

Somerville Retirement Board Meeting January 24, 2019

The Regular Meeting of the Somerville **Contributory** Retirement Board duly posted to be held in the Conference Room at 323 Broadway, Somerville, MA on the above date was called to order at 6:08 PM by Chairman Bean with Board Members Nosnik, Ross and Memory. Also in attendance was Executive Director Michael Pasquariello.

New Business:

1. On a motion duly made and seconded it was **VOTED** by the Board to approve the Regular and Executive Session **minutes** of the December 20, 2018 meeting and sign them into record.

2. On a motion duly made and seconded it was **VOTED** by the Board to process the *following* received account **TRANSFER** request(s) from: None
- Retirement Board to transfer the account of , \$

3. 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:
- NAME, Dept. The total Refund/Rollover amount is \$ None

4. 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** # 1-2019 in the amount of \$144,115.37.

5. 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** # 1-2019 in the amount of \$2,564,957.55 for January 2019.

6. Received **Superannuation Retirement Applications** from:
 - Cotter, Bernard Police Dept. Effective 01/28/19
 - Desmond, Bruce City – IT Effective 01/31/19
 - Amenta, Donna Traffic & Parking Effective 02/15/19 (changed)

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

7. Received **PERAC final calculation approval letter** for the *following* previously Board approved **new Retirees**:
 - Kramer, Karen Superannuation A Effective 11/18/18
 - Federico, Rosemarie Superannuation A Effective 12/08/18
 - Glavin, Michael Superannuation C Effective 11/24/18

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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 # 9531, Amira Ranjit, Group 1
 - Certificate # 9524, Alqi Dinka, Group 1 - Certificate # 9514, Ashley Marks, Group 1
 - Certificate # 9513, Vikas Banga, Group 1
 - Certificate # 9536, Erika Garcia, Group 1
 - Certificate # 9532, Raynoli, Tejada, Group 1
 - Certificate # 9537, Theresa Rodrigues, Group 1
 - Certificate # 9542, Georgianna Silveira, Group 1
 - Certificate # 9538, Lisa-Anne Davidson, Group 1
 - Certificate # 9527, Rubenson Bellegarde, Group 1
 - Certificate # 9529, Lindsay MacDonald, Group 1
9. The following new hire(s) have *not* completed their statement of record - Membership Application: **None in January**
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.
10. Reviewed and discussed the 4 November [accounting reports](#) and the August through November [bank account reconciliations](#).
11. Reviewed and discussed the current 2019 [cash flow projection](#). On a motion duly made and seconded it was **VOTED** by the Board to authorize the Executive Director to liquidate/redeem (\$7.9m): \$3m from UBS; liquidate the Emerging Markets fund at Lazard \$1,895,000., leaving \$1,000., balance; redeem \$1,701,000.00 from Loomis Sayles and redeem \$1,300,000.00 from Congress Asset Management.
12. Reviewed and discussed the 12/31/2018 RhumbLine S&P 500 [\$5,914,578.] and S&P 600 [\$3,892,170.] holdings and rebalancing possibilities.
13. NCPERS Legislative Conference in Washington D.C. Two attendees were budgeted. On a motion duly made and seconded it was **VOTED** by the Board to approve 1 attendee, Tom Ross, to the conference.
14. The Director provided an update regarding the Deputy Director position, noting that Juanita Escobar was the most qualified candidate and that she has accepted the formal offer and signed a 3 year contract.
15. **Buyback/ Make-up** request/application.
- Desmond, Bruce, current Member of the Somerville Retirement System (IT Dept.): to Buyback 1 year non-member service time with Somerville School Committee for \$1,584.45. Upon proper payment, the Somerville Retirement Board will accept

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liability for 1 year of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the Buyback.

Received from PERAC the following Memoranda:

Memo # 35/2018	(2018 Disability Data)
Memo # 1/2019	(Medical Testing Fee)
Memo # 2/2019	(Q1 PERAC Training)
Memo # 3/2019	(2019 IRS Federal Compensation Limit)
Memo # 4/2019	(2019 Reg Comp Limit)
Memo # 5/2019	(2019 S.S. COLA 2.8%)
Memo # 6/2019	(Actuarial Data)
Memo # 7/2019	(Buyback/Make-up worksheets)

The following retirees recently passed away:

• Bolger, David	12/31/18	Opt B, bal \$58,552.95
• Toddings, Lillian	01/04/19	Opt B, no balance
• DiMartino, Florence	01/07/19	Opt A, benefits cease
• Siciliano, Leonora	01/08/19	Opt A, benefits cease
		Spouse Charles will pop-up to Option A
• Antonelli, Mary	01/20/19	Opt B, no balance
• Ellen Stace	1/16/2019	Opt C Surv., benefits cease

Old Business:

- Continued discussing **Fossil Free Somerville** divestment. 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](#). The Somerville *HRP* was assigned to the *Joint Committee on Public Service*. The *Committee* has asked the staff to perform a review in order to determine if legislation can be drafted that would permit retirement boards to make investment decisions with social concerns while maintaining fiduciary responsibility. Nisa from State Representative Denise Provost informed the Director that the Somerville HRP will be re-filed in 1/2019. Colby Cunningham from Fossil Free Somerville submitted draft [Divestment Opt-In Bill](#) to Representative Fernandes.

-The International and Emerging Markets equity investment manager **Request for Proposals** (RFP) were issued and posted on 1/2/2018. The [International Equity list of received proposals](#) and the [Emerging Markets list of received proposals](#) were reviewed at the 2/22/2018 meeting. All of the submissions were digitally saved on the Microsoft Office OneDrive. The Director confirmed that all Board Members have reviewed all submissions. Each Board Member completed their formal evaluation for each submission. **International Equity** - The Director created a [summary](#). **Emerging Markets** - The Director created a [summary](#). Conducted interviews with *Metis Global*, *Baron Capital* and [Thornburg Investment](#) at the 9/24/2018 meeting for the Emerging Market RFP.

Conducted interviews with Parametric, Hexavest, RBC Global and Boston Partners on 12/20/2018. tabled

- **Vacant 5th Board Member.** The Board interviewed the following 3 candidates: [John Brown](#), [Gerald McCue](#) and [Ronald Draper](#) on 2/7/2018. The Board was unable to choose the 5th Board Member; not able to obtain a majority vote for either Ronald Draper or Gerald McCue. The Mayor selected and submitted Gerald McCue to the Board of Alderman for confirmation on 3/22/2018. Gerald McCue withdrew from being confirmed the 5th Board Member.

- **Cyber Security.** The Director started to obtain quotes and estimates from Travelers, NCPERS and Fed C. Church. The Director contacted Peter Quinlan at Fred C. Church and James Martinez at Arthur Gallagher & Co. Awaiting application and quote information from Michael Hutchinson from Fred C. Church. The Director requested an isolated quote for any potential exposure with the PTG software from Fred C. Church. tabled

-**Proxy Voting Policy.** tabled

At 6:16 PM 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 7:40 PM 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 8:14 PM.

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Chairman Bean

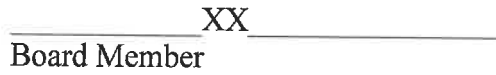


Board Member Memory

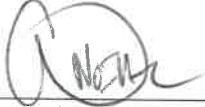


Vice Chairman Ross

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Board Member



Board Member Nosnik