

Somerville Retirement Board Meeting October 26, 2018

The Regular Meeting of the Somerville **Contributory** Retirement Board duly posted to be held in the Conference Room at City Hall, 3rd Floor, 93 Highland Avenue, Somerville, MA on the above date was called to order at 9:33 AM by Chairman Bean with Board Members Nosnik, Ross and Memory. Also in attendance was Executive Director Michael Pasquariello, attorney Matthew Feeney and actuary Dan Sherman.

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 September 24, 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:
 - Lynn Retirement Board to transfer the account of Michael Bertino, \$171,339.16
 - Medford Retirement Board to transfer the account of Dennis McDonald, \$11,816.49

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:
 - Russell Lewis, Communications Dept. The total Rollover amount is \$3,264.24
 - Thais Dumay, School Dept. The total Refund amount is \$3,715.74
 - Jennifer Giuffrida, School Dept. The total Refund amount is \$672.14
 - Maxwell MarCarthy, OSPCD Dept. The total Rollover amount is \$16,794.22

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** # 10-2018 in the amount of \$540,103.01.

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** # 10-2018 in the amount of \$2,354,546.05 for October 2018.

6. Received **Superannuation Retirement Applications** from:
 - Russell, Linda Food Services Effective 08/07/18
 - Cusack, Barbara Water Dept Effective 02/01/19
 - Landry, Theresa City Clerk's Office Effective 11/01/18On 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**:

Ciccariello, Janet	Effective - 09/08/18	Filho, Jose	Effective - 06/30/18
Levesque, John	Effective - 09/02/18	Doheney, James	Effective - 08/05/18
Longo, Stephen	Effective - 08/05/18	Marks, Karen	Effective - 06/30/18

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Peck, Philip	Effective - 08/11/18	Prendergast, Irene	Effective - 08/19/18
Persoff, Evelyn	Effective - 09/01/18	Trant, Paul	Effective - 07/17/18
Snyder, Penelope	Effective - 08/02/18	Stoico, Gail	Effective - 08/03/18
Ellis, William	Effective - 09/02/18		
Capasso, Sharon	Effective - 08/30/18 (survivor of Member Michael Capasso)		

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 # 9460, Janice Camunas, Group 1
- Certificate # 9480, Jeffrey Green, Group 1
- Certificate # 9490, John Foreman, Group 1
- Certificate # 9488, Tung Yan Hui, Group 1
- Certificate # 9463, Stephanie Santos, Group 1
- Certificate # 9470, Dacia Samuels, Group 1
- Certificate # 9481, Judith Tumusiime, Group 1
- Certificate # 9462, Manuela Garcia, Group 1
- Certificate # 9479, Margaret Whittier-Ferguson, Group 1
- Certificate # 9487, Michelle Scott, Group 1
- Certificate # 9491, Monique Baldwin, Group 1
- Certificate # 9495, Sean McKenna, Group 1
- Certificate # 9500, Evan Perry, Group 1
- Certificate # 9465, Courtney Martell, Group 1
- Certificate # 9482, Alexandra Carlino, Group 1
- Certificate # 9498, Melissa Dooley, Group 4
- Certificate # 9499, Erik Corricelli, Group 4
- Certificate # 9496, Clara Serpa, Group 1

9. The following (School) new hire(s) have *not* completed their statement of record - Membership Application: Daphnee Balan, Luz Lopez Rodriguez, Leann Barczy, Caroline Whalen, Francisco Reyes

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. Received **Buyback** calculation request(s) from:

- **Bernard Cotter**, a current Member of the Somerville Retirement System (Police Dept.), to Buy-back two (2) months, of non-member service time with the City of Somerville from the summer of 1979 and 1980. Upon proper make-up payment of \$380.45 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for two (2) months of creditable service.
- **Steven D. Scrugli**, a current Member of the Somerville Retirement System (Police Dept.), to purchase four (4) years, of military service. Upon proper, complete payment of \$16,544.63 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for four (4) years of creditable service.

On a motion duly made and seconded it was **VOTED** by the Board to approve and process the above buybacks.

