

Minutes of the meeting held on April 8, 2019

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

The meeting was called to order at 5:00 PM. The meeting was digitally recorded.

Agenda Item #1 – PERAC Executive Director

John Parsons appeared before the Board. Parsons noted that he served as PERAC General Counsel for seven years, and previously served as General Counsel in the State Auditor's office. He was appointed at the Auditor's representative on the Teachers' Retirement Board, where he served for ten years. He stated that he felt very fortunate to have been selected at the PERAC Executive Director. He stated that he recognizes PERAC's role as a regulator, but that he has no desire to manage Retirement Systems directly. He stated that he hopes to be able to work collaboratively with Boards, even in situations where they might disagree.

Agenda Item #2 – Minutes

Motion by Monagle, seconded by Shinkwin to accept the regular minutes of the meeting held on March 4, 2019. The motion carried on a 4-0 vote, with Chamblin-Foster abstaining.

Motion by Shinkwin, seconded by Monagle to accept the executive session minutes of the meeting held on March 4, 2019. The motion carried on a 4-0 vote, with Chamblin-Foster abstaining.

Motion by Monagle, seconded by Shinkwin to accept the minutes of the investment review meeting held on March 5, 2019. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner abstaining.

Agenda Item #3 - Warrants

Motion by Chamblin-Foster, seconded by Shinkwin to accept payment of warrant #6 in the amount of \$7,176,810.00 and to accept payment of warrant #7 in the amount of \$1,871,773.71. Voted unanimously.

Agenda Item #4 – Superannuations

Motion by Chamblin-Foster, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Regina Berkowitz, Media Arts Manager, School Dept. with sixteen years, three months; Robert Bruno, Firefighter with thirty-one years; Donna Clark, Medical Assistant, Cambridge Health Alliance with forty-one years, eight months; Chenier Durand, Building Inspector, Inspectional Services Dept. with thirty-two years, eight months; Joseph Keough, Sergeant, Police Dept. with thirty-eight years, three months; Robert Leary, Patrol Officer, Police Dept. with thirty-two years; Donna Lopez, City Clerk with forty-nine years, five months; Joaquin Lullanda, Mechanic Aide, Cambridge Housing Authority with thirty-two years, eight months; Roy McGlashing, Working Foreman, Dept. of Public Works with thirty years; Jean Ryan, Crossing Supervisor, Police Dept. with forty-three years, two months; Joao Tavares, Craftsman, Cambridge Health Alliance with seventeen years, six months; Sean Tevlin, Mechanic, Housing Authority with thirty-three years, eight months; and Robert Wilbur Jr., Laborer, Dept. of Public Works with twenty-four years, eleven months. Voted unanimously.

Agenda Item #5 - Make-ups/Redeposits/Liability

The Board reviewed make-up and redeposit worksheets for six members.

Motion by Gardner, seconded by Chamblin-Foster to allow the make-up of contributions requested by Gregory Kirylo, 11 months; Janet M. Snedeker, 11 months; Brielle L. Sorey, 1 year 9 months; Rebecca Taylor, 10 months; Diane Zylicz, 11 months; and to allow the redeposit of a refund requested by Marc C. McGovern, 2 years. Voted unanimously.

Agenda Item #6 – Refund Applications

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

Motion by Gardner, seconded by Chamblin-Foster to accept eight 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 #7 – Accidental Death Benefit – Charles Budryk

The Board reviewed Charles Budryk’s death certificate, correspondence from his physician, and the certificate and narrative report of his 1984 medical panel.

Motion by Gardner, seconded by Shinkwin to grant Accidental Death benefits to the surviving spouse of Charles Budryk, a retired Firefighter. Voted unanimously.

Agenda Item #8 – Distribution of Deceased Member’s Accumulated Deductions

The Board reviewed Mark Stiles’ death certificate, his beneficiary selection form, and correspondence from his four siblings.

The Director stated that Mark Stiles was a Public Works employee who died on February 27, 2019. He had named his mother as the sole beneficiary of his account, however his mother died in 2017. The member never updated his beneficiary selection. Stiles was not married and has no children. He is survived by four siblings. One of the four submitted a written statement waiving her right to any benefit. The remaining three requested that benefits be paid to them. Quirk stated that, in the absence of any other potential beneficiary, the Board could divide the member’s accumulated deductions between the three siblings.

Motion by Gardner, seconded by Chamblin-Foster to pay out Mark Stiles’ accumulated deductions to his three siblings. Voted unanimously.

Agenda Item #9 – Board Election

The Board reviewed a proposed timetable for a Board election.

Burns stated that Frank Murphy’s term would end on October 1, 2019 and he reviewed the steps necessary to conduct an election. Murphy stated that he intended to run for re-election.

Motion by Gardner, seconded by Monagle to appoint Chris Burns as Election Officer, to adopt the proposed timetable, and to hold the election by mail. The motion carried on a 4-0 vote, with Murphy abstaining.

Agenda Item #10 - PERAC Memos

The Board reviewed PERAC Memos number from 12 through 14. No action was taken.

Agenda Item #11 - Old Business

The Board reviewed correspondence from Attorney Quirk regarding remote participation by Board Members. Quirk reviewed the legal requirements set out in the statute which authorizes remote participation. He stated that some systems have adopted written policies for remote participation, and some have simply taken a vote to authorize it. The Chairman requested that the staff survey other systems and develop a draft policy for the Board to review.

Gardner stated that he remains concerned that the recent DALA decision on Option D has unnecessarily limited member's options for naming a beneficiary. Monagle stated that he felt this was an issue where the legislature should resolve the problem by amending the law. Shinkwin suggested that the Board work through MACRS to propose appropriate legislation. The Director stated that the staff has done mailings to reach out to members who should make changes to the Option D selection. They have also prepared new forms to allow members to designate a primary and contingent beneficiary under Option D.

Agenda Item #12 - New Business
Not needed.

Agenda Item #13 - Executive Session
Agenda Item #7 – adopted

Agenda Item #14 - Chairman's Report
The Chairman announced that he and Shinkwin would attend the Bernstein Litowitz client forum in April. He stated the firm is now reviewing potential litigation involving Stamps.com.

Agenda Item #15 – Executive Director's Report
The Director requested that Board members notify her if they intend to attend the MACRS conference or the NCPERS conference.

The following documents were also reviewed by the Board:

- List of Retiree Deaths
- Correspondence from Attorney James Quirk re: Proposed Legislation Filed in the 2019 Legislative Session
- December Financials: General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers
- Manager/Vendor Disclosure Statements: Aberdeen Emerging Markets Equity Fund, Ascent Venture Partners III, BlackRock Vesey Street Fund II, Fidelity Emerging Market Debt, Fidelity Broad Market Duration Commingled Pool, Hamilton Lane Private Equity Fund VI, Hamilton Lane Private Equity Fund VIII, Income Research & Management, Lexington Capital Partners VIII, RhumbLine Russell 1000 Growth Pooled Index Fund, RhumbLine Russell 1000 Value Pooled Index Fund, Wellington Emerging Markets Local Debt Fund
- Lazard Portfolio Review – February 2019
- RBC Quarterly Report – December 31, 2018

Monagle moved to adjourn at 7:45 PM.