

Somerville Retirement Board Meeting December 17, 2014

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 2:08 PM by Vice Chairman Bean with Board Members Ross, Memory and Faison. Also in attendance were Executive Director Michael Pasquariello and Matthew Buckley.

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 November 20, 2014 meeting and sign them into record.

2. 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 # 12-2014 (copy attached) in the amount of \$446,877.04 .

3. On a motion duly made and seconded it was **VOTED** by the Board to accept and process the following received Applications for **Withdrawal** of Accumulated Total Deductions for:
 - David Hudson. The total Rollover amount is \$12,244.25.
 - Alma Miranda. The total Rollover amount is \$8,834.45.
 - Betsy Moldanado. The total Refund amount is \$10,426.30

4. On a motion duly made and seconded it was **VOTED** by the Board to process the following received account TRANSFER requests:
 - Received from the Peabody Retirement Board to **transfer** the account of Tomothy F. Healy.
 - Received from the State Retirement Board to **transfer** the account of Paulette Renault-Caragianes.
 - Received from the Norfolk County Retirement Board to **transfer** the account of Carlene Campbell-Hegarty.

5. 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 # 12-2014 in the amount of \$2,018,512.55.33 for December 2014.

6. Reviewed and discussed the October 2014 Trial Balance, Cash Receipts, Cash Disbursements and Adjustments Reports.

7. 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:

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Certificate # 7411, Shawn Brady, Group 1. Certificate # 7904, Andrea DaCosta, Group 1.
Certificate # 7905, Sujei Lugo, Group 1. Certificate # 7909, Anthony Giovanni, Group 1.
Certificate # 7930, Daisy Martinez, Group 1. Certificate # 7970, Lisa Parziale, Group 1.
Certificate # 7973, Thomas Mercer, Group 1. Certificate # 7975, Jill Lathan, Group 1.
Certificate # 7977, Hans Jensen, Group 1. Certificate # 7980, Kathy Fatherley, Group 1.
Certificate # 7981, Lirianny Jorge, Group 1. Certificate # 7982, Robert Fitzgerald, Group 1.
Certificate # 7978, Matthew Zaino, Group 1.

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

- James Kirylo, effective 12/31/2014.
- Jay C. Weaver, effective 12/3/2014.
- Francis Willey, effective 1/29/2015.
- David Griffin, effective 3/2/2015.
- Aida Corredor, effective 4/14/2015.
- Denise Grosse, formally withdrew her retirement application that was submitted 11/13/2014.

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

9. PERAC has **approved** the following previously Board approved **new retirees**:

- Charles Femino, effective 9/30/2014

10. Accidental Disability Retiree Vincent McLaughlin over-earned by \$866.12 in calendar year 2013. PERAC notified Mr. McLaughlin. The Executive Director also mailed a letter, certified return receipt, on 12/3/14 notifying him to refund the \$866.12 or request a hearing. On a motion duly made and seconded it was **VOTED** by the Board to recover the excess earnings, in accordance with the PERAC 12/1/14 letter. The Director will send another letter to Mr. McLaughlin informing him of the Board's vote and request the \$866.12 or the Board will reduce his monthly pension amount by \$866.12 for the month of May 2015 if no response is received by 1/31/2015.

11. Reviewed and discussed the **draft 2015 Budget**. The Executive Director included: outside temporary filing help, digital filing conversion companies (Morgan Records Management & CIS, LLC) and PTG Self Service module; confirmed with PERAC that an RFP for an outside electronic/digital filing company is NOT required. The Board would like to increase the Actuary expense to the amount of a full valuation.

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Received from PERAC the following Memorandums:

Memo # 34/2014 (GASB 67/68)
Memo # 35/2014 (2014 Disability Retiree Data)
Memo # 36/2014 (Accounting Investment Fees)

The following retirees recently passed away:

James Carroll, on 11/25/14. Option A, benefits cease.
William Goucher, on 11/25/2014. Option A, benefits cease.
Charles Gregory, on 12/4/2014. Option A, benefits cease.

Old Business:

Executive Director 1 year anniversary. The Executive Director submitted in November a 3 page list of accomplishments and suggested future projects. Schedule a special meeting in January 2015.

