

Somerville Retirement Board Meeting January 29, 2015

The Regular Meeting of the Somerville Contributory Retirement Board duly posted to be held in the Aldermanic Chambers at City Hall, 2nd Floor, 93 Highland Ave., Somerville, MA on the above date was called to order at 8:59 AM by Vice Chairman Bean with Board Members Ross, Memory and Faison. Also in attendance were Executive Director Michael Pasquariello, John Reidy from PTG, and Dan Fawcett from Morgan Records Management.

New Business:

1. Dan Fawcett from Morgan Records Management and John Reidy from PTG provided an explanation and discussion regarding the proposed file scanning project. John Reidy also provided a demonstration of the PTG Self Service module.

2. On a motion duly made and seconded it was **VOTED** by the Board to approve the January 13, 2015 Special meeting and the Regular and Executive Session **minutes** of the December 17, 2014 meeting and sign them into record.

3. On a motion duly made and seconded it was **VOTED** by the Board to issue payment and authorize the corresponding wire transfer for **Cash Disbursement Vendor Expense Warrant** # 1-2015 (copy attached).

4. On a motion duly made and seconded it was **VOTED** by the Board to table until the February meeting the **following** received Applications for **Withdrawal** of Accumulated Total Deductions for:
 - Gretchen Kinder. The total Rollover amount is \$.
 - Katherine Klimusko. The total Refund amount is \$.
 - Patricia R. Norton. The total Refund amount is \$.

5. On a motion duly made and seconded it was **VOTED** by the Board to process the **following** received account **TRANSFER** requests:
 - Received from the Brockton Retirement Board to **transfer** the account of David Guzman.
 - Received from the Cambridge Retirement Board to **transfer** the account of Melissa Miguel.
 - Received from the MA Teachers' Retirement Board to **transfer** the account of Julianne T. Cormio.

6. On a motion duly made and seconded it was unanimously **VOTED** by the Board to issue payment and authorize the corresponding wire transfer for monthly **Retiree Payroll Warrant** # 1-2015 in the amount of \$1,992,791.92 for January 2015.

7. Reviewed and discussed the November 2014 Trial Balance, Cash Receipts, Cash Disbursements and Adjustments Reports.

**Somerville Retirement Board Meeting
January 29, 2015**

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 # 7949, Elizabeth Batch, Group 1. Certificate # 6572, Kevin Mumpus, Group 1.
Certificate # 7950, Vanety Cruz, Group 1. Certificate # 7989, Monica Durocher, Group 1.
Certificate # 7932, Nicole Estey, Group 1. Certificate # 7953, Basha Weiss, Group 1.
Certificate # 7985, Gerald Garchedi, Group 1. Certificate # 7958, Jeffine Joseph, Group 1.
Certificate # 7959, Michael Mastrobuoni, Group 1. Certificate # 7971, Kelly Miller, Group 1.
Certificate # 7931, Jayme Mc Neill, Group 1. Certificate # 7986, Marc Piro, Group 1.
Certificate # 7933, Geraldine Portillo, Group 1. Certificate # 7990, Michael Sampson, Group 1.
Certificate # 7991, Robyn Smith, Group 1.

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

- Joseph Scullari, effective 1/20/2015.
- Leo Karapetian, effective 1/7/2015.
- Jay Weaver formally withdrew his application (he intends to re-file when he turns 55 in 7/2015)
- Walter Mannix, effective 1/15/2015.
- John Aufiero, effective 4/14/2015.
- John Memory, effective 2/1/2015. (Board Member Memory recused himself)

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

10. Reviewed and discussed the draft 2015 Budget. On a motion duly made and seconded it was **VOTED** by the Board to approve the FINAL, calendar year \$1,646,906. (gross) budget. The Executive Director will post a 1 page summary of the final, approved 2015 budget on the website.

11. Review and discuss Continuing Professional Education (CPE) courses for the Executive Director with an approximate cost of \$330. On a motion duly made and seconded it was **VOTED** by the Board to approve the reimbursement to the Director for the 2 courses.

12. E-mail question received from Lexington Police Captain Joseph R. O'Leary regarding PERAC Memo # 39/2012 (Vacation buyback) on 1/14/2015. On a motion duly made and seconded it was **VOTED** by the Board to not respond to this e-mail at this time

Received from PERAC the following Memoranda:

Memo # 37/2014 (Tobacco company List)
Memo # 38/2014 (Medical Testing Fee)

**Somerville Retirement Board Meeting
January 29, 2015**

Memo # 39/2014	(Q1 2015 Board member Training)
Memo # 1/2015	(2015 Limits Chapter 46)
Memo # 2/2015	(2015 Limits Chapter 131)
Memo # 3/2015	(COAL Notice)
Memo # 4/2015	(Ethics Commission Seminars)
Memo # 5/2015	(2015 Interest Rate 0.1%)
Memo # 6/2015	(Buyback & Make-up Worksheets)
Memo # 7/2015	Actuarial Data

The following retirees recently passed away:

James Considine, on 12/28/2014.	Option B.
Thomas J. Whelan, on 12/17/2014.	Option B.
Joseph Cauley, 1/8/2015.	Option A, benefits cease.
Robert E. King, 1/4/2015.	Option B, negative annuity, benefits cease.
Marie Hazlett, 1/17/2015	Option B.
Germaine Robillard	Option A, benefits cease.
Ethel Christian, 1/18/2015.	Option C, beneficiary to receive 2/3.

