

**Somerville Retirement Board Meeting
February 26, 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 8:40 AM 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 February 6, and February 18, 2015 Special meetings and the Regular and Executive Session **minutes** of the January 29, 2015 meetings 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** # 2-2015 (copy attached).
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:
 - Gretchen Kinder. The total Rollover amount is \$53,165.22.
 - Katherine Klimusko. The total Refund amount is \$632.01.
 - Patricia R. Norton. The total Refund amount is \$16,600.17.
 - J. David Doherty. The total Refund amount is \$5,918.91.
 - Alice Milligan. The total Refund amount is \$23.18
 - Maria Salimbeni. The total Refund amount is \$1,593.73.
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 MA Teachers' Retirement Board to **transfer** the account of Julianne T. Cormio.
 - Received from the MA Teachers' Retirement Board to **transfer** the account of Lisa R. Hodorawis.
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** # 2-2015 in the amount of \$1,980,750.55 for February 2015.
6. Reviewed and discussed the December 2014 Trial Balance, Cash Receipts, Cash Disbursements and Adjustments Reports.

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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:

Certificate # 7972, Robin Bratton, Group 1. Certificate # 8001, David Chapman, Group 1.
Certificate # 7995, Andrew Como, Group 1. Certificate # 7968, Jason Diorio, Group 1.
Certificate # 7984, Michael Feloney, Group 1. Certificate # 7969, Betrice Falaise, Group 1.
Certificate # 7987, Lara Hindle, Group 1. Certificate # 7979, Lisa Kuh, Group 1.
Certificate # 7491, Robert King, Group 1. Certificate # 7983, Lindsay LaFrance, Group 1.
Certificate # 7988, Jennifer Molina, Group 1. Certificate # 7997, Ray Parsons, Group 1.
Certificate # 7998, James Perriello, Group 1. Certificate # 7966, Christin Rills, Group 1.
Certificate # 7994, Denis Saint-Cyr, Group 1. Certificate # 7992, James Sturniolo, Group 1.

8. The following (school) new hire(s) have not completed their statement of record - Membership Application: Melissa Bento, Molly Clifford, Bendel Pierre, Sandy Romero and Carl Williams.

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.

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

- James Kirylo, effective 12/31/2014.
- Maryann Ryan, effective 12/31/2014.

10. Review and discuss the Q4 2014 YTD Budget vs. Actual Report.

11. Received Buyback calculation requests from:

- Patricia Marques, a current Member of the Somerville Retirement Board, to buy-back 2 months of part time non-member service time (Sub Secretary) in the School Department. Upon proper make-up payment of \$712.47 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 2 months of creditable service.

- Paul Gillis, a current Member of the Somerville Retirement Board, to buy-back 1 month of part time non-member service time (Sub Teacher) in the School Department. Upon proper make-up payment of \$638.41 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for 1 month of creditable service.

On a motion duly made and seconded it was **VOTED** by the Board to approve and process the above Buyback requests.

Received from PERAC the following Memoranda:

Memo # 8/2015 ()

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The following retirees recently passed away:

Catherine Pieroni, on 1/20/2015.	Survivor Option D, benefits cease.
Patrick Sullivan, Jr., on 1/27/2015.	Option C, beneficiary to receive 2/3.
Robert Vallone, on 2/4/2015.	Option C, beneficiary to receive 2/3.
Ralph Spurr, on 2/16/2015.	Option C, beneficiary to receive 2/3.
Alberta Kinsley, 2/19/2015.	Option C Survivor, benefits cease.
Mary Celli, 2/20/2015.	Option B, negative annuity, benefits cease

Old Business:

Discussed the vacant **5th Board Member** position. On 2/6/15 the Board interviewed the following 7 individuals: Shoshana Blank, Colby Cunningham, Michael DiPietro, Christopher Cook, Robert Massie and Frank Valeri. (applicant Smyth called and had to cancel his interview). On 2/18/2015 the Board decided to continue with the following 4 candidates: Christopher Cook, Robert Massie, Michael DiPietro and Frank Valeri. On 2/18/15 the Executive Director e-mailed 3 questions regarding level of commitment and potential conflict of interest to all of the remaining 4 candidates with a response deadline of Wednesday, February 25th at Noon. The Director will e-mail candidate Smyth to ask if he would still be interested in the position and if so will also send him the 3 questions. Candidate Massie notified the Director that he is out of the country until 3/4/15.

Update the May 5, 2014 **Comerica** letter received regarding **Globe Tax** foreign withholding tax recoveries. 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 the 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 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. During 1-2015 Mr. Timmins appealed the CRAB decision to Superior Court (Section 14 complaint). Matt Buckley filed a formal defense response to Superior Court.

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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. 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 in District Court 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. 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. On 2/12/15 the Director formally requested from PERAC if they would approve an RFP for a fossil free equity or bond investment or for an investment consultant to assist with a fossil fuel divestment. Board Member Memory will discuss with PERAC Compliance Officer Tom O'Donnell requesting a meeting with PERAC.

At 8:56 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.

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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 9:36 AM and **RETURN** to Open Session.

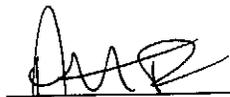
ROLL CALL VOTE to END EXECUTIVE SESSION:

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

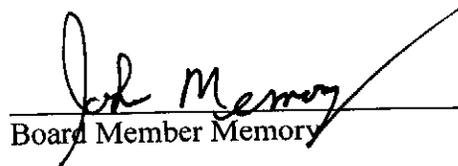
On a motion duly made and seconded it was **VOTED** to adjourn the meeting at 10:10 AM.

XX
Chairman


Vice Chairman Bean


Board Member Faison


Board Member Ross


Board Member Memory