

Somerville Retirement Board Meeting May 25, 2017

The Regular Meeting of the Somerville **Contributory** Retirement Board duly posted to be held in the Committee Room at City Hall, 2nd Floor, 93 Highland Ave., Somerville, MA on the above date was called to order at 9:42 AM by Chairman Bean with Board Members Memory, Massie and Nosnik. Also in attendance were Executive Director Michael Pasquariello and attorney Brian Fox. Board Member Ross was not in attendance.

New Business:

1. John Rourke [Resolution](#) of recognition and appreciation. On a motion duly made and seconded it was **VOTED** by the Board to adopt and sign the drafted Resolution and provide copies to the family of John Rourke.

2. John O'Reilly and Dan Lagan from Congress Asset Management presented their review and update, noting that there have been no organizational changes. A copy of the report is maintained in the Retirement Office

3. Review and discuss the [1/2017 Actuarial Valuation results](#), funding schedules at [2.5% COLA](#) and [\\$13k base, 3%](#) and [summary](#). On a motion duly made and seconded it was **VOTED** by the Board to adopt the option C (8% investment return, \$14,000. COLA Base, 2.5% COLA and fully funded 2033) funding schedule from the Actuarial Valuation results. On a motion duly made and seconded it was **VOTED** by the Board to increase the COLA Base to \$14,000. The Executive Director will formally request the approval of the Base increase from the Board of Aldermen.

4. On a motion duly made and seconded it was **VOTED** by the Board to approve the Regular and Executive Session **minutes** of the April 26, 2017 meeting and sign them into record.

5. On a motion duly made and seconded it was **VOTED** by the Board to process the *following* received account **TRANSFER** request(s) from:
 - Retirement Board to transfer the account of No requests in May

6. On a motion duly made and seconded it was **VOTED** by the Board to accept and process the *following* received Application(s) for **Withdrawal** of Accumulated Total Deductions for:
 - Jennifer Comeiro, Benefits Dept. The total Rollover amount is \$38,920.59
 - James Kotzuba, Traffic & Parking Dept. The total Rollover amount is \$41,179.72
 - Raysa Tapia, Housing Authority Dept. The total Refund amount is \$1,599.95
 - Maureen McGovern, School Dept. The total Refund amount is \$25,951.36
 - Ian Samalya, School Dept. The total Refund amount is \$1,752.22
 - Jeffrey Gelin, Public Works Dept. The total Refund amount is \$208.65
 - Juan Portes, Traffic & Parking Dept. The total Refund amount is \$19,944.39

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7. 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** # 5-2017 in the amount of \$185,994.66.

8. 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** # 5-2017 in the gross amount of \$2, 254,079.48 for May 2017.

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

- Christine Thompson (School Department), effective 7/29/2017.
- Thomas Smyth (Traffic & Parking), effective 5/12/2017.
- Linda Conte (School Dept), effective 6/30/2017.
- Essam Kader (Housing Authority), effective 6/1/2017.
- David Cremins (DPW), effective 7/21/2017.
- Lisa Patalano (School Dept.), effective 8/19/2017.
- Lina Fazzolari (School Dept.), effective 6/30/2017.
- Anthony Angiulo, Sr. (DPW), effective 7/1/2017.

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

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 # 9247, Mona Al-Abadi, Group 1	Certificate # 9253, John DeLuca, Group 1
Certificate # 9241, Joshua McCann, Group 4	Certificate # 9254, Eric Weisman, Group 1
Certificate # 9244, Philip Murray, Group 1	Certificate # 9218, Cori Baer, Group 1
Certificate # 9245, Natasha Wilson, Group 1	Certificate # 9256, Justin Buswell, Group 4
Certificate # 9246, Jennifer Miranda, Group 1	Certificate # 9257, Ashley McLain, Group 4
Certificate # 9240 Thupten Chukhatsand, Group 1	
Certificate # 9250, Emily Horvath, Group 1	Certificate # 9258, Sergio Costa, Group 4
Certificate # 9252, David Castellarin, Group 1	
Certificate # 9248, Julie McKenzie, Group 1	
Certificate # 9249, Heriberto Morales, Group 1	

11. PERAC has **approved** the *following* previously Board approved **new Retirees**:

- Thomas Hogan, effective 12/18/2014.
- Carlos Melo, effective 2/12/2017.

