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THE MINUTES
OF THE
REGULAR MONTHLY MEETING
OF THE
CONTRIBUTORY RETIREMENT BOARD
OF THE
TOWN OF BELMONT

August 26, 2013

The meeting was called to order by Chairman Roy Sacco at 8:20 A.M. in Conference #2 Belmont Town Hall. Members present were:

Roy Sacco, Chairman	Chitra Subramanian, Ex-Officio
Walter Wellman, Elected Member	James Sloman, Appointed Member
Thomas Gibson, Vice Chairman, Remote Participation	

Chairman Sacco read a statement "Remote Participation" 940 CMR 29.10 stating that Board Member Tom Gibson is going to participate in the meeting by telephone.

Scott Driscoll of NEPC introduced Eric J. Bachman, Senior Associate at PIMCO, who talked about PIMCO All Asset Fund performance. The fund had a -3.4% YTD return for the quarter. He stated that PIMCO will maintain broad diversification amid a balanced risk profile with emphasis on assets with attractive yields and risk adjusted returns. Avoid asset classes where full valuations do not support sustained forward-looking returns, such as U.S. equities.

Scott asked Erick if there had been a huge outflow of fixed income, \$5B. There has been a shift in fixed income. He said there were other places to invest. He said since the inception in 2002, their return after fees is 8.3%. Since the BRB inception in August, 2011 the return is 5.2%. PIMCO will continue emphasis on higher yielding sectors, EM and global bonds, Credit, EM Equities and Alternatives. The fixed income landscape is changing. Embrace global diversification is best PIMCO idea. He believes that Washington is taking on too much debt.

Scott stated the market has been talking about PIMCO unconstrained bond funds. It is like Hedge Fund strategy. May and June were challenging months for investors. Positive returns for July, June was down, August year to date negative 2.1%. Need to rebalance more often.

Up 1.9% for quarter, year to date 5.5% over one year 12.8%, rank 35th 3 to 5 years return good, being compensated for risk. In 2012 Domestic Equities did well. Mondrian struggled a bit. PRIM Hedge Fund did well. Up 8.3% for July.

MINUTES OF August 26, 2013

Page two

Attorney Jim Quirk talked about recent cases :

- a. Settlement in LIBOR Case Article from Pensions & Investments
- b. PERAC MEMO #22 – MacAloney v. Worcester Regional Retirement System and PERAC (On Call Firefighters). Decision from CRAB

Board Member Chitra told the Board that she received a request from Barbara Hagg for information regarding the Town's Health Insurance. The Board stated that they do not set the rates. Mr. Quirk was asked to answer the request.

The RFP for Actuarial Services was reviewed. Upon a motion duly made and seconded it was VOTED. Mr. Sacco, yes, Mr. Gibson, yes, Ms Subramanian, yes, Mr. Wellman, yes, and Mr. Sloman, yes. to post the RFP on PERAC's website.

A motion was duly made and seconded to:

- a. Approve the Minutes of July 22, 2013
- b. Approve Warrant #1308 in the amount of \$848,008.42.
- c. Approve retirement applications of
 - Cheryl Shushan, School Dept. 27years, on August 31, 2013
 - Steven Wong, School Dept. 11yrs 11 mo. August 20, 2013
 - Sara Weiner, School Dept. 36 yrs 2 mo. August 1, 2013

Voted: Mr. Sacco, yes, Mr. Gibson, yes, Ms Subramanian, yes, Mr. Wellman, yes, Mr. Sloman, yes.

A motion was duly made and seconded to

- a. Approve new member Dustin O'Brien Food Service Dir. Sch
- b. Brian O'Neil, Firefighter effective 8/1/13
- c. Carol Ouellette, Secretary, High School, July 1, 2013
- d. Michael Regan, School Prof. Aide, April 22, 2013
- e. Andrea Broverman, School Prof. Aide, September 3, 2013
- f. Jeffrey Corson, School Prof. Aide, September 3, 2013

Voted: Mr. Sacco, yes, Mr. Gibson, yes, Ms. Subramanian, yes, Mr. Wellman, yes, Mr. Sloman, yes.

Note the death of Anne M. Cobuzzi, widow of deceased retired Fire Lieutenant Raymond Cobuzzi on July 28, 2013. Raymond retired on October 22, 1983, Option C.

Discuss recommendations by PERAC Auditors when they send their report.

Investment Managers monthly reports

- a. AEW Capital Management
- b. Atlanta Capital Management
- c. Mondrian Investment
- d. PIMCO
- e. Rothschild Investment Management
- f. PRIT Funds
- g. Scout Core Plus
- h. HarbourVest

MINUTES OF AUGUST 26, 2013
page three

A motion was duly made and seconded to schedule the next monthly meeting for Friday, September 27, 2013 at 8:15 A.M.

A motion was duly made and seconded to adjourn the meeting at 10:05 a.m.

A true copy

ATTEST:


CHAIRMAN


VICE-CHAIRMAN


EX-OFFICIO


ELECTED MEMBER

APPOINTED MEMBER