Discussed and update the vacant **5th Board Member** position. The Executive Director posted a solicitation for applicants on the PERAC and City of Somerville websites and issued a local press release. Currently received 11 responses; a copy of each applicants' submission was provided to each Board Member.

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. The Executive Director asked Mr. Berd if Comerica would put in writing that they would pay the Globe Tax fees on 12/2/14. Comerica will not put in writing that they will pay the Globe Tax fees.

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. The Board voted to authorize Matthew Buckley to work on and execute a rescission agreement with attorney Swanson in order to recover the funds, the 5 securities and all related supporting documentation at the November meeting. 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. The Executive Director is working with John O'Reilly at Congress in order to verify the earnings \$ amount through 10/31/2014.

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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 and he will provide a copy to the Executive Director. Matt Buckley will also speak with court in regards to the Board receiving payment from Mr. Buonomo while he pays his fine.

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.

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.

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.

At 3:35 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.

ROLL CALL VOTE to ENTER EXECUTIVE SESSION:

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

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On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 4:20 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 accept the accidental disability application Ronald Selig and request a medical panel.

On a motion duly made and seconded it was **VOTED** by the Board to accept the accidental disability application of John Memory and request his medical records. (Board Member Memory recused himself from this matter)

On a motion duly made and seconded it was **VOTED** to adjourn the meeting at 4:22 PM.

_____ XX _____ Chairman	<u>Thomas Ross</u> Board Member Ross
<u>EB</u> Vice Chairman Bean	<u>John Memory</u> Board Member Memory
<u>Austin Faison</u> Board Member Faison	

Cash Disbursements Warrant
Warrant Number 12-2014

Transaction ID	Date	Check Number	Vendor ID	Vendor/Description	Amount
5409	12/19/2014		2474	Federal taxes withheld Wire to IRS from Treasury Betsy Maldonado refund - taxes	2,085.26
5401	12/19/2014	3059	970	Boston Retirement Board One City Hall Square Room 816 Boston, MA 02201 3(8)(c) reimbursement - Boston	26,108.25
5402	12/19/2014	3060	2486	ScottTrade 56 Station Landing Medford, MA 02155 ScottTrade traditional IRA FBO David R. Hudson	12,244.25
5403	12/19/2014	3061	9	Somerville Retirement Board City Hall Annex 50 Evergreen Avenue Somerville, MA 02145 SRB Board/Staff salaries for Nov & Dec 2014	43,732.09
5404	12/19/2014	3062	2487	Peabody Retirement Board 24 Lowell Street City Hall Peabody, MA 01960 Timothy Healy XFER to Peabody	174,478.74
5405	12/19/2014	3063	855	State Board of Retirement One Winter Street Boston, MA 02108-4747 Paulette Renault-Caragianes XFER to State	83,702.21
5406	12/19/2014	3064	2440	SHS Graphic Design & Visual Communications 81 Highland Avenue Somerville, MA 02143 Window envelopes (6,000)	300.00
5407	12/19/2014	3065	2101	Bank of America 727 Massachusetts Avenue Cambridge, MA 02139 Bank of America IRA FBO Alma Miranda	8,834.45
5408	12/19/2014	3066	2489	Betsy Maldonado 35-B Memorial Road Somerville, MA 02145 Betsy Maldonado refund	8,341.04
5410	12/19/2014	3067	2183	Norfolk County Retirement Board 480 Neponset Street - #5 Canton, MA 02021 Carlene Campbell-Hegarty XFER to Norfolk County	87,050.75

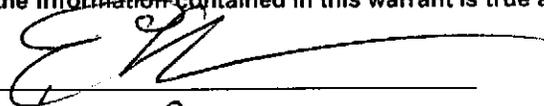
Cash Disbursements Warrant

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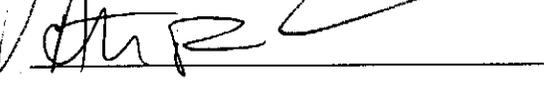
Records Reported On: 10
Total Amount: 446,877.04

The undersigned, on oath, swear that the information contained in this warrant is true and accurate to the best of their knowledge.

Edward Bean (Vice Chairman) 

Thomas Ross 

John M. Memory 

Austin Faison 

VACANT (Chairperson) _____