

**Somerville Retirement Board Meeting**  
**July 21, 2015**

The Regular Meeting of the Somerville Contributory Retirement Board duly posted to be held in the Aldermanic Chambers at City Hall, 2<sup>nd</sup> Floor, 93 Highland Ave., Somerville, MA on the above date was called to order at 9:18 AM by Vice Chairman Bean with Board Members Memory, Ross, Nosnik and Massie. Also in attendance was Executive Director Michael Pasquariello.

**New Business:**

1. Julie Lind from RhumbLine presented the 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 26, 2015 meetings and sign them into record.
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:
  - Daisy Martinez. The total Refund amount is \$1,315.81.
4. On a motion duly made and seconded it was **VOTED** by the Board to process the **following** received account **TRANSFER** requests:
  - From the Lexington Retirement Board to **transfer** the account of John Murphy.
5. 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 # 7-2015**.
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 # 7-2015** in the amount of \$2,050,846.11 for July 2015.
7. Reviewed and discussed the May 2015 Trial Balance, Cash Receipts, Cash Disbursements, Adjustments Reports and the 3 Bank Account Reconciliations.
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 # 8047, Carl Capobianco, Group 1. Certificate # 8027, Lara Versari, Group 1. Certificate # 8046, Stanley Wassington, Group 1.

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

- Ronald Selig, accidental disability, effective 7/19/2015.

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

- Robert Wilker, effective 7/5/2015.
- Robert Racicot (Housing Authority), effective 8/31/2015.

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

11. Review and discuss the 12 month Cash Flow projection.

12. Received a request for Section 101 benefits from Frances A. Borsini, surviving spouse of deceased Police Officer accidental disability (Option B) retiree Edward Borsini, who passed away on 5/30/2015. Mr. Borsini passed away from Chronic Obstructive Pulmonary Disease; retired under Section 7, accidental disability on 11/8/85, for his right knee and leg. On a motion duly made and seconded it was **VOTED** by the Board to approve and process the Section 101 request.

13. Received **Buyback/Re-Deposit** calculation requests from:

- Betsy Allen, a current Member of the Somerville Retirement System, to buy-back 2 years member creditable service with the MA Teachers' Retirement Board (Sharon Public Schools). Upon proper make-up payment of \$15,533.61 to the Somerville Retirement Board, the MA Teachers' Retirement Board will accept liability for 2 years of creditable service.

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

14. Discuss the election schedule for the 1<sup>st</sup> elected Board position (currently occupied by Board Member Memory). The 3 year term is expiring on 1/4/2016. The Board shall designate/appoint an Election Officer, who may be a board member, staff person of the board or city clerk. The election notice must be posted at least 90 days prior to the election. Nomination papers must also be available at least 90 days prior to the election. Completed Nomination papers must be filed/submitted no later than 45 days prior to the election. On a motion duly made and seconded it was **VOTED** by the Board to approve the election date of 12/1/2015.

Received from PERAC the following Memoranda:

- |                |                                    |
|----------------|------------------------------------|
| Memo # 12/2015 | (Inactive member buybacks)         |
| Memo # 13/2015 | (Tobacco Company List)             |
| Memo # 14/2015 | (Training Q3)                      |
| Memo # 15/2015 | (Retroactive Change to Cash Books) |

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The following retirees recently passed away:

Rose DiPirro, on 6/23/2015 (at age 106).	Option B, negative annuity, benefits cease.
Romeo Capuano, on 7/2/2015.	Option C pop-up, benefits cease.
Suzanne Sullivan, on 7/2/2015.	Option C pop-up, benefits cease.

**Old Business:**

Update the May 5, 2014 **Comerica** letter received regarding **Globe Tax** foreign withholding tax recoveries. Currently waiting for the IRS to issue form 6166 to Comerica.

**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 making monthly payments the State for his fine. Matt Buckley will follow up with his Probation Officer to check on this current status.