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11. Review and discuss the 4 August [accounting reports](#).
12. Review and discuss the current [cash flow projection](#).
13. [NCPERS Public Safety Conference](#) 10/28 – 10/31/2018 at Paris Hotel in Las Vegas; \$800.00 for the conference and \$189.00 per night plus taxes for the hotel. On a motion duly made and seconded it was **VOTED** by the Board to approve 1 attendee.

Received from PERAC the following Memoranda:

Memo # 29/2018 (Tobacco Company List)
Memo # 30/2018 (Appropriation Data)
Memo # 31/2018 (Compensation Disclosure)

The following retirees recently passed away:

- Whitlock Sr., Joseph 09/21/18 Opt C – Survivor Benefit
- Salvi, Geraldine 09/23/18 Opt A – benefits cease
- Johansen, Irving E 10/03/18 Surv Opt C – benefits cease
- Doncaster, Margaret 10/08/18 Opt B – Negative Annuity, benefits cease
- Brown, James W 10/11/18 Opt C Pop-up – benefits cease
- O’Leary, James R 10/11/18 Opt B – Negative Annuity, benefits cease

Old Business:

- *Actuary Dan Sherman* presented 1/2018 [Actuarial Valuation preliminary results](#) at the March meeting. An updated [summary spreadsheet](#) was created and reviewed. Dan also provided information for a 2034 funding schedule, which was also reviewed with the Summary. On a motion duly made and seconded it was **VOTED** by the Board to approve and schedule a 1/2019 Actuarial Valuation study.

- 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. The Executive Director followed up, leaving voicemail messages on 10/5, 11/7, 12/6/2017, 5/2, 6/19/18 & 8/28/18 with her Probation Officer (Jennifer Carter). The Executive Director’s research indicates that Ms. Barchard passed away on 11/20/2016.

- 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](#). [Bill 3281](#) was heard on 10/10/2017 at the State House, Public Service Committee with *no action taken*. 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

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retirement board's to make investment decisions with social concerns while maintaining fiduciary responsibility.

-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.

- 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. PERAC Executive Director mailed a [letter](#) to the Mayor on 9/28/2018 requesting that the Board of Alderman take up this confirmation at its earliest convenience. Gerald McCue had to withdraw from being 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

- **Office Space**. The Executive Director obtained 3 quotes for Alarm/Security services (ADT, Wayne Alarm & SAS Security), created [summary](#) for review and discussion. On a motion duly made and seconded it was **VOTED** by the Board to proceed with and execute a 1 year contract for security system/alarm with cell communicator back-up, with no video security cameras with Wayne Alarm Systems Inc.

-**PTG**. Previously reviewed and discussed current PTG software contract status. The Director provided current contract information and proposed [7 year contract amendment annual payment schedule](#). The Board voted to issue a pension software RFP (30B) during September at the July meeting. Issued and posted a pension software (30B) RFP on 9/12/2018. On 10/12/2018 received a [price proposal](#) and [submission](#) from PTG. Current vendor PTG was the only submission. The Director will contact John Reidy at PTG to discuss the annual % increases and a contract.

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-On 9/12/2018 received an [Involuntary Superannuation retirement application](#) (dated 9/10/2018) for Stephen Shea (Custodian) from DPW Department Head, Stanley Koty. The Director requested a copy of all [certified mail, return receipt documentation](#) on 9/12/2018. On 9-20-2018 attorney Jamie Goodwin [requested a hearing](#) in opposition to the application and that the involuntary superannuation application be tabled until Mr. Shea submits an accidental disability application. The City and Mr. Shea agreed to table the application.

-The **Executive Director's anniversary** is 11/4/2018. The Executive Director prepared and distributed an annual review [list of accomplishments/achievements](#) for review and discussion. On a motion duly made and seconded it was **VOTED** by the Board to authorize and approve a 5% salary increase effective 11/4/2018.

At 10:07 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

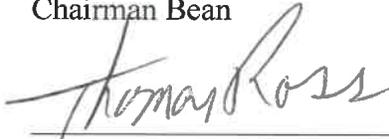
On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 10:19 AM and **RETURN** to Open Session.

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 11:50 AM.

Chairman Bean



Vice Chairman Ross



Board Member Nosnik



Board Member Memory

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Board Member