

Belmont Contributory Retirement Board
Monday, March 28, 2016 at 8:15 am
Belmont Town Hall, 455 Concord Avenue, Conference Room 2 (Ground Floor)

2016 JUN -3 PM 2:33

Meeting Minutes

Board Members Present

Rosario Sacco, chair; Thomas Gibson, vice-chair; Chitra Subramanian; James Sloman; Walter Wellman

Guests

Scott Driscoll, NEPC, Town Treasurer Floyd Carman, Selectman James Williams, Greg Mennis, town resident

Call to order

Chairman Sacco called the meeting to order at 8:15 am.

Presentation by NEPC

Scott Driscoll handed out bound copies of the monthly report

Procurement update per GL 32 sec 23B

- Discussion regarding extending contracts or issuing RFPs; some contracts do not fall under the requirement; separately managed accounts must be addressed
- Review again at next meeting; need two months lead time for RFP
- Need to address with State Street; need extension
- Custodian discussion; the board may wish to consider issuing an RFP

Asset allocation review

- Potentially replacing PIMCO
- Current target and hypothetical mix
- Global asset strategy still prudent
- Get exposure without mandated targets, keep fees lower
- PIMCO v. other managers.: PIMCO inflation centric valuable and emerging debt exposure; other managers who have same dedication, some with more like hedge fund portfolio, which already have; many types of global asset mgrs.; need to find best type of manager to compliment rest of portfolio
- NEPC recommends going out for RFP for 10% global asset manager for best mix
- Jim: best track record that use flexibility best as environ allows as able to change mix
- How does PIMCO rate within NEPC universe, on focus list, rate highly
- Jim: what are we going to see differently? Coming up on five year; Scott: not terminate PIMCO, but would be able to listen to others, could still select PIMCO; do we want to extend for two years for go for RFP? Jim: If not looking outside subset in space, why issue RFP? Scott would be comfortable extending two more years based on previous discussion

- Mr. Gibson made a motion, seconded by Mr. Sloman, to extend the PIMCO contract for two years as based on the law. The vote passed unanimously
- Mr. Quirk noted that the board had previously voted and agreements have already been signed and extended

February update

- Information is now dated because of good results in March
- Only negative markets are high quality fixed income
- Outperforming PRIT
- Mr. Sloman inquired about Belmont's performance versus PIRT since Trotsky took over

Next Meeting Date

- The next meeting date was set for April 28, 2016

2016 Actuarial Valuation

- Mr. Gibson acknowledged and reviewed the letter from Segal regarding the next valuation
- Mr. Mennis explained that he has previous Massachusetts public retirement experience and current professional experience in the retirement area. He offered his assistance to translate information between the town and the retirement board. Mr. Gibson expressed support for having Mr. Mennis as a resource for guidance
- Treasurer Carman and Selectman Williams are meeting independently on pension funding and OPEB schedules; with advent of high school approval, need open discussion to protect AAA bond rating when high school bond is issued; warrant committee finished work on pension funding options: POBs, status quo, extend schedule
- Discussed OPEB liability; another warrant article to understand cash flow; Mr. Williams discussed a plan for funding pension and OPEB to reduce cash flow to ten years from fifteen years. He handed out an email exchange between Treasurer Carman and him
- Attorney Quirk discussed bond recapture; as general fund bonding goes down, use funds; Mr. Carman said that most bonding is for debt exclusion

Guests exit the meeting

Review and Acceptance of Minutes

- Mr. Sloman made a motion, seconded by Ms. Subramanian, to accept the regular session minutes of the February meeting. The vote passed unanimously.
- Mr. Gibson made a motion, seconded by Mr. Sloman, to accept the executive session minutes of the February meeting. The vote passed unanimously.

Review of Annual Statement

- The board reviewed the annual statement for 2014. Mr. Gibson made a motion, seconded by Mr. Wellman, to accept the 2014 annual statement. The vote passed unanimously.

