

Minutes of the meeting held on May 6, 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 5:05 PM. The meeting was digitally recorded.

Agenda Item #1 – Minutes

Motion by Monagle, seconded by Chamblin-Foster to accept the regular minutes of the meeting held on April 8, 2019. Voted unanimously.

Motion by Chamblin-Foster, seconded by Shinkwin to accept the executive session minutes of the meeting held on April 8, 2019. Voted unanimously.

Agenda Item #2 - Warrants

Motion by Chamblin-Foster, seconded by Shinkwin to accept payment of warrant #8 in the amount of \$7,370,311.93 and to accept payment of warrant #9 in the amount of \$596,396.29. Voted unanimously.

Agenda Item #3 – Superannuations

Motion by Gardner, seconded by Chamblin-Foster to accept the Superannuation retirement applications submitted by Jean Cusack, Financial Analyst, Auditing Dept. with forty-one years, ten months; Judith Devincent, Secretary, School Dept. with forty-two years, four months; Janice Lulu, Registered Nurse, Cambridge Health Alliance with fourteen years, one month; Francis Murphy III, Deputy Chief, Fire Dept. with forty-one years, ten months; Deepti Nijhawan, Housing Planner, Cambridge Housing Authority with ten years, ten months; Angela Radan, Psychologist, Cambridge Health Alliance with seventeen years, four months; Shirley Santos, Director – Kennedy Neighborhood Council and Community School, Dept. of Human Services with twelve years, two months; Maude Seme, Practice Medical Receptionist, Cambridge Health Alliance with fourteen years, nine months and John Shinkwin, Firefighter with thirty-three years, two months. Voted unanimously. Monagle noted that Jean Cusack has played a critical role in the operations of the Auditing Department. The Board congratulated Murphy and Shinkwin on their retirements.

Agenda Item #4 - 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 Christopher Ahern, five months; Maria Rivera-Bermudez, four months; Robyn M. Scott, two years, nine months; Elizabeth Vendetti, three months; to allow the redeposit of refunds requested by Kevin B. Aruda, eighteen years, ten months and for Judith A. Rolph, eleven years, one month. Voted unanimously.

Agenda Item #5 – Refund Applications

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

Motion by Gardner, seconded by Monagle to accept four refund applications. Voted unanimously.

Agenda Item #6 – Malvina Monteiro

The Board reviewed a make-up worksheet, superannuation application, retirement estimate, correspondence from PERAC and a brief from Attorney Quirk.

Quirk reviewed the history of the case, and the response from PERAC. PERAC has instructed that the Board may not grant creditable service to Monteiro after the date of the jury verdict in her case, although time between her termination and the date of the verdict may be made up, and added to her service record. Quirk stated that he met with PERAC's General Counsel, along with Philbin and Nick Poser, the attorney representing Monteiro. PERAC stated that Monteiro could accept a

superannuation benefit, pending the outcome of any appeal. Quirk recommended that the Board not initiate an appeal of PERAC's decision, but allow Monteiro to determine if she wishes to appeal on her own. He said that PERAC's legal department will review all the documents submitted by Cambridge and by Monteiro, and may still opt to revise their findings.

Motion by Gardner, seconded by Chamblin-Foster to allow the make-up of contributions for Malvina Monteiro for four years, seven months of service and to accept the Superannuation retirement application filed by Malvina Monteiro, Executive Director of the Police Review and Advisory Board with twenty-two years of service. 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 Disability Benefit – Joanne McEachern

The Board reviewed the certificate and narrative report of a joint medical panel, the member's application, treating physician's statement and employer's statement pertaining to Joanne McEachern's Accidental Disability application. Chamblin-Foster stated that she would recuse herself from discussion and voting on the matter. Joanne McEachern appeared before the Board and responded to questions.

Motion by Shinkwin, seconded by Gardner to accept the findings of the medical panel and grant Accidental Disability benefits to Joanne McEachern, a Detective in the Police Dept. The motion carried on a 4-0 vote, with Chamblin-Foster abstaining.

