

## **Minutes of the meeting held on April 3, 2017**

Present: Francis Murphy – Chair, James Monagle, Michael Gardner, Nadia Chamblin-Foster, John Shinkwin, Ellen Philbin, Attorney James Quirk and Chris Burns.

The meeting was called to order at 5:10 PM. The meeting was digitally recorded.

### **Agenda Item #1– Minutes**

Motion by Monagle, seconded by Shinkwin to accept the minutes of the investment review meeting held on February 28, 2017. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner abstaining.

Motion by Chamblin-Foster, seconded by Monagle to accept the regular minutes of the meeting held on March 2, 2017. The motion carried on a 4-0 vote with Gardner abstaining.

Motion by Chamblin-Foster, seconded by Shinkwin to accept the executive session minutes of the meeting held on March 2, 2017. The motion carried on a 4-0 vote with Gardner abstaining.

### **Agenda Item #2 - Warrant**

Motion by Chamblin-Foster, seconded by Shinkwin to accept payment of warrant #6 in the amount of \$6,495,212.32 and Warrant #7 in the amount of \$1,168,716.84. Voted unanimously.

### **Agenda Item #3 – Superannuations**

Motion by Monagle, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Joan Munro, Junior Custodian, School Department with twenty-two years two months, Michael Pires, Custodian, School Department with thirty-two years one month, Dennis Quinn, Laborer, Dept. of Public Works with sixteen years one month, Joseph Signorelli, Sr. Custodian, School Dept. with twenty-four years eleven months and Henry Sisco Jr., Firefighter, Cambridge Fire Department with forty years three months. Voted unanimously.

### **Agenda Item #4 - Make-ups/Redeposits / Liability**

The Board reviewed make-up worksheets for eight members.

Motion by Gardner, seconded by Chamblin-Foster to allow the make-up of contributions requested by Samantha C. Down, 2 years 2 months (pro-rated), Atetegeb Fekade-Bekele, 1 year 3 months (pro-rated), Gregory M. Goldberg, 6 months (pro-rated), Ilda I. Jupe, 1 year 1 month (pro-rated), Lisa I. Martinez, 6 months (pro-rated), June W. Murray, 1 year 4 months (pro-rated), June W. Murray, 7 months (pro-rated), Jared J. Silva, 2 years 1 month (pro-rated) and Paul R. Trunnell, 7 months (pro-rated). Voted unanimously.

### **Agenda Item #5 – Refund Applications**

The Board reviewed a list of refund applications submitted in March.

Motion by Gardner, seconded by Shinkwin to accept two refund applications. Voted unanimously.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting would reconvene in open session at the conclusion of the executive session. On a roll call, the vote was as follows:

Michael Gardner:	YES
Nadia Chamblin-Foster:	YES
John Shinkwin:	YES
James Monagle:	YES
Francis Murphy:	YES

**Agenda Item #6 – Accidental Disability Benefit – Neil Bogonovich**

Neil Bogonovich attended the meeting with his wife, Colleen Bogonovich. The Board reviewed the certificate and narrative reports of the medical panel, the member's application, treating physician's statement and employer's statement pertaining to Neil Bogonovich's Accidental Disability application.

Motion by Shinkwin, seconded by Gardner to accept the findings of the medical panel and grant Accidental Disability benefits to Neil Bogonovich, a Police Officer. Voted unanimously.

**Agenda Item #7 – Accidental Disability Benefit – Joseph DeSimone**

Attorney Thomas Gibson appeared, representing the member. The Board reviewed the certificate and narrative reports of the medical panel, the member's application, treating physician's statement and employer's statement pertaining to Joseph DeSimone's Accidental Disability application.

Motion by Shinkwin, seconded by Chamblin-Foster to accept the majority findings of the medical panel and to grant Accidental Disability benefits to Joseph DeSimone, Working Supervisor/Plumber in the Dept. of Public Works. Voted unanimously.

**Agenda Item #8 – Accidental Disability Benefit – Kelley King**

Kelley King attended the meeting with her mother, Rosalie King and her boyfriend, Ronald Folger. The Board reviewed the certificate and narrative reports of the medical panel, the member's application, treating physician's statement and employer's statement pertaining to Kelley King's Accidental Disability application.

Monagle moved to accept the majority findings of the medical panel and to grant Accidental Disability benefits to Kelley King, a Police Sergeant. Gardner seconded the motion and it was voted unanimously.

