



## Somerville Retirement Board Meeting May 23, 2019

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

8. The following new hire(s) have not completed their statement of record - Membership Application: Joshua Leibovitz, Nicholas Antanavica

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.

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

- |                   |          |                     |
|-------------------|----------|---------------------|
| • Donna Amenta    | Option A | Effective 2/16/2019 |
| • Bernard Cotter  | Option C | Effective 1/28/2019 |
| • Robert Driscoll | Otpion C | Effective 3/05/2019 |

10. 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 # 9561, Malik Drayton, Group 1. - Certificate # 9579, Ben Waldrip, Group 1
- Certificate # 9578, Ricardo David, Group 1 - Certificate # 9569, Lauren Garrett, Group 1
- Certificate # 9574, Timothy McKenzie, Group 4

11. Reviewed and discussed the 4 March [accounting reports](#) and 3 [Bank account reconciliations](#).

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. The Director sent a letter to each informing them of the overpayment. Both retirees requested a repayment waiver under Section 20(5)(c)(3). Each retiree will receive their new updated monthly re-calculated benefit amount effective May 2019. On a motion duly made and seconded it was **VOTED** by the Board to approve both of the requested waivers.

13. Reviewed and discussed updated [Cash Receipts Policy and Procedure](#) to reflect new scanner for check deposits. On a motion duly made and seconded it was **VOTED** by the Board to approve the updated Cash Receipts Policy and Procedure.

14. Reviewed and discussed the [Q1 2019 Budget vs. Actual Report](#). The Director noted that only 23.8% of the annual budget has been expended as of 3/31/2019. The Director will post a copy on the website.

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15. Discussed the annual Retiree Cost of Living Adjustment (COLA) %. The Executive Director provided a copy of the 2019 [PERAC COLA Memo](#), [Boston CPI data & chart](#), [summary of 104 Boards COLA Base](#) and a [\\$ amount summary](#). On a motion duly made and seconded it was **VOTED** by the Board to approve a 3% COLA to eligible retirees, effective 7/1/2019.

16. Received **Buyback/Makeup** calculation request(s) from:

- Manju Rani, a current Member of the Somerville Retirement System (School Dept), requested to [Buy-back](#) two (2) years and eleven (11) months of non-member service time. Upon proper make-up payment of \$7,656.66 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for two (2) years and eleven (11) months of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the buyback request.

17. Discussed the annual performance review and salary adjustment for the Administrative Assistant. The Executive Director will complete an annual performance review/evaluation and provide the 2019 annual review to the Administrative Assistant. On a motion duly made and seconded it was **VOTED** by the Board to authorize and approve a salary increase of up to a maximum 4 % increase for an Exceeded Expectations rating.

Received from PERAC the following Memoranda:

Memo # 16/2019      (Cash Book Submissions)

The following retirees recently passed away:

- Ralph Cook                                      4/28/2019    Opt. B. Negative annuity, 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. 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 at 4/25/19 meeting. 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. Colby Cunningham updated that: PERAC will not block the filed bill and suggested that the bill be modified to indemnify retirement board of legal liability and state that divested funds be re-invested for maximum return.

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- The Emerging Markets RFP was tabled. On a motion duly made and seconded it was **VOTED** by the Board to authorize Board Member Memory to execute the Lazard International Equity contract, pending final legal review by Katherine Hesse.

-**Proxy Voting Policy.** Board Member Ross will obtain a copy of the NCPERS policy for review.

- Vacant **5th Board Member.** The Mayor has submitted David Castellarin to the City Council and Confirmation Committee for approval as the 5<sup>th</sup> 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

Board Member Nosnik reminded that this was his last meeting that he has resigned from the Board effective 5/31/2018. The Chairman and Board recognized and thanked Mr. Nosnik for all of his hard work and efforts and wished him well and future success.

At 10:57 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 11:20 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 11:25 AM.

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Chairman Bean



Board Member Memory



Vice Chairman Ross

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Board Member

Board Member Nosnik