

## Somerville Retirement Board Meeting January 25, 2018

The Regular Meeting of the Somerville **Contributory** Retirement Board duly posted to be held in the Aldermanic Chambers at City Hall, 2<sup>nd</sup> Floor, 93 Highland Avenue, Somerville, MA on the above date was called to order at 9:34 M by Chairman Bean with Board Members Memory, and Ross. Also in attendance were Executive Director Michael Pasquariello and attorney Brian Fox. Board Member Nosnik was not in attendance.

### **New Business:**

1 Actuary Dan Sherman discussed possible 1/2018 Actuarial Valuation and options. Dan will review the Member data in PTG and the Director will provide Dan with the 12/31/2017 Trial Balance. Dan will attend the February meeting to further discuss.

2. On a motion duly made and seconded it was **VOTED** by the Board to approve the Regular and Executive Session **minutes** of the December 21, 2017 meeting and sign them into record.

3. On a motion duly made and seconded it was **VOTED** by the Board to process the *following* received account **TRANSFER** request(s) from:

- Retirement Board to transfer the account of NAME, \$. None in January

4. On a motion duly made and seconded it was **VOTED** by the Board to accept and process the *following* received Application(s) for **Withdrawal** of Accumulated Total Deductions for:

- NAME, Dept. The total Rollover or Refund amount is \$. None in January

5. On a motion duly made and seconded it was **VOTED** by the Board to approve, issue payment and authorize the corresponding wire transfer for **Cash Disbursement Vendor Warrant** # 1-2018 in the amount of \$137,021.79.

6. On a motion duly made and seconded it was **VOTED** by the Board to issue payment and authorize the corresponding wire transfer for monthly **Retiree Payroll Warrant** # 1-2018 in the gross amount of \$2,259,970.10 for January 2018.

7. Received **Superannuation Retirement Applications** from:

- Anthony Sillari (Inspectional Service Dept.), effective 2/1/2018;
- John Connolly (Alderman), effective 2/1/2018.

On a motion duly made and seconded it was **VOTED** by the Board to approve and process the above Superannuation retirement application(s).

8. PERAC has **approved** the *following* previously Board approved **new Retiree calculation**:

- Marc Levy, effective 11/11/2017
- Michael Mulcahy, effective 11/18/2017

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- Anna Sherwood, effective 11/22/2017
- Alessandro Capobianco, effective 2/11/2017

9. On a motion duly made and seconded it was **VOTED** by the Board to sign the *following certificates* and include them for Membership in the Somerville Retirement System:

- Certificate # 9369, Colleen Buckley, Group 1
- Certificate # 9362, John Foley, Group 1
- Certificate # 9368, James Clingan, Group 1
- Certificate # 9366, Wilmer Cruz, Group 1
- Certificate # 9359, Aruna Paneer Selvan, Group 1
- Certificate # 9365, Zachary Dolson, Group 1
- Certificate # 9335, Christine Smith, Group 1
- Certificate # 9363, Moraina Cabrera, Group 1
- Certificate # 9272, Eric Collins, Group 4
- Certificate # 9358, Kieran White, Group 1
- Certificate # 9348, Maximilian Kreisky, Group 1
- Certificate # 9349, Melchisedek Alce, Group 1
- Certificate # 9377, Lisa Gallagher, Group 1

11. The following School new hire(s) have not completed their statement of record - Membership Application: Brianna Velasquez

On a motion duly made and seconded it was **VOTED** by the Board to execute and deliver a **Suspension Letter** to each individual on the *above* list.

12. Reviewed and discussed the (4) November [accounting reports](#) and (3) August [bank account reconciliations](#).

13. Reviewed and discussed the 2018 [cash flow projection](#). On a motion duly made and seconded it was **VOTED** by the Board to liquidate \$7m from Loomis Sayles on 2/28/2018.

14. NCPERS Legislative Conference in Washington D.C. Budgeted 2 attendees. On a motion duly made and seconded it was **VOTED** by the Board to approve the attendance of Tom Ross.

15. Executive Director's budgeted 2018 Continuing Education courses: S.S. Medicare & Government Pensions, Estate Planning and Ethics (\$447.) On a motion duly made and seconded it was **VOTED** by the Board to approve the courses and reimbursement to the Director.

16. Received a **Military Buyback** calculation request from Matthew Kane, a current Member of the Somerville Retirement System (Fire Dept.), to buy-back 4 years of Military Service. Upon proper make-up payment of \$18,920 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 4 years of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the military buyback.

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Received **Redeposit** and **Buyback** calculation requests from:

- Kevin Prior, a current Member of the Somerville Retirement System (Planning Board), to: re-deposit five (5) months of Member service time. Upon proper make-up/re-deposit payment of \$8,062.21 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for five (5) months of creditable service; Buy-back two (2) years, three (3) months of non-member service time with the Community Development Office. Upon proper make-up payment of \$9,462.07 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for two (2) years and three (3) months of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the redeposit and buyback.

