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BELMONT, MASS. CONTRIBUTORY RETIREMENT SYSTEM
MINUTES OF THE
REGULAR MONTHLY MEETING
OCTOBER 21, 2013

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

Rosario A. Sacco, Chairman	Thomas F. Gibson, Vice Chairman
Chitra Subramanian, Ex-Officio	Walter Wellman, Elected Member
James Sloman, Appointed Member	

Also present was Attorney James H. Quirk, Jr., and Doug Moseley and Richard Pzenny of NEPC, LLC.

Doug spoke about the investments. He stated that the PRIM numbers were not yet available. This month positive. He reported that NEPC has received 27 responses to the RFP for Global Multi-Sector Fixed Income. NEPC will give their recommendations at next month's meeting.

Doug said that NEPC offices have moved to Boston at 255 State Street, top three floors. They will have an open house.

NEPC will present the quarterly report at the November Board Meeting. They will look at all the data and give the Board a breakdown of the Managers.

The Board interviewed the two Actuarial finalists.

Linda Bournival of KMS started her business on May 10, 2011. She gave her experience background. She asked the Board what information they needed and also the Town's needs to pay benefits. She does a traditional audit of the last Actuarial. The Board had questions about the number of System's she has worked with.

Tom told Linda that the Board has had to defend the allocation to the Town's Warrant Committee and has adjusted the appropriation. He asked Linda if she had any problem with meeting at night. She does not. He asked about her relationship with Jim Lamenzo, PERAC's Actuary. She said she has worked with Jim many times. She has a second set of eyes to look over her work.

Linda explained the litigation she is involved with. It is with a former employer. A trial will begin tomorrow. It is a 2 year old case, a "non-compete for 2 years". A business break-up.

Mr. Quirk asked what method do you use. She looks at our investment's, salary scale, the assumptions, the mortality table, members are living longer than parents and grandparents. She asked many questions. Fee structure \$350 per hour and travel at ½ time. The COLA base is part of the evaluation.

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Kathleen Riley of Segal is the second Actuary to be interviewed. Tom disclosed that he has a relationship with Segal with other Board's. Kathy has 33 years experience. Segal is a large National Public Sector firm. They can do more. Kathy stated that she has 20 years doing these evaluations. She has provided consulting services to Mass. Retirement systems. Focus on team. She has at least 3 members on the team. Analyst, Senior Actuary and Second Actuary. Bill Connolly provides a second layer of review.

Tom asked about a presentation to the Warrant Committee at night. Kathy said she usually would attend with a member of the team. Fees: Full valuation first year \$14,000.

Mr. Quirk stated that he has worked with Cathy, representing Barnstable County for fifteen years.

Chitra said that there is already much information from OPEB evaluation. Cathy was asked if she sees any impact on the valuation with people working longer. She said it will not affect it right now.

The Board members gave their opinion of both candidates. Jim Sloman thought Linda Bournival of KMS was a better fit. Walter Wellman also liked KMS because it is small. Tom said that Linda uses the same information as Buck. She worked for Buck for a number of years. He thinks we need another Actuary. Segal responsiveness is superior to other presenters. Linda lives in New Hampshire.

Segal is located in Boston. Kathy is always available when asked to attend meetings. She is a top notch Actuary. She has top ratings, except on fee.

Chitra worked with Linda on the OPEB study. She did an excellent job. She has not worked directly with Kathy Riley. Linda was very thorough. Only thing is that she was pulled into the litigation, not actively involved.

Roy liked Kathy Riley of Segal. Jim Quirk said that Cathy is the prime spokesman for Segal.

Board Member Jim Sloman made a motion and it was seconded by Walter to select, Segal and it was VOTED Mr. Sacco - yes, Mr. Gibson - yes, Ms Subramanian - yes, Mr. Wellman - yes, Mr. Sloman - yes. Notify Linda Bournival and Kathy Riley of the Board's decision and request Kathy to send her contract to Mr. Quirk.

Mr. Quirk said he would update the PERAC IRS Determination letter. Ice Miller is being hired to develop a Trust for the Employer

A motion was made and seconded to go in to Executive Session to discuss a Disability Retirement; Mr. Sacco - yes, Mr. Gibson - yes, Ms Subramanian - yes, Mr. Wellman - yes and Mr. Sloman - yes.

After discussion and review of the Medical Panel report and records, the Board Members voted to grant Elizabeth Sullivan of the School Department an Accidental Disability Retirement. Mr. Sacco - yes, Mr. Gibson - yes, Ms Subramanian - yes, Mr. Wellman - yes, Mr. Sloman - yes.

An email was received from Mr. Gibson and Mr. Sloman regarding Wall Street looting the Pension Funds

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Note the death of retiree Paul Winters on October 13, 2013. He was a retired Building Inspector, Gas & Plumbing and Sealer of Weights and Measures. He retired June 30, 1994, Option B, 37 years 4 months service.

Governor Patrick appointed Attorney Philip Y. Brown to the PERAC Commission.

Roy and Tom talked about the MCRS Fall Conference. They said the Legal Panel was good. Roy is trying to eliminate the Fall Conference and have one day sessions in each of the sections of the State. He has brought it to the Executive Board.

Mr. Gibson requested the up to date number of credits from Mr. Tom O'Donnell of PERAC for each Board member through December, 2012. We will request Mr. O'Donnell and will send each member the number of credits they have earned.

A motion was duly made and seconded and it was unanimously VOTED to approve the Minutes of September 27, 2013

A motion was duly made and seconded and it was unanimously VOTED to approve Warrant #1310 in the amount of \$839,429.22.

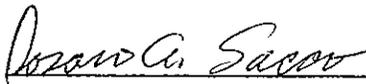
A motion was duly made and seconded and it was unanimously VOTED to grant membership to Mardy Kozelliam, Community Development Inspector, effective January 7, 2013.

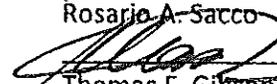
A motion was made and seconded and was VOTED to approve the Managers monthly reports.

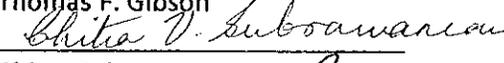
A motion was made and seconded and was VOTED to schedule the next monthly meeting to November 27, 2013.

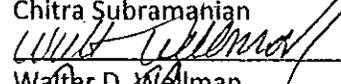
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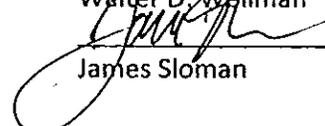
ATTEST:


Rosario A. Sacco


Thomas F. Gibson


Chitra Subramanian


Walter D. Wallman


James Sloman