

Minutes of the meeting held on January 9, 2017

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

Arrived Late: Nadia Chamblin-Foster (Not present for agenda items 1 through 3)

The meeting was called to order at 5:01 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 November 28, 2016. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Motion by Shinkwin, seconded by Monagle to accept the regular minutes of the meeting held on December 5, 2016. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Motion by Gardner, seconded by Monagle to accept the executive session minutes of the meeting held on December 5, 2016. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #2 - Warrant

Motion by Shinkwin, seconded by Monagle to accept payment of warrant #24 in the amount of \$6,372,048.80. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Motion by Gardner, seconded by Shinkwin to accept payment of Warrant #1 in the amount of \$1,098,147.97. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #3 – Superannuations

Motion by Gardner, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Christopher Burke, Commissioner, Police Department with thirty-two years five months, Leslie A. Carroll, Training Supervisor, Emergency Communications Department with twenty-nine years, Joseph J. Correia, Skilled Laborer, Department of Public Works with forty-two years ten months, Anthony C. Fulginiti, Street Cleaner, Department of Public Works with twenty-eight years three months, Lorraine C. Gomes, Cook, Cambridge School Department with twenty-seven years two months, Donald J. Hockman, Facilities Supervisor, Department of Public Works with nineteen years four months, Priscilla M. Lopes, Career Counselor, Department of Human Services with fifteen years six months, Dennis J. Maragioglio, Firefighter, Cambridge Fire Department with thirty-two years, Mary Milgrom, Sr. Director, Cambridge Health Alliance with thirty years five months, Peter N. Neal, Police Officer/Bomb Technician, Cambridge Police Department with thirty-four years five months, Bridget A. Paula, RN, Cambridge Health Alliance with twenty-five years four months, Patricia A. Renna, Parking Control Officer, Traffic & Parking with thirty-three years and five months and Steven A. Travers, Motor Equipment Operator IIA, Dept. of Public Works with thirty-five years nine months. The motion carried on a 4-0 vote with Chamblin-Foster absent.

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

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

Motion by Gardner, seconded by Monagle to allow the make-up of contributions requested by Hector R. Acevedo, six months (pro-rated), Lawrence J. Adkins II, one year (pro-rated), Alicia B. Eagles, three months, John E. Gardner, two months (pro-rated), Amy M. Hsu, one month (pro-rated), Alexander E. Lizarbe, one month (pro-rated), requesting acceptance of liability, Michael P. Owens, one month, Leonel E. Soriano, one month, Maurice E. Tabb, three years six months (pro-rated), Rayanna K. West, six months (pro-rated), Carol Yourman, one year (pro-rated), requesting acceptance of liability. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Motion by Gardner, seconded by Shinkwin to allow the redeposit of a refund requested by Donna M. Jarvis, two years eight months. The motion carried on a 4-0 vote with Chamblin-Foster absent.

The Director stated that Jean Joseph had prior membership with the Concord Retirement System. Although he noted this on his enrollment form, due to a misunderstanding, his prior service was not verified until he made an inquiry about a redeposit at the end of 2016. The Director requested that the Board consider waiving interest from the date of his enrollment in the Cambridge Retirement System. Gardner stated that since the error was due to no fault of the member, he would support waiving interest. Motion by Gardner, seconded by Shinkwin to allow the redeposit of a refund requested by Jean Joseph for fourteen years five months, to charge the member half interest during the period up to November 30, 2006 and to waive interest from that date until January 1, 2017. Voted unanimously.

Agenda Item #5 – Refund Applications

Vote to consider three refund applications submitted in December.

Motion by Chamblin-Foster, seconded by Monagle to accept three 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 Application – David Diamond

The Board reviewed the member's application, treating physician's statement and the employer's statement pertaining to David Diamond's Accidental Disability application.

Gardner stated that, while working as the City Personnel Director, he had been involved in disciplinary action involving this member. He stated that he felt that he would be able to consider the disability application impartially.

