

## Somerville Retirement Board Meeting March 29, 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 9:40 AM by Chairman Bean with Board Members Memory, Nosnik and Ross. Also in attendance were Executive Director Michael Pasquariello, Actuary Dan Sherman and attorney Brian Fox.

### New Business:

1 Actuary Dan Sherman presented [1/2018 Actuarial Valuation preliminary results](#). The preliminary results were reviewed and discussed. Dan also provided data results for 8% and 7.9% assumed rate of return at 2.5% and 3.0% COLA for both 2033 and 2032 funding schedules; reviewed [comparison summary spreadsheet](#). The Board requested 2.75% COLA assumption data also.

2. On a motion duly made and seconded it was **VOTED** by the Board to approve the Regular and Executive Session **minutes** of the February 22, 2018 meeting and the March 9, 2018 special 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:

- Lexington Retirement Board to transfer the account of Brittany Irwin, \$5,769.72
- State Retirement Board to transfer the account of Robert McWatters, \$31,709.94
- Middlesex County Retirement Board to transfer the account of Lauren Haskins, \$1,811.20
- Middlesex County Retirement Board to transfer the account of Michael Marra, \$11,931.91

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

- Laura Luna, Audit Dept. The total Refund amount is \$1,386.72
- Andrew Puglia, Housing Authority Dept. The total Refund amount is \$3,459.67
- Lenore Ripley, School Dept. The total Refund amount is \$17,191.36

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](#) # 3-2018 in the amount of \$365,864.74.

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](#) # 3-2018 in the gross amount of \$2,303,742.45 for March 2018.

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

- John F. Marazzi, (Housing Authority), effective 3/1/2018
- Shirley A. Dedrick (School Dept.), effective 3/29/2018
- Kathleen Houghton (School Dept.), effective 3/31/2018
- Anna Ferullo (School Department), effective 3/22/2018

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

8. Received **PERAC calculation approval letter** for the *following* previously Board approved **new Retirees**:

- Francis Sharpe, effective 1/6/2018
- Martha Costa, effective 1/6/2018
- John Filosi, effective 1/5/2018
- Patrick Sullivan, effective 1/14/2018
- John Connolly, effective 2/1/2018
- Charles Siciliano, effective 1/21/2018
- Michael Cabral, effective 1/27/2018

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 # 9389, Sharon Pu, Group 1. - Certificate # 9381, Lisa Cook, Group 1
- Certificate # 9370, Wilbur Ventura, Group 1.
- Certificate # 9388, Jeaneddy Paul, Group 1. - Certificate # 9401, Gail Arensbach, Group 1
- Certificate # 9371, Aileen Walsh, Group 1. - Certificate # 9400, Charles Conway, Group 4
- Certificate # 9375, Jefferson Scott, Group 1.
- Certificate # 9391, Navnit Bedi, Group 1. - Certificate # 9399, Lysander Amado. Group 4
- Certificate # 9386, Stephanie Balakrishnan, Group 1.
- Certificate # 9394, Brahim Krouch, Group 1.
- Certificate # 9397, Natalia Cepeda, Group 1.

10. The following School new hire(s) have not completed their statement of record - Membership Application: Guy Genty

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.

11. Reviewed and discussed the (3) November and December bank account reconciliations.

12. The NCPERS Annual Conference & Exhibition (ACE) is at the Sheraton Hotel in NY from 5/13 – 5/16/2018. The *early bird* registration fee is \$800.00 per person through 4/20/18. The 2018 budget includes 3 attendees to this conference. On a motion duly made and seconded it was **VOTED** by the Board to approve 3 attendees to the NCPERS conference.

Received from PERAC the following Memoranda:

- Memo # 13/2018 (Ethics Training)
- Memo # 14/2018 (Interest payments –certain situations)
- Memo # 15/2018 (Tobacco Company List)

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### The following retirees recently passed away:

Rita A. Bussolari on 2/18/2018	Option B, negative annuity - Benefits Cease.
Thomas Gibson, on 3/8/2018.	Option A, accid. disability (possible Sect 9)
Frank J. Boyle, on 3/16/2018.	Option B, negative annuity - Benefits Cease.
Marjorie Siraco, on 3/25/2018.	Option C survivor, benefits cease.
John F. Gover, Jr.	Option A, benefits cease.
Gail Fairweather, on 3/27/2018.	Survivor Section 9, benefits cease.

### **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 final version of the Home Rule Petition (approved by the Finance Committee) was presented to the Board of Alderman on 2/22/2018, which they unanimously approved. The Director will follow-up with Tim Snyder to obtain the current status of the HRP with the State.

-The International and Emerging Markets equity investment manager **Request for Proposals** (RFP) were issued and posted on 1/2/2018. The submission deadline was 2/15/2018. The [International Equity list of received proposals](#) and the [Emerging Markets list of received proposals](#) were reviewed at the 2/22/2018 meeting. The Director and Board Member Memory preliminarily reviewed the **Emerging Markets** submissions and created a preliminary [summary](#). Discussed making arrangements to ensure that all Board Members review all submissions.

- Vacant **5th Board Member**. The Board interviewed the following 3 candidates: [John Brown](#), [Gerald McCue](#) and [Ronald Draper](#) on 2/7/2018. The 3 candidates were discussed at the 2/22/2018 meeting; the topic was tabled. The Board conducted a special meeting on 3/9/2018. The Board was unable to choose the 5<sup>th</sup> Board Member on 3/9, were not able to obtain a majority vote for either Ronald Draper or Gerald McCue. The Director sent a letter to the Mayor on 3/12/2018 informing him of this situation. The Mayor selected and submitted Gerald McCue to the Board of Alderman.

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

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- 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 obtained a copy of the PRIM Proxy Voting Policy. Topic was tabled.

At 10:16 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	YES
Thomas Ross	YES	John Memory	YES

On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 11:00 AM and **RETURN** to Open Session.

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

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

On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 11:35 AM.


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Chairman Bean



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Vice Chairman Ross



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Board Member Nosnik

  
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Board Member Memory

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Board Member