

Somerville Retirement Board Meeting April 25, 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 6:06 PM by Vice Chairman Ross with Board Members Nosnik and Memory. Also in attendance was Executive Director Michael Pasquariello and Colby Cunningham and Randi Mail from Fossil Free Somerville/Mass Divest. Board Member Bean was not in attendance.

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 March 28, 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 Teachers Retirement Board to transfer the account of Lenny Bautista, \$1794.24
 - Boston Retirement Board to transfer the account of Stefanie Costa Leabo, \$6,679.03

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:
 - Sarah Spicer, OSPCD Dept. The total Rollover amount is \$21,789.54
 - Michael Boudo, Communications Dept. The total Refund amount is \$12,876.39
 - Melissa Greco, School Dept. The total Refund amount is \$16,042.91

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** # 4-2019 in the amount of \$96,937.25.

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** # 4-2019 in the amount of \$2,422,893.66 for April 2019.

6. Received **Superannuation Retirement Applications** from: None in April
 - Name Dept. Effective /2019

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

7. The following new hire(s) have *not* completed their statement of record - Membership Application: Malik Drayton, Deepa Deshikachar

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.

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

- | | | |
|------------------|----------|-------------------|
| • Barbara Cusack | Option A | Effective 2 /2019 |
| • Bruce Desmond | Option C | Effective 1/2019 |
| • Paul Mackey | Option B | Effective 2/2019 |
| • Susan Mackey | Option A | Effective 2/2019 |
| • Terrence Smith | Option A | Effective 2/2019 |

9. 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 # 9563, Alexi Ko, Group 1
- Certificate # 9565, Brooke Murphy, Group 1
- Certificate # 9564, Susan Chimene, Group 1
- Certificate # 9556, Keiry Nunez, Group 1
- Certificate # 9571, Alyssa Corrigan, Group 1
- Certificate # 9572, John Gullage, Group 4
- Certificate # 9567, Marei Anne Dume, Group 1
- Certificate # 9568, Kim Baugh, Group 1
- Certificate # 9566, Lydia Lopez, Group 1

10. Reviewed and discussed the 4 February [accounting reports](#).

11. The [MACRS Spring conference](https://www.macrs.org/macrs/page/macrs-2019-kevin-j-regan-trustees-educational-seminar-and-annual-spring-conference). link: <https://www.macrs.org/macrs/page/macrs-2019-kevin-j-regan-trustees-educational-seminar-and-annual-spring-conference>. at the Cape Cod Resort and Conference Center in Hyannis from 6/3 – 6/5/2019. The registration fee is \$400.00 per person. The 2019 budget includes 3 attendees to this conference. On a motion duly made and seconded it was **VOTED** by the Board to authorize 3 attendees to the MACRS conference.

12. Fire Department contract settlement retiree re-calculations. On April 8, 2019, while performing retro retirement re-calculations, it was discovered that (2) retired Firefighters Bennett (6/2016) and Sharpe (1/2018) inadvertently temporarily received overstated benefits due to their superannuation retirement calculation accidentally including a retroactive contract settlement payment on March 23, 2012. Reviewed and discussed [draft letter](#) to each retiree and [Chapter 32, Section 20\(5\)\(c\)\(3\)](#). The Director will send a letter to each informing the retiree of the overpayment. Each retiree will receive their new updated monthly re-calculated benefit amount effective May 30, 2019.

13. Received a draft Workers Compensation [Lump Sum settlement](#) from attorney Brendan Carney on behalf of recent accidental disability retiree (Housing Authority) John Liddell, which allocates 20% to the Somerville Retirement Board. On a motion duly made and seconded it was **VOTED** by the Board to accept and approve the settlement agreement.

14. Received **Buyback/Makeup** calculation [request\(s\)](#) from:

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- Maria Tully, a current Member of the Somerville Retirement System (Health Dept./School Nurse), to Buy-back five (5) months of non-member service time. Upon proper make-up payment of \$2,756.68 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for five (5) months of creditable service.

- Michael Cleary, a current Member of the Somerville Retirement System (Police Dept.), to purchase four (4) years, of military service. Upon proper, complete payment of \$17,204.80 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 2 buyback requests.

Received from PERAC the following Memoranda:

Memo # 12/2019	(Tobacco Company List)
Memo # 13/2019	(PERAC Training – 2 nd Qtr)
Memo # 14/2019	(Forfeiture of Retirement Allowance)
Memo # 15/2019	(Waiver – Educational Restrictions)

The following retirees recently passed away:

• Name	/2019	Opt. ,
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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. State Representative Denise Provost re-filed the Somerville HRP in 1/2019. [Divestment Opt-In Bill](#) H 3662/S 636 has been filed by Rep. Fernandes and Senator Pacheco. Colby Cunningham and Randi Mail from Fossil Free Somerville provided a [summary](#) and update of the Bill. The Senate Bill is in the Financial Services Committee and the House Bill is in the Public Service Committee. They also asked if the Retirement Board would write a letter in support of the Bill.

- International Equity and Emerging Markets Equity investment manager **Request for Proposals** (RFP). The Board voted to award the International Equity 7-year contract to Lazard Asset Management at the 3/2019 meeting. The Emerging Markets RFP was tabled.

-**Proxy Voting Policy.** tabled

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- 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

At 6:51 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. will return to open session

ROLL CALL VOTE to ENTER EXECUTIVE SESSION:

Edward Bean		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 7:01 PM and **RETURN** to Open Session.

ROLL CALL VOTE to END EXECUTIVE SESSION:

Edward Bean		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 received for John Levesque and approve the accidental disability based on the medical panel reports.

On a motion duly made and seconded it was **VOTED** by the Board to accept the 3 medical panel reports received for William Ellis and approve the accidental disability based on the medical panel reports.

On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 7:02 PM.

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XX
Chairman Bean



Board Member Memory



Vice Chairman Ross



XX
Board Member



Board Member Nosnik