

Minutes of the meeting held on Monday, November 7, 2016

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 and 2.)

The meeting was called to order at 5:04 PM. The meeting was digitally recorded.

Agenda Item #1 – Minutes

Motion by Monagle, seconded by Shinkwin to accept the minutes of the meeting held on October 7, 2016. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Motion by Shinkwin, seconded by Monagle to accept the executive session minutes of the meeting held on October 7, 2016. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #2 - Warrant

Gardner stated that he would like the opportunity to discuss the performance from Wedge at the next investment meeting, given their high fees.

Motion by Monagle, seconded by Gardner to accept payment of warrant #20 in the amount of \$6,322,177.77 and Warrant #21 in the amount of \$759,549.75. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #3 – Superannuations

Motion by Shinkwin, seconded by Gardner to accept the Superannuation retirement applications submitted by Shalva Nash, EKG/Stress Test Technician, Cambridge Health Alliance with ten years and Myra B. Potischman, RN, Cambridge Health Alliance with twenty-two years eight months. Voted unanimously.

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

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

Motion by Chamblin-Foster, seconded by Shinkwin to allow the make-up of contributions requested by Jillene C. Cadigan, five months (pro-rated), Frank J. Canina, three months (pro-rated), Cheryl Cooper, five years One month (pro-rated), Mary Milgrom, four months (pro-rated), Brian O'Connor, one month (pro-rated), Michael A. Schwartz, four months (pro-rated), Mary E. Sullivan, one month (pro-rated), to allow the redeposit of refunds requested by James G. Boyle, one year five months and Aaron J. Trail, one year ten months. Voted unanimously.

Agenda Item #5 – Refund Applications

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

Motion by Monagle, seconded by Chamblin-Foster to accept six refund applications. Voted unanimously.

Agenda Item #6- Superannuation Application – Mary Hogan-Donaldson

The Board reviewed correspondence and the Superannuation application filed by the member. Attorney Thomas Gibson appeared, representing the member, and reviewed the facts of the case. He stated that DALA has granted Superannuation benefits to members who were in violation of Section 3 6 (e), in situations where the member was improperly counseled by Board staff, and cited the case of Barbara Agrawal v. MTRS. In the present case, the member redeposited her refund, but worked for only 1 year 7 months before leaving again. The statute requires two years of service following a redeposit in order to be eligible for superannuation.

Gardner stated that he felt that the facts of the present case differ from the Agrawal case, in that she received improper counseling only years after she had already opted to resign. She resigned in 2008, apparently without discussing her options with anyone at the Retirement Office. He conceded that there had been an error in 2013, when she was advised that she was eligible for a Superannuation benefit. This cost her the value of her refund until the error was discovered in 2016.

The Chairman stated that he felt the appropriate remedy would be to pay out additional interest for the period between 2013 and 2016 that she lost the use of her money.

Quirk stated that he did not feel that the facts of the Agrawal case matched those of the present case. He also noted that the Agrawal decision rested on a precedent that was subsequently overturned. He stated that the Board does have the authority to pay out settlements to members in cases where staff errors have resulted in losses to members.

Gardner moved to deny the request for Superannuation benefits, but to offer a settlement to the member, paying the member buyback interest for the period between when she filed her refund application and November 30, 2016.

Gibson requested that the Board make no move to deny the Superannuation application until his client has had an opportunity to review a written settlement offer. He stated that he anticipated that he would be able to report back to the Board at the December meeting as to whether his client will accept the offer.

Gardner withdrew his original motion and moved to offer a settlement on the same terms, but to refrain from taking any vote of the Superannuation application until the meeting on December 5. Shinkwin seconded the motion and it was voted unanimously.

The Director stated that she intends to provide additional information to members when applying for a refund, or redepositing a prior refund.

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 – Joseph Russell

The Board reviewed the certificate and narrative report of Joseph Russell's medical panel, the member's application, treating physician's statement and employer's statement pertaining to the application.

Motion by Shinkwin, seconded by Gardner to seek clarification from the medical panel. Gardner offered an amendment, that if the Board does not receive responses from the panel within a reasonable period of time, that the Board request that PERAC convene a new panel. Shinkwin accepted the amendment, and the motion carried unanimously.

Agenda Item #8 – Accidental Disability Benefit – George Thomas

The Board reviewed the certificate and narrative report of George Thomas' medical panel, the member's application, treating physician's statement and employer's statement pertaining to the application.

Motion by Gardner, seconded by Chamblin-Foster to accept the responses of the medical panel and grant Accidental Disability benefits to George Thomas, Building Operations Supervisor in the Dept. of Public Works. Voted unanimously.

Agenda Item #9 - Disability Benefit – Tyrone Wilson

The Board reviewed the certificate and narrative report of Tyrone Wilson’s medical panel, the member’s application, treating physician’s statement and employer’s statement pertaining to the application.

Motion by Gardner, seconded by Chamblin-Foster to accept the findings of the medical panel and to deny Accidental and Ordinary disability benefits to Tyrone Wilson. Voted unanimously.

Agenda Item #10 - Retirement Board Meetings

Motion by Chamblin-Foster, seconded by Monagle to accept the proposed schedule of Board meetings for 2017. Voted unanimously.

Agenda Item #11 - PERAC Memos

The Board reviewed PERAC Memos #25 and 26. No action was taken.

Agenda Item #12- Old Business

Not needed.

Agenda Item #13 - New Business

Not needed.

Agenda Item #14 - Executive Session

Agenda Item #7 – requested clarification

Agenda Item #8 – adopted

Agenda Item #9 – denied

Agenda Item #15 - Chairman’s Report

None offered.

Agenda Item #16 – Executive Director’s Report

The Director reported that she would conduct further retirement seminars at the Police Department during the week of November 14th.

The Board agreed to hold the annual holiday party following the meeting on January 9th.

The Board also reviewed the following documents:

- Notice of Retiree Death
- Correspondence from Attorney James H. Quirk re: Cambridge Retirement System Audit Response.
- Correspondence from Attorney James H. Quirk re: Proposed Regulations Created by the Secretary of the Commonwealth Regarding Public Records.
- Correspondence from Attorney James H. Quirk re: Donna Sinopoli vs. State Board of Retirement.
- Correspondence from Attorney James H. Quirk re: Ali Yazbek vs. Vehicle Liability Policies and Bonds.
- July Financials – July General Ledger, July Summary of Accts, July Trial Balance, July Adjustments Reports, July Cash Disbursements, July Cash Receipts, Wire Transfers.

- August Financials – August General Ledger, August Summary of Accts, August Trial Balance, August Adjustments Reports, August Cash Disbursements, August Cash Receipts, Wire Transfers.
- The Boston Globe Subject: Law Firm 'bonuses' tied to Political Donations.
- Fidelity Institutional Asset Management (FIAM) – Change in Account Executive.
- Labaton Suchrow – Securities Litigation Report.
- Lazard Asset Management – Portfolio Review, September 2017.
- PERAC Pension Newsflash – re: Attorney Philip Y Brown Re-Election to Chairman.
- RBC Global Asset Management – Quarterly Report, September 2016.
- The Wall Street Journal – Nevada’s Billion Fund Manager.

Monagle moved to adjourn at 7:10 PM.