

## Minutes of the meeting held on March 4, 2019

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

Absent: Nadia Chamblin-Foster

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

### Agenda Item #1 – Minutes

Motion by Monagle, seconded by Shinkwin to accept the regular minutes of the meeting held on February 4, 2019. Voted unanimously.

Motion by Shinkwin, seconded by Gardner to accept the executive session minutes of the meeting held on February 4, 2019. Voted unanimously.

### Agenda Item #2 - Warrants

Motion by Shinkwin, seconded by Gardner to accept payment of warrant #4 in the amount of \$7,176,354.02 and to accept payment of warrant #5 in the amount of \$1,561,687.77. Voted unanimously.

### Agenda Item #3 – Superannuations

Motion by Monagle, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Jane Beaton, Housing Manager, Cambridge Housing Authority with fifteen years, three months; Paul Callinan, Patrol Officer, Police Dept. with thirty-six year, four months; Donna Collins Dacruz, Surgical Technician, Cambridge Health Alliance with twenty-two years, one month; David Fimiani, Patrol Officer, Police Dept. with thirty-two years; Linda Fournier, Registered Nurse, Cambridge Health Alliance with thirty-three years, seven months; Steven Hall, Technical Theatre Specialist, School Dept. with thirteen years, two months; Paul MacKinnon, Administrative Coordinator II, Cambridge Health Alliance with eighteen years, ten months; John Normile III, Lieutenant, Police Dept. with thirty-two years; Queenie Richardson, Administrative Coordinator, Cambridge Health Alliance with seventeen years, five months; Marilyn Wheeler, Paraprofessional, School Dept. with seventeen years, five months; and Deborah Woods, Staff Nurse, Cambridge Health Alliance with sixteen years, seven months. Voted unanimously.

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

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

Motion by Gardner, seconded by Shinkwin to allow the make-up of contributions requested by Yasmeen L. Caban, one year, four months; Agustin T. Castile, one year, ten months, requesting acceptance of liability; Xavier A. Cortes, three years, ten months; Bilkis H. Dugla, three years, five months; Ilham Elazri, two months; Rizvanabibi S. Fakir, three months; Natasha L. Howell, two months; Asuquo Ituen, six months; Andrew R. Ivanoskos, one year, nine months; Raijan A. Jarvis, one year; Timothy P. Lawton, two years, three months; Madjine Lucien, one year, nine months, Barbara A. MacEachern, three years, one month; Dylan H. Mess, one year, eleven months; Amy S. Spence, six months; Janet L. Williams, four years, one month; and to allow the redeposit of a refund requested by Andrew J. Putnam, one year, eleven months. Voted unanimously.

### Agenda Item #5 – Refund Applications

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

Motion by Gardner, seconded by Monagle to accept five 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
John Shinkwin:	YES
James Monagle:	YES
Francis Murphy:	YES

**Agenda Item #6 – Accidental Disability Benefit – Alexandra Corwin**

The Board reviewed the certificates and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to Motion by Gardner, seconded by Monagle to accept the findings of the medical panel and grant Accidental Disability benefits to Alexandra Corwin, Energy Efficiency and Sustainability Analyst in the Dept. of Public Works. On a roll call, it was voted unanimously.

**Agenda Item #7 – Accidental Disability Benefit – James Jones**

The Board reviewed correspondence from Michael Akashian, the certificates and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to James Jones' Accidental Disability application. Gardner stated that he recalled that Jones was a witness in a disciplinary matter involving one of his subordinates. Gardner stated that he did not feel that prior interaction would affect his impartiality. Motion by Gardner, seconded by Shinkwin to request clarification from the medical panel. On a roll call, it was voted unanimously. Quirk said he would review Akashian's written draft of questions for the panel before drafting his own correspondence.

**Agenda Item #8 – Accidental Disability Benefit – John Hicks**

The Board reviewed the certificates and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to John Hicks' Accidental Disability application. Motion by Monagle, seconded by Shinkwin to accept the findings of the medical panel and grant Accidental Disability benefits to John Hicks, Custodian with the Library. On a roll call, it was voted unanimously.

