

Minutes of the Meeting held on Friday, October 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, 2, 3 and 4.)

The meeting was called to order at 10:08 AM. 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 August 31, 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 September 12, 2016. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Motion by Monagle, seconded by Shinkwin to accept the executive session minutes of the meeting held on September 12, 2016. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Agenda Item #2 - Warrant

Monagle proposed that the system may wish to send a letter to all investment managers, stating that the system is reviewing management fees, and requesting a discount. Quirk stated that some managers may be reluctant to negotiate because most-favored-nation clauses in their contracts may mean that any discount would have to be applied to all their clients.

Monagle stated that the Director should attempt to seek reimbursement from the City for expenses associated with preparing the GASB statements.

Motion by Monagle, seconded by Shinkwin to accept payment of warrant #18 in the amount of \$6,370,388.16 and Warrant #19 in the amount of \$1,146,036.25. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Agenda Item #3 – Superannuations

Motion by Gardner, seconded by Monagle to accept the Superannuation retirement applications submitted by Hilda Domingos, Cash Manager, Cambridge Finance Department with fifty-three years and four months, Elizabeth Mahoney, Operations Supervisor, Cambridge Health Alliance with twenty-three years eight months, Michele Martin, Registered Nurse, Cambridge Health Alliance with twenty-two years nine months and Betty L. McNeeley, Clerk, Cambridge School Department with thirty-one years two months. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Agenda Item #4 - Superannuation Application – Mary Hogan-Donaldson

The Chairman stated that, at the member's request, this matter would be tabled until the November meeting.

Agenda Item #5 - Make-ups /Redeposits / Liability

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

Motion by Gardner, seconded by Monagle to allow the make-up of contributions requested by Kyle W. Anderson, eight years (pro-rated), Andrew J. Bock, five months, Maria H. Carpenter, six months (pro-rated), Wanda L. Espada, three months (pro-rated), Dawitt S. Gelaye, one month (pro-rated), Alexander D. Lambert, six months (pro-rated), requesting acceptance of liability, Joshua M. Levin, nine months (pro-rated), Vladimir F. Louissaint, five months (pro-rated),

Catherine D. Woodbury, one year and to allow the redeposit of a refund requested by Brett S. Dixon, One year six months. Voted unanimously.

Agenda Item #6 – Refund Applications

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

Motion by Gardner, seconded by Chamblin-Foster to accept eleven 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 #7 – Accidental Disability Application Edwin Cruz

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

Motion by Shinkwin, seconded by Monagle to accept the Accidental Disability application filed by Edwin Cruz, a Firefighter and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #8 - Accidental Disability Application – Thomas Grainger

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

Motion by Gardner, seconded by Chamblin-Foster to accept the Accidental Disability Application filed by Thomas Grainger, a Police Officer and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #9 - Accidental Disability Application – Kelley King

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

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

Agenda Item #10 – Survivor Benefit – Joan Munro

The Board reviewed an application for survivor benefits and the member's death certificate.

Motion by Chamblin-Foster, seconded by Shinkwin to grant survivor benefits for the surviving spouse of Brian Munro, a Custodian in the School Department. Voted unanimously.

Agenda Item #11 - PERAC Memos

The Board reviewed PERAC memos 23 and 24. No action was taken.

Agenda Item #12- Old Business

Not needed.

Agenda Item #13 - New Business

Gardner stated that he would like to continue discussions with Rafik Ghazarain as to whether the system should continue to invest in hedge funds.

Monagle stated that he would like to review the system's asset allocation strategy, and stated that he felt the system may wish to have the analysis performed by a third party, other than Segal Rogerscasey. Motion by Gardner, seconded by Monagle to request that Segal perform a risk management analysis and an asset allocation analysis. Gardner stated that after reviewing the analysis from Segal, the Board could consider having a third party review the data. The motion carried unanimously.

Agenda Item #14 - Executive Session

Agenda Item #7 – adopted

Agenda Item #8 – adopted

Agenda Item #9 – adopted

Agenda Item #10 – adopted

Agenda Item #15 - Chairman's Report

The Director stated that the system is working to clarify how beneficiaries are listed on member's annual statements.

Agenda Item #16– Executive Director's Report

The Director stated that she will conduct a retirement seminar at the Police Department in November.

The following documents were also reviewed by the Board:

- Notice of Retiree Death
- Correspondence from Attorney James H. Quirk – re: CRB State Street Bank and Trust Company.
- Correspondence from Attorney James H. Quirk – re: Thomas Deitner vs. State Board of Retirement.
- Correspondence from Attorney James H. Quirk – re: Stephen Fant vs. Middlesex County Retirement Board.
- Correspondence from Attorney James H. Quirk – re: How the Board should address the payment of interest if they are correcting Errors of the Board.
- June Financials – June General Ledger, June Summary of Accts, June Trial Balance, June Adjustments Reports, June Cash Disbursements, June Cash Receipts, Wire Transfers.
- ESG and Sustainable Hedge Fund Investing: Observations.
- Lazard Asset Management – Portfolio Review August 2016.

Monagle moved to adjourn at 11:35 AM.