The regular Meeting of the Holyoke Retirement Board was called to order by Chairman John McCarthy at 9:00 A.M. Present were Michele Aubrey, Rory Casey, and Bellamy Schmidt. Also present were Chief Investment Officer, Raymond Depelteau and Melissa Melendez. Mr. Dulude was absent.

I. **Mid Cap Domestic Equity Search:**
The Board interviewed finalists for the System's MidCap Equity search. The finalists included The Boston Company, incumbent, Scout Investments, WisdomTree and LMCG. The Board was impressed with the presentations from each of the firms but voted unanimously to re-hire The Boston Company and also hire WisdomTree. The Board noted that The Boston Company has struggled in recent years but their investment style has been out of favor. Additionally, the Board recognized that the Boston Company's portfolio is up over 800% vs. the benchmark which is up a little more than 400%, on an inception-to-date basis. WisdomTree's philosophy is to structure the portfolio based on a company's profits relative to the index's total profits. This is different than the typical cap weighted index. WisdomTree also charges a very attractive fee of 18 basis points.

On a motion made by Ms. Aubrey, seconded by Mr. Schmidt, the Board voted unanimously (4-0) to re-hire The Boston Company, but reduce their assignment by $6 million, with the proceeds going to Wisdom Tree. Voting “yes” were Ms. Aubrey, Mr. Casey, Mr. McCarthy, and Mr. Schmidt.

II. **Minutes** of Board meeting held on February 21, 2018.

On separate motions made by Mr. Schmidt, seconded by Ms. Aubrey, it was voted unanimously (4-0) to accept Item II “Minutes,” Item III “Bank Reconciliation,” Item IV “Statement of Financial Activities,” Item V “Retirement Applications,” and Item VI “Expenses.” Voting “yes” were Ms. Aubrey, Mr. Casey, Mr. McCarthy, and Mr. Schmidt.

III. **Bank Reconciliation:**
Peoples Checking account - as of March 31, 2018
Peoples Payroll account - as of March 31, 2018

IV. **Statement of Financial Activities:**
The Board reviewed statements for March 2018.

V. **Retirement Applications:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Superannuation</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Sugrue</td>
<td>Public Works</td>
<td>Superannuation</td>
<td>4/28/2018</td>
</tr>
<tr>
<td>Mary Ann Curran</td>
<td>Housing Authority</td>
<td>Superannuation</td>
<td>5/19/2018</td>
</tr>
</tbody>
</table>

VI. **Expenses:**

A. Bills ...........................................$ 865.08
3(8)c Reimbursement .................. 1,863.69
Office Payroll .................. 24,665.15
Refunds and Transfers ........ 111,453.22
Consulting Services ........ 5,000.00
B. Pension Payroll................................................................. $1,804,011.21
Annuity Payroll................................................................. 353,900.10
Total Payroll........................................................................ $2,157,911.31

VI. Issues-Request-Policy:
A. PERAC Memos and Correspondence:
   Memo #15/2018  Tobacco Company List
   Memo #16/2018  Mandatory Retirement Board Training - 2nd Quarter 2018
   Memo #17/2018  Implementation of the Vernava Decision

B. Pension Appropriations: FY2018:

<table>
<thead>
<tr>
<th>Service</th>
<th>Total Due</th>
<th>Total Paid</th>
<th>Balance Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>$12,007,137.00</td>
<td>$9,005,352.75</td>
<td>$3,001,784.25</td>
</tr>
<tr>
<td>Gas &amp; Electric</td>
<td>3,780,352.00</td>
<td>2,385,264.01</td>
<td>945,087.99</td>
</tr>
<tr>
<td>Water</td>
<td>498,511.00</td>
<td>374,011.00</td>
<td>124,500.00</td>
</tr>
<tr>
<td>Housing</td>
<td>975,537.00</td>
<td>732,652.75</td>
<td>242,884.25</td>
</tr>
<tr>
<td>Waste Water</td>
<td>26,575.00</td>
<td>26,575.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>$17,288,112.00</td>
<td>$12,973,855.51</td>
<td>$4,314,256.49</td>
</tr>
</tbody>
</table>

C. Disabilities:
   Executive Session was not necessary as there were no new developments on any pending disability applications.