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. Detective McDaid filed a criminal complaint in District Court to summons Lisa Barchard. Lisa Barchard was arraigned and had a pre-trial hearing on 4/7/15. Matt Buckley met with Assistant District Attorney, Ryan Rall, on 4/6/15 and presented all of the evidence to him. The attorney for Lisa Barchard received a hearing continuance to 5/8/2015. Matt Buckley was unable to attend the 5/8/15 hearing. A compliance and election hearing is scheduled for 7/28/2015. Matt Buckley will attend if possible or will obtain the outcome and results.

Continued 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 and MA general laws chapter 32 and related regulations. On 2/12/15 the Director formally asked 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. On 3/11/15 Board Members Memory and Bean along with the Director met with PERAC Compliance Officer Tom O'Donnell, Cheryl Johnson, attorney Derek Moitoso and Joseph Martin at PERAC, discussing divestment, fiduciary standards and RFP's. The formal response from PERAC was received on 6/18/2015, discussing fiduciary standards, prudent investment regulations in 840 CMR 1.01 and the absence of a statute imposing such a restriction (fossil free RFP) the Commission is unable to post such an RFP.

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Erick Fields and members of Fossil Free Somerville in attendance thanked the Board for their time and effort regarding fossil fuel divestment research. Mr. Fields presented the Board with approximately 130 letters from Somerville residents supporting fossil fuel divestment and requested that the Board consider divesting from fossil fuel holdings. The Board again discussed fiduciary standards and will continue to gather information.

Review and discuss the possibility of procuring the services of a **Portfolio Monitoring** firm. The Executive Director confirmed with PERAC that an Investment RFP would have to be issued and that PERAC does NOT maintain an approved list of firms. Derek Moitoso at PERAC provided the names of the following firms that have been awarded a contract through the RFP Process: Scott & Scott, Berman DeValero, and Labaton Sucharow. The Director provided information from each firm for each Board Member to review.

Discuss the **Medical Indemnity Panel**. The Executive Director provided a copy of Chapter 41, Section 100B along with a formal summary of the Medical Indemnity Panel process. On a motion duly made and seconded it was **VOTED** by the Board to authorize the Executive Director to attend the quarterly Medical Indemnity Panel meetings and report back to the Board. The attendance of the meetings will be documented in the minutes and the Director will provide each Board Member with the upcoming meetings schedule.

At 11:15 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.

**ROLL CALL VOTE to ENTER EXECUTIVE SESSION:**

Edward Bean	YES
John Memory	YES
Thomas Ross	YES
Robert Massie	YES
Alex Nosnik	YES

On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 11:27 AM and **RETURN** to Open Session.

**ROLL CALL VOTE to END EXECUTIVE SESSION:**

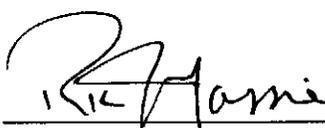
Edward Bean	YES
John Memory	YES
Thomas Ross	YES
Robert Massie	YES
Alex Nosnik	YES

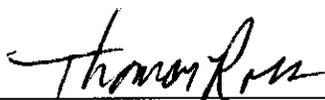
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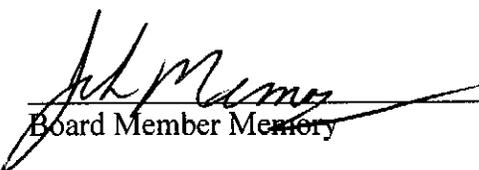
On a motion duly made and seconded it was **VOTED** by the Board to deny the accidental disability of Stephen Shea based on the 3 medical panel reports and recommendations.

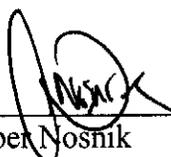
On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 11:30 AM.

  
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Vice Chairman Bean

  
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Board Member Massie

  
\_\_\_\_\_  
Board Member Ross

  
\_\_\_\_\_  
Board Member Memory

  
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Board Member Noshik