- The board discussed the need to file for an extension for 2015 annual statement. Mr. Gibson made a motion, seconded by Mr. Wellman, to write to PERAC requesting a thirty day extension to file the 2015 annual statement. The vote passed unanimously.
- The board reviewed the town audit report, prepared by Powers and Sullivan. Mr. Gibson made a motion, seconded by Mr. Wellman, to accept the town audit report and release results to the member units for GASB 67 and 68.

Review of Accounting Practices

- Ms. Subramanian stated that she had addressed the audit committee meeting and reviewed changes being made in the retirement office
- There was discussion of the role of the town audit
- The board will review the documents at the next meeting
- The trial balance will be presented at each board meeting

Warrants for Payment

- The board reviewed the warrants for payments of invoices, retiree pension payroll, and retirement board and staff payroll
- Mr. Gibson made a motion, seconded by Mr. Sloman to approve the warrants for payment. The vote passed unanimously

Correspondence Received

- Email regarding the former retirement director regarding registering for retiree health insurance was reviewed
- Mr. Sacco stated that he had delivered retirement papers and left messages
- The board discussed involuntary retirement
- Mr. Wellman made a motion, seconded by Mr. Gibson to direct Attorney Quirk to prepare and serve an involuntary retirement application for the previous retirement director if an application is not filed

Report of the Executive Director

- Ms. Olszewski updated the board on current projects in the office
- Mr. Gibson discussed using technology in preparation for and at board meetings. Other retirement boards are now using iPads.
- Mr. Wellman made a motion, seconded by Mr. Gibson to contact NCG, the board's technology vendor, to develop a list of items needed to update technology in the office and look into access to a screen with wifi capability. The vote passed unanimously.
- Federal tax ID update: Mr. Gibson will contact Jim Lamenza at PERAC regarding assistance with this

Proposal from PTG for Additional Services

- The board's plan is to run the pension payroll from the PTG PensionPro software. Ms. Olszewski presented a proposal from PTG to convert current data from MUNIS into the retirement software and perform other functions necessary to achieve this goal. Mr. Gibson made a motion, seconded by Mr. Wellman, to approve the proposal from PTG. The vote passed unanimously.

Mr. Sloman exits the meeting

Update from Attorney

- Attorney Quirk provided an update to the board
- Reilly: Member had a joint panel; Mr. Quirk will write to the doctor for an update to obtain information to establish permanency
- Lyons: Medical panel majority support was given
The board requested that Attorney Quirk work with Ms. Olszewski to resolve these
- Weatherbee: This is a survivor case where additional benefits are likely payable under GL 32 section 100; the board authorized Attorney Quirk to write a letter explaining this to Ms. Weatherbee; Mr. Wellman is working on obtaining previous labor contracts
- DROs: Attorney Quirk requested that Ms. Olszewski research records for any DROs that may be on file so that they may be reviewed for compliance

Requests for Superannuation Retirement

Mr. Gibson made a motion, seconded by Mr. Wellman, to approve the following members for superannuation retirement:

<u>Name</u>	<u>Ret Date</u>	<u>Cred Service</u>	<u>Age</u>	<u>Dept.</u>
Daniel Tempesta	3/30/2016	20	64	Highway
Jeanette Mills	4/1/2016	12.0833	62	School

The motion passed unanimously

Enrollment of New Members

Mr. Gibson made a motion, seconded by Mr. Wellmna, to accept the following applications for enrollment:

<u>Name</u>	<u>Mem Date</u>	<u>Status</u>	<u>Dept.</u>
Syuzanna Turshyan	3/14/2016	Full-time	Library

The motion passed unanimously

Appoint Election Officer

- Mr. Gibson made a motion, seconded by Mr. Wellman, to appoint Ms. Olszewski as election officer. The vote passed unanimously.

COLA Notice

- As decided at the last meeting, the board will discuss granting a COLA to retirees at the April meeting.
- The board will request that the town clerk provide notice to the town meeting members

Adjournment

Mr. Gibson made a motion, seconded by Mr. Wellman, to adjourn the meeting. The meeting adjourned at 10:30 am.

Respectfully submitted,

Angela M. Olszewski
Executive Director

Approved by the Retirement Board:

Date
