

Minutes of the meeting held on May 11, 2017

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

Arrived Late: Nadia Chamblin-Foster (Not present for agenda items 1, 2 and 7), Michael Gardner (Not present for agenda items 1 and 2)

The meeting was called to order at 3:45 PM. The meeting was digitally recorded.

Agenda Item #1– Minutes

Motion by Shinkwin, seconded by Monagle to accept the regular minutes of the meeting held on April 3, 2017. The motion carried on a 3-0 vote with Gardner and Chamblin-Foster absent.

Motion by Monagle, seconded by Shinkwin to accept the executive session minutes of the meeting held on April 3, 2017. The motion carried on a 3-0 vote with Gardner and Chamblin-Foster absent.

Agenda Item #2 - Warrant

Motion by Monagle, seconded by Shinkwin to accept payment of warrant #8 in the amount of \$6,800,496.01 and Warrant #9 in the amount of \$758,031.37. The motion carried on a 3-0 vote with Gardner and Chamblin-Foster absent.

Agenda Item #3 – Superannuations

Motion by Monagle, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Edward Burke, Police Officer with thirty-two years nine months. Diane Carvalho, Technical Assistant, School Dept. with twenty-four years, three months. Margaret Coleman, Assistant Chief of Pediatrics, Cambridge Health Alliance with thirty-five years, eleven months. Guy Gemellaro, Staff Pharmacist, Cambridge Health Alliance with eleven years, four months. Patricia Lovejoy, Physical Therapist, Cambridge Health Alliance with ten years, nine months. David McCaffrey, Tactical Aide, Fire Department with thirty-one years, eleven months. Thomas Moschella, Wire Inspector, Inspectional Services Dept. with thirty-one years. Laura Pabo, Social Worker, Cambridge Health Alliance with eleven years, five months. Michael Regal, Detective, Police Department with nineteen years. Marta Valiente, Clinical Social Worker, Cambridge Health Alliance with twenty-five years five months. Tyrone Wilson, Laborer, Cambridge Housing Authority with thirty years, eight 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 worksheets for four members.

Motion by Gardner, seconded by Chamblin-Foster to allow the make-up of contributions requested by Elizabeth A. Gallant Green, 6 months (pro-rated), requesting acceptance of liability, Ilda I. Jupe, 5 months (pro-rated), requesting acceptance of liability, Denise Rivera, 4 months (pro-rated), requesting acceptance of liability and Leonard J. Russell, 4 months (pro-rated). Voted unanimously.

Agenda Item #5 – Refund Applications

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

Motion by Gardner, seconded by Chamblin-Foster to accept ten 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 – Thomas Grainger

The Board reviewed the certificates and narrative reports of Thomas Grainger’s medical panel, the member’s application, treating physician’s statement and employer’s statement pertaining to his Accidental Disability application.

Gardner moved to accept the findings of the medical panel and grant Accidental Disability benefits to Thomas Grainger. Monagle seconded the motion and it was voted unanimously.

Agenda Item #7 – Annual Statement

Hanh Tran reviewed the Annual Statement and responded to questions from Board members.

Tran stated that she had no concerns with the report. The Director noted that member’s deductions have been increasing very slowly over the last three years, which might be attributable to shrinking membership from the Cambridge Health Alliance. Management fees have also not increased substantially over the last three years, partially due to the system shifting more money into passive funds. In the last year, the system received about \$1.8 million in 3(8)(c) reimbursements, while paying out about \$1.5 million.

Motion by Monagle, seconded by Shinkwin to accept the 2016 Annual Statement. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Agenda Item #8 – Investment Documents

The Board reviewed a memorandum from Ellen Philbin and Chris Burns.

Monagle stated that he agreed with the Director’s recommendation, that the entire statement be posted on the system’s website, with the exception of the Supplementary Schedule and the Retirement Allowance Paid Report. Monagle moved that the information be posted immediately, and he recommended that the retirement office notify the City Manager when it was posted. Gardner offered an amendment, stating that the web posting should clarify that certain portions were not posted, but would be available to anyone who wanted to make a public records request. Monagle stated that he would prefer to make it clear that the statement is intended only to show investment information. He also recommended that the staff post the statement annually, without further consultation with the Board. The Chairman stated that he felt that the staff should prepare a recommendation as to how the material be presented and report back to the Board. Monagle withdrew his original motion and without objection, the Board agreed to table the matter until the June meeting.

Agenda Item #9 - PERAC Memos

The Board reviewed PERAC Memo #17.

The Director stated that she would be attending training for PERAC’s Prosper system.

Agenda Item #10 - Old Business

Burns reported that John Shinkwin was the only candidate to submit valid nomination papers for the Board election. Motion by Gardner, seconded by Monagle to declare John Shinkwin elected, and that no election should be held. The motion carried on a 4-0 vote with Shinkwin abstaining.

Agenda Item #11 - New Business

The Director distributed Segal Consulting's GASB 67 & 68 reports. The Director stated that it would be sent to the City and to the KPMG auditors.

Agenda Item #12 - Executive Session

Agenda Item #6 – adopted

Agenda Item #13 - Chairman's Report

The Chairman stated that he would like to increase the COLA base, and that he would like to see the action finalized by the end of the year. The Director stated that the process would require approval by both the Board and the City Council. The new base would then be effective for July 2018. The Chairman requested that the matter be placed on the agenda for the July meeting.

Agenda Item #14 – Executive Director's Report

The Director stated that she did a retirement presentation for City employees and another for employees of the Traffic & Parking Department. She also scheduled two presentations for Housing Authority employees later in May.

The following documents were also reviewed by the Board:

- Notice of Retiree Death
- January Financials - General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers
- February Financials - General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers
- Pioneer Institute White Paper - The Bay State's Public-Pension Complex: Costly and Unaccountable
- BLB&G 1st Quarter 2017 Update
- Lazard Asset Management Portfolio Review - March 2017

Monagle moved to adjourn at 4:55 PM.