Old Business:

Discussed the vacant **5th Board Member** position. A copy of each applicant's submission was provided to each Board Member in December. After reviewing and discussing all applicant submissions, on a motion duly made and seconded it was **VOTED** by the Board to interview the following 7 individuals: Shoshana Blank, Colby Cunningham, Michael DiPietro, Christopher Cook, Timothy Smyth, Robert Massie and Frank Valeri.

Update the May 5, 2014 **Comerica** letter received regarding **Globe Tax** foreign withholding tax recoveries. On 11/19/14 Daniel Berd e-mailed the estimated amount of withholding taxes to be recovered (\$20,600.), the related fees, indicating Comerica would pay the Globe Tax fees and the board would pay the \$170. IRS fees and the enrollment forms that would need to be completed. At the 1/13/2015 meeting the Board Voted to complete and return the forms to Comerica. On 1/14/15 the Director returned (mail & e-mail) the completed and executed forms to Dan Berd at Comerica.

Update & discuss **Cypress Asset Management**. Cypress Asset Management was hired during 3/2006. 4/2011 Board voted to terminate the contract with Cypress and instructed Xavier Urpi to liquidate all holdings. On April 23, 2014 Board received a letter from Cypress regarding 5 securities from the 4/2011 liquidation process. Attorney Matthew Buckley finalized and coordinated an executed rescission agreement. On 12/10/14 Dan Berd at Comerica confirmed receipt of the securities transferred from Mr. Urpi to Comerica for our Congress Asset management Account. On 12/9/14 we received the 1st installment check (of 3) in the amount of \$32,741.06. The 2nd and 3rd installments are due 2/26/15 & 5/26/14. John O'Reilly at Congress Asset Management was able to

Somerville Retirement Board Meeting January 29, 2015

determine that the \$98,323.16 earnings amount through 10/31/2014 appears correct/accurate and reasonable.

Matt Buckley was at the DALA hearing for Paul Timmins on January 15, 2014. Mr. Timmins lost his appeal at DALA and appealed the decision to CRAB. On 12/19/14 CRAB affirmed the DALA decision. Mr. Timmins appealed the CRAB decision to Superior Court 1-2015. Matt Buckley will file a formal defense response to Superior Court.

John Buonomo: Attorney Matthew Buckley was in Lowell District Court on 11/19/2014. The Court entered judgment upholding the forfeiture and ordered restitution. The Court mailed Matt Buckley the restitution order/judgment. Matt Buckley will also speak with court in regards to the Board receiving payment from Mr. Buonomo while he pays his fine to the State. Matt Buckley found out that Mr. Buonomo is unemployed and has stopped paying the State towards his fine.

Retiree William T. Babcock, deceased 11/23/2013 received \$3,120.84 from 11/2013-10/31/2014. The Board received an executed and notarized affidavit 7/2014. Mr. Babcock was removed from the 11/2014 payroll. A letter to (granddaughter) Lisa Barchard, power of attorney, requesting the return of the \$3,120.84 was mailed on November 7, 2014. On 11/7/14 an unsuccessful reclaim/reverse direct deposit was processed through Century Bank in order to attempt to recover the \$3,120.84. Detective McDaid filed a criminal complaint to summons Ms. Barchard. Matt Buckley will attend the summons when it is scheduled. Matt Buckley will follow-up with Detective McDaid to ensure the criminal complaint was filed and will provide a copy to the Director.

Continue discussing the Fossil Free Somerville divestment presentation. The Board will continue to research and gather information regarding the effect of fossil fuel divestment on the investment portfolio. The Executive Director created a Fossil Fuel Divestment page on the website in order to post all of the divestment information. Retirees and current employees received notification informing them of the Fossil Free Somerville presentation and the information on the website. All divestment information gathered was posted on the website. The Executive Director continued obtaining information from the investment managers regarding how they would reinvest any divested funds and try to find funds without holdings on the top 200 list and their return history. The Executive Director will continue to obtain and gather investment manager information regarding fossil fuel free products and separate accounts, such as strategy, who would manage the funds, is it a team, are the people in place and how would it be set up. The Director summarized the membership e-mail feedback results. On a motion duly made and seconded it was **VOTED** by the Board to have the Director formally ask PERAC if they would approve an RFP for an equity or bond investment or to hire an advisor. The Somerville Labor Coalition letter to each Board Member stating that "the Board should not act on the request from FFS at this time" was discussed.

**Somerville Retirement Board Meeting
January 29, 2015**

At 12:00 Noon 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.

ROLL CALL VOTE to ENTER EXECUTIVE SESSION:

Edward Bean	YES
John Memory	YES
Thomas Ross	YES
Austin Faison	YES

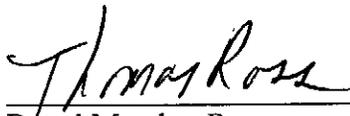
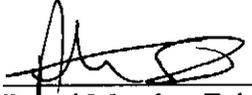
On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 12:21 PM and **RETURN** to Open Session.

ROLL CALL VOTE to END EXECUTIVE SESSION:

Edward Bean	YES
John Memory	YES
Thomas Ross	YES
Austin Faison	YES

On a motion duly made and seconded it was **VOTED** by the Board to not accept (deny) the accidental disability application of Angela Koerber based on insufficient evidence. (Board Member Bean recused himself)

On a motion duly made and seconded it was **VOTED** to adjourn the meeting at 12:23 PM.

_____ XX Chairman	 _____ Board Member Ross
 _____ Vice Chairman Bean	 _____ Board Member Memory
 _____ Board Member Faison	