

Somerville Retirement Board Meeting October 24, 2016

The Regular Meeting of the Somerville **Contributory** Retirement Board duly posted to be held in the Committee Room at City Hall, 2nd Floor, 93 Highland Ave., Somerville, MA on the above date was called to order at 9:33 AM by Chairman Bean with Board Members Memory, Nosnik, Massie and Ross. Also in attendance was Executive Director Michael Pasquariello and attorney Brian Fox.

New Business:

1. Maria Bascetta from UBS Trumbull Property presented their annual review and update. A copy of the report is maintained in the Retirement Office.
2. On a motion duly made and seconded it was **VOTED** by the Board to approve the Regular and Executive Session **minutes** of the September 29, 2016 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:
 - Marblehead Retirement Board to transfer the account of Charles Quigley, \$118,582.09.
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:
 - Katey Duchin, School Dept. The total Refund amount is \$595.95.
 - Thomas Vitiello, Police Dept. The total Refund amount is \$11,985.69.
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 Expense Warrant # 10-2016** in the amount of \$163,804.37.
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 # 10-2016** in the amount of \$2,160,992.25 for October 2016.
7. Received **Superannuation Retirement Applications** from:
 - Anna Aiello (School Department), effective 11/12/2016.
 - Roland Gaudet (DPW), effective 10/22/2016.
 - Margaret Riddle (DPW), effective 1/14/2017
 - Lynda Swartz (Assessor's Department), effective 12/01/2016.
 - William Roche withdrew his application.
 - Susan B. Lamphier (Library), effective 11/18/2016.

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

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8. 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 # 9120, Kathleen Sullivan, Group 1
 Certificate # 9115, Jennifer Madrachimov, Group 1
 Certificate # 9136, Maura Merrill, Group 1
 Certificate #9147, Hannah Payne, Group 1
 Certificate #9111, Taylor Benoit, Group 1
 Certificate #9118, Sarah Franzblau, Group 1
 Certificate #9150, Keith Enos, Group 1
 Certificate #9150, Dayana Alphonse, Group 1
 Certificate #9145, Sharon Ellis, Group 1
 Certificate #9156, Jessica Fosbrook, Group 1

9. PERAC has **approved** the following previously Board approved **new Retirees**:

- Stephen Ortolani, effective 07/31/2016.
- Pamela Mitchell, effective 08/12/2016.

10. Reviewed and discussed the August 2016 Trial Balance, Cash Receipts, Cash Disbursements, Adjustments Reports and the 3 Bank Account Reconciliations.

11. Received **Buyback/Makeup** calculation requests from:

- (updated with additional payroll records received) *Richard Willette*, a current Member of the Somerville Retirement System, to **Make-up** 1 year and 10 months of non-member service time with the State (MDC). The State Retirement Board will not accept liability (not a member and not erroneously omitted). Upon proper make-up payment of \$18,127.97 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 1 year and 10 months of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the above Buyback request.

- *Manjit Kaur*, a current Member of the Somerville Retirement System, to **Make-up** 2 years and 10 months of non-member service time with the Somerville School Department. Upon proper make-up payment of \$4,910.53 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 2 years and 10 months of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the above Buyback request.

12. Reviewed and discussed the Q3 Budget vs. Actual Report. The Director will post a copy on the website.

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13. Discussed potentially processing retirement staff payroll in house in 2017. The Director has conducted research with Harpers/Millennium and obtained annual cost estimates. The Board instructed the Director to continue this research and moving forward with Harpers/Millennium.

Received from PERAC the following Memoranda:

Memo # 24/2016 (Board Member training Q4)
Memo # 25/2016 (OPEB Summary Report)
Memo #26/2016 (Appropriation Data Due)

The following retirees recently passed away:

Neil Brennan, on 10/05/2016.	Superannuation Option C, survivor benefits.
Dominic Tavilla, on 08/29/2016.	Accidental Disability Option A, benefits cease.
James Wright, on 10/15/2016.	Accidental Disability Option B, Accidental Death Benefit for Spouse request (& death certificate) received.

On a motion duly made and seconded it was **VOTED** by the Board to approve the Section 9 accidental death benefit request of surviving spouse/beneficiary (Linda) of James Wright.

Old Business:

Retiree **William T. Babcock/Lisa Barchard**; current outstanding balance is \$1,552.84.

Continued discussing the **Fossil Free Somerville** divestment presentation. 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. A draft Investment Policy/Statement of Investment Objectives was provided to legal counsel and also the City's attorney Jason Grossfield for review. The Executive Director began preparing a high level financial impact analysis of divestment. The Management Fee analysis portion of the analysis was reviewed at the September meeting. The Director also gathered historical return information for fossil fuel free funds, will work with actuary Dan Sherman to obtain estimated actuarial data based on previous investment manager information if the carbon underground 200 list of public companies were divested and track the comparison between the S & P 500 and the Fossil Fuel Free S & P 500 indices. The 9/29/2016 legal memo from attorney Brian Fox and the Investment Policy was also reviewed and discussed, noting the importance of prudence. Attorney Brian Fox again referenced that hiring an Investment Consultant, which is a fiduciary, would also be helpful. A Boston Herald article from 10/11/16 was distributed. On a motion duly made and seconded it was **VOTED** by the Board to revise the draft Investment Policy/Statement of Investment Objectives for Brian Fox to review and then be reviewed and discussed at the November meeting.

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The contract of the Executive Director expires on 11/4/2016. The Chairman and the Director will meet to formalize the review and contract.

At 11:15 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	Robert Massie	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 11:360 AM and **RETURN** to Open Session.

ROLL CALL VOTE to END EXECUTIVE SESSION:

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

On a motion duly made and seconded it was **VOTED** by the Board to accept the accidental disability application of Thomas Hogan for consideration and request a medical panel.

On a motion duly made and seconded it was **VOTED** by the Board to accept the medical panel reports and approve the accidental disability of Thomas Brown based on the medical panel reports.

On a motion duly made and seconded it was **VOTED** by the Board to accept the medical panel reports and approve the accidental disability of James Nolan based on the medical panel reports.

On a motion duly made and seconded it was **VOTED** by the Board to request the medical records of Fred Hartsgrove.

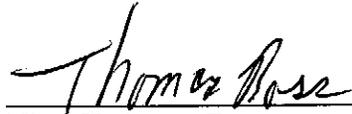
On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 11:40 AM.

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Chairman Bean

Board Member Massie



Vice Chairman Ross



Board Member Memory



Board Member Nosnik