

Somerville Retirement Board Meeting December 20, 2018

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 9:34 AM by Chairman Bean with Board Members Nosnik, Ross and Memory. Also in attendance was Executive Director Michael Pasquariello, Maria Bascetta and Matthew Feeney.

New Business:

1. Maria Bascetta from UBS Realty presented the 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 November 27, 2018 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: None

- Retirement Board to transfer the account of , \$

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:

- Shanice Reddick, School Dept. The total Refund amount is \$341.23
- Naza Haynes, Police Dept. The total Refund amount is \$29,668.31
- Henry Gostanian, Auditing Dept. The total Rollover amount is \$3,512.3
- Jessica Feist, School Dept. The total Refund amount is \$1,867.72
- Richard Cheney, School Dept. The total Refund amount is \$175,387.51

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** # 12-2018 in the amount of \$262,656.54.

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** # 12-2018 in the amount of \$2,350,487.13 for December 2018.

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

- | | | |
|------------------------|-------------------|--------------------|
| • Cahill, William | Fire Department | Effective 01/06/19 |
| • Dervishian, George | Police Department | Effective 01/13/19 |
| • Mackey, Paul | SHA | Effective 02/02/19 |
| • Mackey, Susan | School Department | Effective 02/02/19 |
| • Sullivan, Barbara A. | Traffic & Parking | Effective 03/30/19 |

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

Somerville Retirement Board Meeting December 20, 2018

17. Discussed the Deputy Director position; [job description](#) and some [applicants](#).

Received from PERAC the following Memoranda:

[Memo # 33/2018](#) (CRAB – Unused Leave Time)

[Memo # 34/2018](#) (Tobacco Company List)

The following retirees recently passed away:

| | | |
|-------------------------|----------|------------------------------------|
| • Bendinelli, Janet | 10/10/18 | SuperAnn Opt A |
| • Breen, Sr. Charles J. | 11/26/18 | Acc Dis Opt B – Sect 101 Available |
| • Fallon, Kieran | 12/05/18 | SuperAnn C – Survivor benefits |
| • Ferrante, Mary | 12/05/18 | Surv Opt C – No further benefits |
| • Jones, Margaret J | 12/08/18 | SuperAnn Opt – No further benefits |
| • Keohane, Francis M | 12/10/18 | Super Ann Opt B – Refund Available |
| • Silvestri, Anthony | 11/27/18 | Member in Service – Surv 12(2)(d) |

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; Nisa also met with the *Joint Committee on Public Service* on 11/15/2018 to discuss options for statewide 2019 legislation.

-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. Continued Discussing and reviewing the International Equity submissions, conducted interviews with Parametric, Hexavest, RBC Global and Boston Partners.

- 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

**Somerville Retirement Board Meeting
December 20, 2018**

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

-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. 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 Executive Director contacted John Reidy at PTG and discussed the annual payment schedule. PTG submitted a revised annual payment schedule, resulting in a 1.51% or \$4,510.00 price reduction. Reviewed and discussed the formal contract. On a motion duly made and seconded it was **VOTED** by the Board to approve the contract and authorize the Director to execute the contract.

-Proxy Voting Policy. tabled

At 11:35 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 12:41 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 |

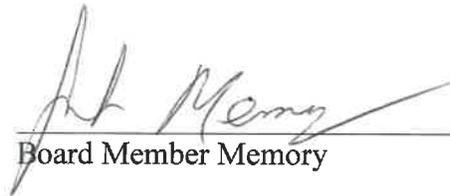
**Somerville Retirement Board Meeting
December 20, 2018**

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

On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 1:11 PM.



Chairman Bean



Board Member Memory



Vice Chairman Ross

XX



Board Member



Board Member Nosnik