D. Annual Statement:
The Board accepted and reviewed the 2017 Annual Statement.

E. Educational Forums:
   On a motion made by Mr. Schmidt, seconded by Ms. Aubrey, the Board voted unanimously (4-0) to allow Trustees and the Executive Director to attend the following conferences:

2. MACRS Spring Conference in Hyannis, MA from 6/3-6/6/2018

Voting “yes” were Ms. Aubrey, Mr. Casey, Mr. McCarthy, and Mr. Schmidt.

F. COLA:
   On a motion made by Ms. Aubrey, seconded by Mr. Casey, the Board voted unanimously (4-0) to continue granting a 3% COLA on a base of $12,000. Voting “yes” were Ms. Aubrey, Mr. Casey, Mr. McCarthy, and Mr. Schmidt.

G. Investments:
   1. Performance:
      The Board reviewed the March 2018 performance and cashflow worksheets.
   
2. Disclosures:
      The Board is in receipt and reviewed the Vendor Disclosures of the following Managers and/or Consultants:
G. **May Meeting:**
The next regularly scheduled meeting of the Holyoke Retirement Board will be held on Wednesday, May 23, 2018 at 9:00 A.M.

There being no further business, a motion to adjourn was made by Mr. Schmidt, seconded by Ms. Aubrey, passing unanimously (4-0) on a roll call vote. Voting “yes” were Ms. Aubrey, Mr. Casey, Mr. McCarthy, and Mr. Schmidt.

MEETING ......................adjourned 11:30 A.M.

**List of Documents Reviewed at 4/18/18 Meeting:**
Draft minutes of 3/21/18 meeting
Statement of Financial Activities as of March 2018
Cash Requirement Forecast
Appropriation FY2018 Worksheet
March Worksheets and Cashflow
PERAC Memos #15-17/2018
MACRS Spring Conference Agenda
2017 Annual Conference Agenda

Respectfully submitted,

[Signature]
Cheryl A. Dugre
Executive Director

**ATTESTED TO:**

[Signature]
John T. McCarthy (Chairman)
Elected Member

[Signature]
Michele Aubrey
Appointed Fifth Member

[Signature]
Rory Casey
Appointed Member

**ABSENT**

[Signature]
Anthony Dulude
Elected Member

[Signature]
Bellamy H. Schmidt
Ex-Officio Member
A special Meeting of the Holyoke Retirement Board was called to order by Chairman John McCarthy at 9:00 A.M. Present were Rory Casey and Bellamy Schmidt. Also present were Chief Investment Officer, Raymond Depelteau. Mr. Dulude and Ms. Aubrey were absent.

The Board met to hear an informational presentation from Nu Paradigm. Nu Paradigm's representatives explained that there are non-traditional ways of protecting one's portfolio from market declines while still enjoying some of the upside. They went on to explain that using stock options and index options as an overlay was one such way of reducing portfolio risk. The Board was very impressed with the presentation and discussed the possibility of pursuing this strategy in 2019. The Board acknowledged that we would be required to do a public search to see what consultants might offer similar services.

The Board thanked Nu Paradigm for bringing this interesting strategy to their attention. No other action taken.

There being no further business, a motion to adjourn was made by Mr. Schmidt, seconded by Ms. Aubrey, passing unanimously (3-0) on a roll call vote. Voting "yes" were Mr. Casey, Mr. McCarthy, and Mr. Schmidt.

MEETING ......................adjourned 9:30 A.M.

Respectfully submitted,

Cheryl A. Dugre
Executive Director

ATTESTED TO:

John T. McCarthy (Chairman)

Michele Aubrey
Appointed Fifth Member

Rory Casey
Appointed Member

Anthony Dulude
Appointed Member

Bellamy H. Schmidt
Ex-Officio Member