

Somerville Retirement Board Meeting July 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 10:42 AM by Chairman Bean with Board Members Ross, Memory and Mastrobuoni. Also in attendance was Executive Director Michael Pasquariello, Frank Wright and John O'Reilly from Congress Asset Management.

New Business:

1. John O'Reilly from Congress Asset Management presented their 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 June 27, 2019 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:
 - Mass Teachers Retirement Board to transfer the account of Jill Christman, \$11,249.47
 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:
 - Aaliyah McCarter, School Dept. The total Refund amount is \$2,968.19
 - Elizabeth Glus, School Dept. The total Refund amount is \$20,638.94
 - Jordan Felisbret, School Dept. The total Rollover amount is \$6,899.86
 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** # 7-2019 in the amount of \$322,297.52.
 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** # 7-2019 in the amount of \$2,492,617.24. for July 2019.
 7. Received **Superannuation Retirement Applications** from:
 - Celso Desouza Housing Effective 7/18/2019
 - Doreen Curreri School Effective 8/31/2019
- 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 school new hire(s) have *not* completed their statement of record - Membership Application: Rezina Chowdhury
- 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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9. Received **PERAC final calculation approval letter** for the *following* previously Board approved **new Retirees**:

- | | | | |
|----------------------|----------|-----------|-------------|
| • Michael E. Capuano | Option C | Effective | 6/ 05 /2019 |
| • Raymond Parsons | Option C | Effective | 5/ 08 /2015 |
| • Mark Nicholson | Option C | Effective | 9/ 30 /2018 |

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 # 9589, Jessica Miller, Group 1. - Certificate # 9586, Amelia Aboff, Group 1
- Certificate # 9590, Marcello Fernandes, Group 1
- Certificate # 9592, Amber Nicholas, Group 1

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

12. Reviewed and discussed the current [cash flow](#) projection.

13. Actuary Dan Sherman will attend the 8/22/2019 Board meeting to present the 1/2019 Actuarial Valuation preliminary results. Each Board Member will email the director with assumption options they would like to see from Dan Sherman.

The following retirees recently passed away:

- | | | |
|--------------------|---------|--------------------------------|
| • Diane Clifford | 5/05/19 | Option A , benefits cease |
| • Joan Sullivan | 6/07/19 | Survivor C, benefits cease |
| • Adelaide Lynch | 6/05/19 | Sec 9 survivor, benefits cease |
| • James Synan | 7/06/19 | Option C, survivor benefits |
| • Lena Russo | 7/09/19 | Option B, benefits cease |
| • James Legee | 7/03/19 | Option B, benefits cease |
| • Presley Hasberry | 7/13/19 | Acc Dis A, |

Received from PERAC the following Memoranda:

Memo # 19/2019 (Q3 PERAC Training)

Memo # 20/2019 (Reinstatement to Service)

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.

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State Representative Denise Provost re-filed the Somerville HRP in 1/2019. [Divestment Opt-In Bill](#) H 3662/S 636 was 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.

-Proxy Voting Policy. Board Member Ross obtained a copy of the [NCPERS Proxy Voting policy model](#) for review.

- Vacant **5th Board Member.** The Confirmation Committee approved David Castellarin on 7/1/2019 and the City Council also approved him as the 5th Board Member on 7/11/2019. Board Member Castellarin will schedule to be sworn in with the City Clerk.

- **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

- On May 30, 2019 received an [Involuntary Superannuation Retirement Application](#) from the City for Walter Whitney in the DPW. City Solicitor Frank Wright stated that they will table their Involuntary Superannuation Retirement application pending the results of the accidental disability application filed by Mr. Whitney.

- Follow-up discussion regarding *Lazard* annual review and benchmark discussion from the 6/27/2019 meeting. On a motion duly made and seconded it was **VOTED** by the Board to change the International Equity benchmark to ACW ex US effective 8/1/2019 and to authorize executing the applicable/corresponding side letter.

At 1:10 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	YES	Michael Mastrobuoni	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: AM and **RETURN** to Open Session.

ROLL CALL VOTE to END EXECUTIVE SESSION:

Edward Bean	YES	Michael Mastrobuoni	YES
John Memory	YES	Thomas Ross	YES

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On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 1:25 PM.

Chairman Bean

Thomas Ross

Vice Chairman Ross

M. Mastrobuoni

Board Member Mastrobuoni

John Memory

Board Member Memory

Board Member