i>
<i>Summary</i>	
<i>As of June 30, 2018</i>	
<i>Fund/Trust Size</i>	203.2
<i>Committed (% of Fund/Trust)</i>	191.2 (94.1%)
<i>Invested (% of Committed)</i>	183.1 (95.8%)
<i>IRR</i>	7.0%
<i>TVPI</i>	0.7x
<i>DPI</i>	32%
<i>Partner's Capital</i>	
<i>As of June 30, 2018</i>	
<i>Capital Commitment</i>	\$1,500,000.00
<i>Uncalled Commitment</i>	\$93,769.79
<i>Called Commitment</i>	\$1,406,230.21
<i>Called Commitment as a %</i>	93.75%
<i>Number of Remaining</i>	<i>SSC I</i>
	<i>(in \$ millions)</i>
<i>As of June 30, 2018</i>	
<i>Primary Funds</i>	11
<i>Co-Investments</i>	1
<i>Secondaries</i>	6
<i>Portfolio Companies</i>	150

Regulatory Update

Form ADV Part 1 (dated August 28, 2017) Item 11 did not disclose any disciplinary event. Form ADV 2A (dated, March 29, 2018) has been reviewed by Wainwright. Item 2 (Material Changes) has been reviewed and there were no concerns about reported material changes. Item 9 indicates no disciplinary information. Item 10 (Other Financial Industry Activities and Affiliations) and Item 18 (Financial Information) have also been reviewed by Wainwright and there are no disclosed violations or noteworthy conflicts of interest.

Firm Overview

The Firm employs 47 investment professionals across 7 offices around the world. The Firm, founded in 2000, is 100% partnership owned. Stafford Capital invests according to 36 Mandates globally for more than 75 institutional investors. Stafford believes in a taking a long term, responsible approach to investing to contribute to a more sustainable financial system. ESG is a key consideration in making investments. Stafford Capital Partners has \$5.5 billion in assets under managements as of December 31, 2017.

The Fund has 150 remaining portfolio companies in 11 primary funds, 1 co-investment, and 6

secondaries.

- Grandbanks Capital- 9:45AM-10:00AM- Steve Kurylo- 781-997-4029

GrandBanks Capital Venture Fund II

Performance:

<i>Summary Fund</i>	<i>Fund II</i>
<i>Level Returns As of 9/30/2018</i>	
<i>Total Value to Paid-In Capital</i>	1.11x
<i>Net IRR to LP's</i>	2.8%
<i>% of Invested Capital Returned Since Inception</i>	68.2%

<i>Fund II (\$ in 1,000's)</i>	<i>No of Investments</i>	<i>Capital Invested</i>	<i>Total Value</i>	<i>Gross Multiple of Capital Invested</i>
<i>As of 6/30/2018</i>				
<i>Realized Investments</i>	10	\$31,100	\$48,052	1.55x
<i>Unrealized Investments</i>	11	\$39,378	\$57,491	1.46x
<i>Total Investments</i>	21	\$70,478	\$105,543	1.50x

Regulatory Review

Form ADV Part 1 (dated March 26, 2018) Item 11 did not disclose any disciplinary events. GrandBanks is an exempt Venture Capital Firm and is not required to file a Form ADV 2A. An IAPD Broker check conducted on Charley Lax (Managing General Partner), Tim Wright (General Partner), and Steve Kurylo (CFO) generated no results.

Fund Characteristics

GrandBanks Capital Fund II ("GBC Fund II" or the "Fund") has 21 total investments. There are currently 11 active investments in the portfolio and 10 investments have been full realized. GBC has made 9 follow on investments over the last 12 months. Management anticipates the Fund will be fully liquidated within the next 36-48 months.

New Member Enrollments

Acknowledge new member enrollments:

Haverhill Public Schools: Karen Butterworth, Jennifer McGonagle, Ana Garcia, Jacklyn Giampa, Julie Hayashi, Cara Buccici, Smanatha Hackett, Jared Diffin, Jennifer Hafford, Mary Cloutier, Kira Guttadauro, Michele Simes, Corrine Santarlasci, Shira Hillyer. Heidi Michitson, Amber Newall, Gabriella Pesce, Sara Ankerud and Billie Anne Stone. **Haverhill Wastewater Department:** Andres Hurtado. **City of Haverhill- Police Clerks:** Bonnie Rouleau. **Haverhill**

Public Library: Gracemarie Ainsworth.