**Agenda Item #9 – Accidental Disability Benefit – Albert Torres**

The Board reviewed the certificates and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to Albert Motion by Shinkwin, seconded by Monagle to accept the majority findings of the medical panel and grant Accidental Disability benefits to Albert Torres, MEO/Laborer with the Dept. of Public Works. On a roll call, it was voted unanimously.

**Agenda Item #10 – Accidental Disability Benefit – James Desrosiers**

The Board reviewed the certificates and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to James Desrosiers' Accidental Disability application. Motion by Shinkwin, seconded by Monagle to accept the majority findings of the medical panel and grant Accidental Disability benefits to James Desrosiers, a Lieutenant in the Fire Department. On a roll call, it was voted unanimously.

**Agenda Item #11 – Accidental Death Benefit – John Casey**

The Board reviewed John Casey's death certificate, correspondence from his treating physician, and the certificate and narrative report of his 1988 medical panel.

Motion by Gardner, seconded by Shinkwin to grant Accidental Death benefits to Barbara Casey, surviving spouse of John Casey. On a roll call, it was voted unanimously.

#### Agenda Item #12 – Draft Audit Report

The Board reviewed a draft audit report and responses from the Cambridge Retirement System. The Director reminded the Board that preliminary audit findings were reviewed at the November meeting. The Director stated that she drafted a written response to the three findings. One finding related to a Board member who attended less than 75% of meetings during the audit period. The Director stated that she was informed that PERAC does not have a written policy which requires attendance at a specific percentage of meetings, but that they are looking to promulgate a regulation going forward. Monagle stated that, given the lack of any regulation, the Board should push back on this finding. Gardner stated that he would prefer to keep the response as brief as possible. The Chairman stated that he would like to adopt a policy to allow for remote attendance and requested that the Director place the matter on the agenda for the April meeting. Motion by Monagle, seconded by Gardner to approve the draft response to the PERAC audit. Voted unanimously. Quirk reported that DALA has issued a decision in the Lukas case. DALA has ordered that the system cannot split Option D benefits between multiple beneficiaries. The decision does not order any changes to beneficiaries currently in payment. Quirk recommended that the system file no appeal as the system would be unlikely to prevail. The Director stated that payments have been issued to only one of the Lukas beneficiaries, so no changes will be required to that account. Going forward, the system will instruct members to name only one beneficiary under Option D. The office will also notify members of the decision and instruct members to update their beneficiary selection. Motion by Gardner, seconded by Shinkwin to file no appeal of the Lukas decision. Voted unanimously.

Gardner requested that Attorney Quirk review the investment guidelines with the Board, noting when the Board has made changes, and identifying any obsolete clauses.

#### Agenda Item #13 - PERAC Memos

The Board reviewed PERAC Memo #11. No action was taken.

#### Agenda Item #14 - Old Business

Not needed.

#### Agenda Item #15 - New Business

Gardner related an article in the Wall Street Journal which stated that retail and institutional investors have pulled money out of equities, and that the strong equity returns in the first quarter are being driven by company share buybacks. He requested that members ask the investment managers for their perspective on this theory.

#### Agenda Item #16 - Executive Session

Agenda Item #6 – adopted

Agenda Item #7 – requested clarification

Agenda Item #8 – adopted

Agenda Item #9 – adopted

Agenda Item #10 – adopted

Agenda Item #11 – adopted

#### Agenda Item #17 - Chairman's Report

The Chairman announced that the City Manager reappointed Michael Gardner to another term on the Retirement Board.

#### Agenda Item #18 – Executive Director's Report

The Director announced that John Parsons, the new PERAC Executive Director, would come to the Board's April meeting.

Annual affidavits were mailed to all retirees.

The following documents were also reviewed by the Board:

- List of Retiree Deaths
- Reappointment of Michael Gardner to the Cambridge Retirement Board
- Investment Manager Review Agenda – March 5, 2019
- Bernstein Litowitz Berger & Grossman Portfolio Watch – 4Q 2018
- BLB&G Client Forum
- UBS Realty – US Real Estate Outlook 2019
- Manager/Vendor Disclosure Statements: Hancock Timberland X Fund, People's United Bank, RBC International Fund, Segal Marco Advisors.

Monagle moved to adjourn at 7:45 PM.