Agenda Item #8 – Accidental Disability Benefit – Paul Neal

The Board reviewed the certificate and narrative report of a joint medical panel, a letter of clarification from that panel, the member's application, treating physician's statement and employer's statement pertaining to Paul Neal's Accidental Disability application. The Chairman stated that Paul Neal was unable to attend the meeting, and that he did not object to the Board considering the matter in his absence.

Motion by Gardner, seconded by Shinkwin to request the appointment of a new medical panel for Paul Neal. Voted unanimously.

Agenda Item #9 – Accidental Disability Application – Lyle Lashley

The Board reviewed the member's application, treating physician's statement and employer's statement pertaining to Lyle Lashley's Accidental Disability application. Attorney Thomas Gibson appeared, representing the member.

Motion by Shinkwin, seconded by Chamblin-Foster to accept the application filed by Lyle Lashley, Meter Technician in the Water Dept. and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #10 – Cost of Living Adjustment

The Board reviewed PERAC Memo #5 and correspondence addressed to the Cambridge City Council.

The Director stated that she had made the proper notification to the City Council that the Board would consider a COLA.

Motion by Shinkwin, seconded by Chamblin-Foster to grant a 3% cost of living adjustment to eligible retirees, using a \$16,000 base, to be effective on July 1, 2018. Voted unanimously.

Agenda Item #11 – Annual Statement

The Board reviewed the 2018 annual statement.

The Director described the staff work that goes into preparing the annual statement. Overall, the system saw some losses in 2018 due to poor investment returns and negative cash flow from member deductions vs. retiree payments. Gardner stated that he would like to explore the cash flow issue with Segal at a future meeting.

Motion by Shinkwin, seconded by Gardner to accept the annual statement as submitted. Voted unanimously.

Agenda Item #12 - PERAC Memos

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

Agenda Item #13 - Old Business

The Director stated that the system is still working on negotiating contracts with RhumbLine and Mellon. Wedge will continue to manage their fund until those are finalized.

The Director stated that she was reviewing options for adopting a policy regarding remote participation for Board Members.

Agenda Item #14 - New Business

Not needed.

Agenda Item #15 - Executive Session

Agenda Item #7 – adopted

Agenda Item #8 – requested appointment of a new medical panel

Agenda Item #9 – adopted

Agenda Item #16 - Chairman's Report

The Chairman announced that he and Shinkwin attended the Bernstein Litowitz client forum in April. He stated that there was some discussion around the question of how many securities firms a Board should engage. He had conversations with Boards that were represented by at least eight firms. This situation can become complicated, as it may become necessary to issue an RFP when multiple firms approach the Board with the same case.

Agenda Item #17 – Executive Director's Report

The Director stated that KPMG would begin an audit of the system on July 8.

PERAC has issued their final report of their audit. There were no changes from the prior draft. The Director stated that the staff continues to monitor the Housing Authority for any further payroll issues.

The following documents were also reviewed by the Board:

- List of Retiree Deaths
- PERAC Pension News – April 2019
- PERAC Pension Newsflash – April 29, 2019
- Final Audit Report for period of 1/1/2013 to 12/31/2016
- 2018 Administrative Budget
- 2019 Administrative Budget
- Manager/Vendor Disclosure Statements: Ascent Venture Partners IV, Ascent Venture Partners V, Campbell Global Timber Fund, IFM Global Infrastructure Fund, Intercontinental

Real Estate, Labaton Sucharow LLP, Landmark Real Estate Partners VI, Landmark Equity Partners XV, Loomis Sayles US High Yield Fund, RBC International Fund, State Street S&P 500 Fund, Thornton Law Firm LLP.

- Lazard Portfolio Review – March 2019
- RBC Quarterly Report – March 31, 2019

Shinkwin moved to adjourn at 6:50 PM.