

Somerville Retirement Board Meeting February 21, 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 9:33 AM 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 January 24, 2019 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:

- Mass Port Retirement Board to transfer the account of Robert King, \$88,727.69
- Swampscott Ret. Board to transfer the account of Angelina DiPietrantonio, \$3,643.42
- Mass Teachers Retirement Board to transfer the account of Colleen Buckley, \$518.13
- Mass Teachers Retirement Board to transfer the account of Sheila Legrand, \$30,342.08
- MWRA Retirement Board to transfer the account of James Halloran, \$19,355.82
- Mass Teachers Retirement Board to transfer the account of Lisa Pelletier, \$434.76
- Saugus Retirement Board to transfer the account of Bonnie Tanner, \$53,535.01
- Malden Retirement Board to transfer the account of Joseph Scafidi, \$1,972.21
- Mass Teachers Retirement Board to transfer the account of Monica Durocher, \$5,411.47
- Andover Retirement Board to transfer the account of Jacob Anderson, \$9,257.18
- State Retirement Board to transfer the account of Britt Lazar, \$54,894.96
- Mass Teachers Retirement Board to transfer the account of Jessica Pires, \$6,658.42

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:

- Jacob Shaps, Fire Dept. The total Refund amount is \$7,301.15
- Lisa Mari, School Dept. The total Refund amount is \$17,330.20
- Nicole Scalise-Leone, School Dept. The total Refund amount is \$12,782.45

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** # 2-2019 in the amount of \$597,968.92. [Q4 2018 Management Fees: Comerica \$9,807.06, Congress \$134,224.80, Lazard EM \$4,752.77, Lazard International \$20,230.68, PRIM PE \$2,712.45, Loomis \$89,207.92, RhumbLine \$2,500.00 and UBS \$49,043.93]

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** # 2-2019 in the amount of \$2,402,245.99 for February 2019.

6. Received **Superannuation Retirement Applications** from: **None in February**

- Name Dept. Effective / /2019

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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).

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

- Patrick Dorant Accidental Disability C Effective 12/2/18

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 # 9540, Michael Forte, Group 1 - Certificate # 9547, John Mucci, Group 4
- Certificate # 9541, Benjamin Martin, Group 1 - Certificate # 9534, John Blake, Group 4
- Certificate # 9545, Rafael Flores, Group 4 - Certificate # 9544, Julie Phylis, Group 1
- Certificate # 9546, Sojourner Fletcher, Group 1 - Certificate # 9486, James Harvey, Group 1
- Certificate # 9548, Dennis Moynihan, Group 4
- Certificate # 9539, Kimberly Wells, Group 1 - Certificate # 9549, Maria De Jesus, Group 1
- Certificate # 9533, Sandra Wackman, Group 1
- Certificate # 9550, Johnathan Tsirigotis, Group 1

9. The following new hire(s) have *not* completed their statement of record - Membership Application: **None in February**

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/Makeup** calculation requests from:

- Ranjit, Amira – to Makeup **2y 2m** of non-member service with the Somerville School Department, **\$5,881.88** if purchased before 3/30/19. Upon proper make-up payment of \$5,881.88 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 2 years and 2 months of creditable service.
- Nuzzo, Edward – to Makeup **6m** of non-member service with the City of Somerville, **\$4,526.11** if purchased before 3/30/19. Upon proper make-up payment of \$4,526.11 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 6 months of creditable service.

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

11. Reviewed and discussed the 4 (preliminary) December [accounting reports](#) and the [December bank account reconciliations](#).

12. The [2018 Annual Statement](#) was presented. The report was reviewed and discussed. On a motion duly made and seconded it was **VOTED** by the Board to accept and approve the 2018 Annual Statement. The Director will submit the executed Report to PERAC and post a copy on the website.

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13. The Executive Director attended the 2/14/2019 Medical Indemnity panel.

Received from PERAC the following Memoranda:

Memo # 8/2019	(2019 Interest Rate 0.1%)
Memo # 9/2019	(Accounting)
Memo # 10/2019	(Administrative Reminders)
Memo # 11/2019	(Workers' Compensation – PROSPER)

The following retirees recently passed away:

• Dunne, Thomas P	01/17/19	Opt A, benefits cease
• Hayes, Therese E	01/16/19	Opt C survivor benefits
• O'Meara, Paul A	02/08/19	Opt C survivor benefits
• Curtin, Leon	02/02/19	Opt C survivor benefits
• Peck, Philip	02/18/19	Opt C survivor benefits

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. Fossil Free Somerville submitted draft [Divestment Opt-In Bill](#) to Representative Fernandes, who filed it with the Legislature.

-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. The Executive Director will schedule Lazard for an interview at the March Board meeting.

- 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

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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 9:36 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. will return to open session

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 10:43 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 accept the 3 medical panel reports of Raymond Parsons and approve the accidental disability of Raymond Parsons based on the 3 medical panel reports.

On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 11: 23 AM.

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Chairman Bean



Board Member Memory



Vice Chairman Ross

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Board Member

Board Member Nosnik