Received from PERAC the following Memoranda:

|               |                                  |
|---------------|----------------------------------|
| Memo # 1/2018 | (2018 Limits under Acts of 2002) |
| Memo # 2/2018 | (2018 Limits under Acts of 2010) |
| Memo # 3/2018 | (COLA Notice – S.S. 2%)          |
| Memo # 4/2018 | (Tobacco List)                   |
| Memo # 5/2018 | (Board Member Training Q1 2018)  |
| Memo # 6/2018 | (Buybacks & Makeup worksheets)   |
| Memo # 7/2018 | (NCPERS training)                |

The following retirees recently passed away:

|                                |  |
|--------------------------------|--|
| Elio Castignoli, on 10/10/2017 | Option B - Benefits Cease;                   |
| Arthur Pino, on 12/8/2017      | Opt A – Benefits Cease;                      |
| Thomas Hickey, on 12/14/2017   | Surv Opt C – Benefits Cease;                 |
| James McMahan, on 12/15/2017   | Opt A – Benefits Cease;                      |
| Barbara G. Koty, on 1/16/2018  | Opt A – Benefits Cease                       |
| Charles Markey, on 12/15/2017  | Acc Dis Opt B - Benefits Cease;              |
| Daniel McCarron, on 12/21/2017 | Opt C – Reduced benefits continue to spouse; |

### **Old Business:**

- Retiree **William T. Babcock/Lisa Barchard**; current outstanding balance is \$1,552.84. Last payment received was 9/1/16; Lisa Barchard has been in default of probation (missing) since 3/17/2017. A warrant was issued for her arrest. Director followed up, left a voicemail message on 10/5/, 11/7 and 12/6/2017 with her Probation Officer (Jennifer Carter).

- Continued discussing the **Fossil Free Somerville** divestment topic. The Board continues to research and gather information regarding the effect of fossil fuel divestment on the investment portfolio, MA general laws chapter 32 and related regulations. Reviewed the current [S & P index Return Tracking Report](#). [Bill 3281](#) was heard on 10/10/2017 at the State House, Public Service Committee with *no action taken*. The Board voted at the December meeting to continue to draft and finalize language for a Home Rule Petition

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(HRP) for fossil fuel free investment option, working with City Solicitor Frank Wright. Reviewed and discussed 1/18/2018 ([HRP DRAFT](#)). Attorney Fox will work with City Solicitor to finalize the HRP language.

-The International and Emerging Markets equity investment manager **Request for Proposals** (RFP) were issued and posted on 1/2/2018.

- **Cyber Security**. The Director started to obtain quotes and estimates from Travelers, NCPERS and Fed C. Church. Topic was tabled.

- Vacant **5th Board Member**. The solicitation was posted on the City, Retirement page, PERAC, MMA and MACRS websites. Reviewed and discussed all of the received [letters of interest and resumes](#). On a motion duly made and seconded it was **VOTED** by the Board to interview the following 4 candidates: Alexander Lowry, John Brown, Gerald McCue and Ronald Draper.

- Discussed drafting a **Proxy Voting Policy/Guideline**. The Executive Director previously provided sample policies: [Rockefeller](#), [Ceres](#), [Stanford](#) & [AllianceBernstein](#) as a starting point for discussion and review. The Director asked each current investment manager if they follow a policy for any of their other clients and requested a copy of those policies. The Director will request a copy of the PRIM Proxy Voting Policy.

At 10:20 AM on a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **ENTER** into Executive Session for the purpose of discussing the status of accidental disability files/applications, personnel and legal strategy.

**ROLL CALL VOTE to ENTER EXECUTIVE SESSION:**

|             |     |             |     |
|-------------|-----|-------------|-----|
| Edward Bean | YES | Alex Nosnik |     |
| Thomas Ross | YES | John Memory | YES |


On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 10:40 AM and **RETURN** to Open Session.


**ROLL CALL VOTE to END EXECUTIVE SESSION:**

|             |     |             |     |
|-------------|-----|-------------|-----|
| Edward Bean | YES | Alex Nosnik |     |
| John Memory | YES | Thomas Ross | YES |

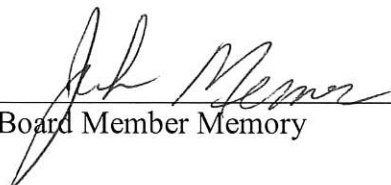
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
On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 11:39 AM.

  
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Chairman Bean

  
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Vice Chairman Ross

  
\_\_\_\_\_  
Board Member Nosnik

  
\_\_\_\_\_  
Board Member Memory

  
\_\_\_\_\_  
Board Member