12. The following (School) new hires have not completed their statement of record - Membership Application:

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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 list *above*. None in May

13. Reviewed and discussed the [January](#), [February](#) and [March](#) 2017 Trial Balance, Adjustments, Cash Receipts and Cash Disbursements Reports.
14. The [MACRS](#) Spring Conference is in Hyannis from 6/4 – 6/7/2017. The Conference registration cost is \$300.00 per person. The hotel accommodation cost is approximately \$160.00 per night. The 2017 budget includes 3 attendees. On a motion duly made and seconded it was **VOTED** by the Board to approve the Executive Director, Deputy Director, and Board Members Memory and Ross) attending the conference.
15. The Executive Director attended the 4/27/2017 Medical Indemnity Panel.
16. Discussed drafting a proxy voting policy/guideline. The Executive Director will obtain some investment manager policies as a reference.
17. Reviewed and discussed the [Q1 2017 Budget vs. Actual Report](#). The Director noted that the Board is 26.1% under budget as of 3/31/2017. The Executive Director will post a copy on the website.
18. Discussed the annual anniversary salary adjustment % for the Administrative Assistant. The Executive Director will draft and create a standard staff annual performance review/evaluation form and provide the 2017 annual review to Administrative Assistant.
19. Discussed the annual Retiree Cost of Living Adjustment (COLA) %. The Executive Director provided a copy of the 1/2017 [PERAC COLA Memo](#), [Boston CPI data & chart](#) and a [\\$ amount summary](#). On a motion duly made and seconded it was **VOTED** by the Board to approve a 2.5% COLA to eligible retirees, effective 7/1/2017.

Received from PERAC the following Memoranda:

Memo # 18/2017 ()

The following retirees recently passed away:

Constance McManus, on 4/9/2017.	Option B, negative annuity, benefits cease.
Edo Crescentini, 4/19/2017.	Option B, negative annuity, benefits cease.
William R. Clarke, 12/9/2016.	Option C, beneficiary/survivor benefits.

Old Business:

-Retiree **William T. Babcock/Lisa Barchard**; current outstanding balance is \$1,552.84. Last payment received was 9/1/16; Director again called Probation Officer (Jen Carter) on 3/27/17 in order for her to contact Ms. Barchard to obtain payments.

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- Reviewed and discussed the Workers' Compensation settlement Retirement Board % allocation policy. The Director provided a [summary of the survey %](#) settlement and a copy of a [formal draft agreement](#). On a motion duly made and seconded it was **VOTED** by the Board to adopt and implement the policy, effective immediately.

-Continued discussing the **Fossil Free Somerville** divestment topic. 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 index [Return Tracking Report](#). The 2017 returns for the S&P 500 Fossil Fuel Free index has exceeded the S&P 500 Index. The Investment Subcommittee (Board Members Memory and Massie) have been discussing and meeting to review the RhumbLine Fossil Fuel Free Index funds. On a motion duly made and seconded it was **VOTED** by the Board to fully redeem/liquidate the RhumbLine S&P 500 and 600 index funds (\$9,208,350.68 as of 4/30/17) and transfer in kind to the custom Fossil Fuel Free index fund/separate account on 6/1/2017.

-PERAC Memo # 7/2002, regarding the [special municipal employee designation](#) request for the Retirement Board positions. The Board voted to designate the Retirement Board positions as special municipal employee positions and request that the Board of Alderman classify the Retirement Board positions as special municipal employee positions at the April meeting. The Director forwarded the request to the Board of Alderman.

At 10:30 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	Robert Massie	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	Robert Massie	YES
John Memory	YES	Alex Nosnik	YES
Thomas Ross	YES		

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On a motion duly made and seconded it was **VOTED** by the Board to accept the recommendation of attorney David Shapiro and seek a court ordered payment through Supplementary Process regarding the John Buonomo matter.

On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 12:30 PM.




Chairman Bean


Board Member Massie



Vice Chairman Ross



Board Member Memory



Board Member Nosnik