A motion was made by Poore to accept New Member Enrollment as listed above, seconded by MacDonald.

Vote- 5 yes

Buybacks/Makeups

- **Haverhill Police Department:** Frederick Corthell, (reserve time) 6 months (9/14/86-3/14/87).

A motion was made by Poore to accept the Buybacks/Makeups as listed above, seconded by Cleary.

Vote- 5 yes

Refunds

- **Haverhill Public Schools:** Zachary Grundy (\$1,164.18) and Keith Reynolds (\$19,845.33). **City of Haverhill- Highway Department:** Franco Cordano (\$29,193.42).

A motion was made by MacDonald to accept the refunds as listed above, seconded by Cleary.

Vote- 5 yes

Transfers

- **City of Haverhill- Highway Department:** Charles Desrosiers (Essex Regional, \$4,143.84).

A motion was made by Poore to accept the Transfers as listed above, seconded by MacDonald.

Vote- 5 yes

Retirements/Disabilities/Survivor Benefits

Retirement Board Staff have verified that the necessary paperwork is in order and has determined applicants to be eligible for such benefits:

- Acknowledge Superannuations: **City of Haverhill- Veteran Services Department:** Michael Ingham (09/29/2018; 34 yrs., 9 months). **Whittier Vo-Tech:** Pamela Ryan (09/05/2018; 20 yrs., 0 months).

A motion was made by Poore to accept the Superannuations as listed above, seconded by MacDonald.

Vote- 5 yes

- PROSPER Update- 91A Status

- Paul A. Weinburgh
- Vincent D. Lorigan
- Bradley P. Andrews

A motion was made by MacDonald to postpone the 91A Termination of Vincent D. Lorigan to wait for clarification on 91A status from PERAC, seconded by Poore.

Vote- 5 yes

RFP for Legal Review-

The board reviewed the Legal RFP.

Actuarial Update- Final Actuarial Report and GASB 67&68.

The Administrator gave an update to the board regarding the completion of the Actuarial Report and GASB 67&68. The board will see the final documents at the next board meeting.

Minutes

- Review and approve the August 14, 2018 Regular meeting minutes and Executive Session meeting minutes.

A motion was made by Cleary to accept the meeting minutes from the August 14, 2018 Regular meeting, seconded by Benevento.

Vote- 5 yes

Warrants

Review and approve the warrants:

- August 2018 Warrant 08-2018: \$2,269,061.05 (approved for up to \$2,500,000.00).
- Estimated September 2018 warrant: \$2,400,000.00.

A motion was made by Cleary to accept the estimated September warrant as listed above, seconded by MacDonald.

Vote- 5 yes

Correspondence to be reviewed

PERAC Memo #25	8/31/18	Allowable Earnings Determination, pursuant to G.L. c. 32, § 91A
Scott+Scott	7/18	2Q18 Quarterly Report
Legal- DPW	8/31/18	2 employee updates
Legal- Treasury	8/18	Past employee update
Eastern Bank	7/2018	Bank Reconciliation

Administrator provided documents for the board to review.

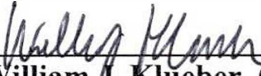
New Business

Matters and issues the Board would like to discuss at future meetings.

A motion was made by MacDonald to adjourn meeting at 11:15AM, seconded by Benevento.

Vote- 5 yes

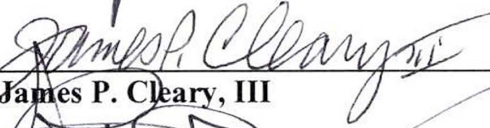
Date of next scheduled Retirement Board meeting is Tuesday, October 9, 2018, 9:00AM.



William J. Klueber, Chairman



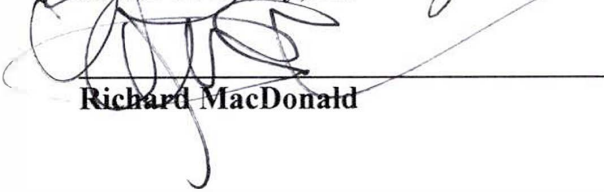
Charles Benevento



James P. Cleary, III



Lewis F. Poore, Jr.



Richard MacDonald