**Agenda Item #9 – Accidental Disability Benefit – Dennis Ferrick**

Attorney Thomas Gibson appeared, representing the member. The Board reviewed the certificate and narrative report of the medical panels, the member's application, treating physician's statement and employer's statement pertaining to Dennis Ferrick's Accidental Disability application.

Motion by Shinkwin, seconded by Monagle to accept the majority findings of the medical panel and grant Accidental Disability benefits to Dennis Ferrick, Mechanic Aide with the Cambridge Housing Authority. Voted unanimously.

**Agenda Item #10 – Accidental Disability Application – Reggie Pagan**

Reggie Pagan attended the meeting. The Board reviewed the member's application, treating physician's statement and employer's statement pertaining to Reggie Pagan's Accidental Disability application.

Motion by Gardner, seconded by Monagle to accept the Accidental Disability application filed by Firefighter Reggie Pagan and to request that PERAC convene a medical panel. Voted unanimously.

**Agenda Item #11 – Investment Language**

The Chairman stated that he received correspondence from Professor Max Tegmark at the Future of Life Institute. Tegmark suggested changes to the language of the system's RFPs. The intended effect of the language would be for future manager hires to divest from holdings of nuclear weapons companies. Gardner stated that he remains opposed to the system making decisions to divest. He said that he felt the matter should be left to the State Legislature to decide, as they did with tobacco firms. Quirk stated that he was concerned that a move to divest could be seen as a violation of the Board's fiduciary duty. He stated that any move to exclude

applicants based on conditions not authorized by the legislature might be seen as problematic. Gardner moved to make no changes to the existing search criteria language. Shinkwin seconded the motion and it was voted unanimously.

#### **Agenda Item #12 – Investment Documents**

Monagle stated that he attended a meeting with the City Manager and Councillor Nadeem Mazen. Monagle noted that the City's various investment holdings are now posted online. Councillor Mazen requested that the Retirement System also make more detailed information about investment holdings available online. Monagle suggested that the system should post the Annual Statement online, as it contains a detailed listing of all trades and assets held by the system as of the statement date. He said he would prefer to exclude the listing of retiree payments and individual member account information which is also part of the statement. Gardner stated that he was concerned that the information contained in the annual statement was overwhelming and would likely not be useful to the average person. Monagle requested that Philbin and Burns review the annual statement and make a recommendation as to which portions of the document should be posted online. He stated that he felt a snapshot of holdings as of year-end should be included. The Chairman stated that he felt the annual statement contains far too much information, and that the system should post only summary information, making additional detail available upon request. Monagle stated that the City's Finance Dept. is moving toward an "open checkbook" system with as much transparency as possible. Gardner stated that, given the City's move toward transparency, he felt the Retirement System should provide the annual statement online. Monagle requested that the staff propose which documents to release at the next meeting.

#### **Agenda Item #13 - PERAC Memos**

The Board reviewed PERAC Memos #15 and 16. No action was taken.

#### **Agenda Item #9 - Old Business**

Burns reported that Peter Calnan underwent a follow-up reexamination. The report of this exam indicated that Calnan is not able to return to work, and his reinstatement process has been terminated. He will continue to receive his retirement allowance.

#### **Agenda Item #10 - New Business**

Not needed.

#### **Agenda Item #11 - Executive Session**

Agenda Item #6 – adopted

Agenda Item #7 – adopted

Agenda Item #8 – adopted

Agenda Item #9 – adopted

Agenda Item #10 – adopted

#### **Agenda Item #12 - Chairman's Report**

None offered.

#### **Agenda Item #13 – Executive Director's Report**

The Director stated that the building at 100 CambridgePark Drive has been put up for sale. The Retirement Office's lease ends in 2022.

The Board agreed to move the May monthly meeting to May 11 at 3:45 PM.

The following documents were also reviewed by the Board:

- Notice of Retiree Death

- Correspondence from Attorney Quirk re: MTRS vs. CRAB and Another
- December Financials - General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers.
- 2016 Administrative Budget
- 2017 Administrative Budget
- Proposed Merger of Aberdeen Asset Management and Standard Life
- Labaton Sucharow Securities Litigation Report, 3Q-4Q 2016
- SSGA Update re: Greg Balewicz
- Lazard Portfolio Review - February 2017

Monagle moved to adjourn at 7:40 PM.