Motion by Gardner, seconded by Shinkwin to accept the Accidental Disability application filed by David Diamond, and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #7 - Accidental Disability Application – Dennis Ferrick

The Board reviewed the member's application, treating physician's statement and the employer's statement pertaining to Dennis Ferrick's Accidental Disability application.

Motion by Gardner, seconded by Shinkwin to accept the Accidental Disability application filed by Dennis Ferrick, and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #8 – Ordinary Disability Application – Keith Acenas

The Board reviewed the member's application, treating physician's statement and the employer's statement pertaining to Keith Acenas' Ordinary Disability application.

Motion by Gardner, seconded by Monagle to accept the Ordinary Disability application filed by Keith Acenas, and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #9 – Ordinary Disability Benefit – Amenah Salejwala

The Board reviewed the member's application, treating physician's statement, employer's statement and the certificate and narrative report of a joint medical panel.

Motion by Chamblin-Foster, seconded by Gardner to accept the findings of the medical panel and grant Ordinary Disability benefits to Amenah Salejwala. Voted unanimously.

Agenda Item #10 - PERAC Memos

The Board reviewed PERAC memos numbered from 27 to 30. No action was taken.

Agenda Item #11 - Old Business

Not needed.

Agenda Item #12 - New Business

Quirk reviewed his brief in the case of Andrew Rome vs. Middlesex County Retirement Board. Gibson described his involvement in the case. He noted that the Middlesex Board had conducted a hearing to determine if Mr. Rome had exceeded his earnings limit. The Board devoted a great deal of time to the hearing and made extensive findings, after which PERAC rejected their findings and substituted their own interpretation. Gibson stated that he was advising his clients in similar situations to adopt a more perfunctory approach to hearings about overearnings.

The Director stated that the system had issues with the State Street checking account when Michelle Kincaid began signing the retirement system's checks, which resulted in delayed payments to some vendors. State Street has now indicated they wish to terminate the checking account. The Director met with three local banks who would be able to provide checking account services. They are Century Bank, Citizens Bank and People's United. People's is handling custodial services and it would make sense have them handle checking as well. The Director added that she has been very happy with the People's Bank custodial service thus far. Chamblin-Foster noted that Century is a family-owned bank, and has a history of support for local institutions. The Chairman noted that People's has recently expanded into Eastern Massachusetts. Motion by Gardner, seconded by Shinkwin to hire People's United Bank to provide checking account services. Voted unanimously.

The Board agreed to hold the next investment review meeting on Tuesday, February 28 at 11 AM, at the Segal Marco office in Boston.

Monagle stated that he would like the Board to consider conducting some investment manager reviews via teleconference.

Agenda Item #13 - Executive Session

Agenda Item #6 – adopted

Agenda Item #7 – adopted

Agenda Item #8 – adopted

Agenda Item #8 – adopted

Agenda Item #14 - Chairman's Report

The Chairman stated that he met with representatives from Loomis Sayles. They have generated very strong returns over the first six months that they have been managing the high yield account.

Agenda Item #15 – Executive Director's Report

None offered.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths

- Correspondence from Attorney James H. Quirk, Jr. re: Andrew Rome vs. Middlesex County Retirement Board.
- September Financials - September General Ledger, September Summary of Accounts, September Trial Balance, September Adjustments Reports, September Cash Disbursements, September Cash Receipts, Wire Transfers.
- October Financials - October General Ledger, October Summary of Accounts, October Trial Balance, October Adjustments Reports, October Cash Disbursements, October Cash Receipts, Wire Transfers.
- 2016 Administrative Budget.
- 2017 Administrative Budget.
- Fidelity Investments Announcement – New Portfolio Co-Management.
- Press Release – SEC Charges Former New York Pension Official and Two Brokers in Pay- To-Play Scheme.
- Lazard Asset Management Portfolio Review – November 2016.

Monagle moved to adjourn at 6:40 PM.