

Belmont Contributory Retirement Board
Meeting Held on Wednesday, June 29, 2016 at 8:15 am
Belmont Town Hall, 455 Concord Avenue, Conference Room 1 (Ground Floor)

2017 FEB -6 PH 12: 22

Meeting Minutes

Board Members Present

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

Board Staff

Angela Olszewski, director; Robert Soohoo, incoming retirement assistant

Guests

Scott Driscoll, NEPC; Doug Moseley, NEPC; James Quirk, Jr., Esq., board counsel; Paul Todisco, PRIM; Michael Trotsky, PRIM; Cosmo Macero, communication consultant for PRIM; James Williams, Belmont Selectman; Ross Vona, incoming board member; Rochelle Sacco

Call to Order

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

Appointment of Retirement Assistant

Robert Soohoo was introduced to the board. After review of resumes and interviews, Mr. Soohoo was selected by Mr. Sacco and Ms. Olszewski to be the new retirement assistant. Mr. Gibson made a motion, seconded by Mr. Sloman to appoint Mr. Soohoo as retirement assistant. The vote passed unanimously.

Recognition of New Elected Member (effective July 1, 2016)

Ross Vona was acknowledged by the board as its new elected member. As the only person to submit completed nomination papers, he was declared by the board as its new member during last month's meeting. Ms. Olszewski will send package of material for new board members to him. He will need to file a certification and statement of financial interests with PERAC within 90 days.

Presentation by PRIM

- Mr. Trotsky and Mr. Todisco made the presentation
- Mr. Trotsky reviewed the new board, committee membership, and staff organization
- He reviewed fund performance against the assumed return, currently 7.5% and the five to seven year expected return of 6.8%
- The Belmont portfolio has outperformed PRIT in two of last three years; it has higher equity exposure than PRIT, this also equals more risk
- Discussed what was done in the last three years to prepare for the current environment; decreased global equity percentage from 49 to 40; using core fixed income as an insurance policy against the decline in equity; bought 20 year Treasury STRIPS; added hedge-fund like portfolio completion strategies
- Hedge funds and scenario testing were discussed; they are skeptics on hedge funds, but still committed
- Private equity since the late 1980s; expensive asset class; their portfolio is number 1 or 2 for long term performance in country; marquee client, so fees negotiated at favorable term; only disclosed in aggregate

- Committed to alternatives; been doing well
- Fees low given allocation to expensive alternatives; 53 basis points
- Mr. Todisco reviewed Belmont's performance

Presentation by NEPC

- Scott Driscoll presented performance for year-to-date through May; alternative investments have driven performance
- Harbourvest, Dover Street 7&8 active management has added 50 basis points; allocation tilted toward US equity
- PIMCO is terminating some staff; NEPC sees this as a non-actionable event
- Discussed private equity
- Mr. Sloman discussed real estate: would investing in PRIT provide lower fees?
- Discussed hedge fund performance

Office Technology Update

- The board reviewed the quotes received from NCG Office Systems
- Mr. Sloman inquired as to what what the equipment would cost at a retailer
- Mr. Wellman will get quotes for competitive prices
- It was noted that vendors should comply with the state bid list and that installation service is also included with the quote received
- Mr. Sloman made a motion, seconded by Mr. Wellman, to authorize the retirement board director to purchase the equipment after guidance and prices from other sources. The motion passed unanimously

Review and Acceptance of Minutes

Mr. Gibson made a motion, seconded by Mr. Wellman, to accept the minutes of the May meeting. It was noted that a change needed to be made in the executive director's report. Mr. Sacco and Ms. Olszewski, not Mr. Wellman, interviewed the candidates for retirement assistant. The vote to approve the minutes as amended passed unanimously.

Update from James Quirk, Jr., Esq., Board Attorney

Mr. Quirk did not have a report for the meeting.

Correction of Retirement Benefits

The board discussed the procedure to correct any errors that result in under or overpayments. Ms. Olszewski will provide calculations and information to Mr. Quirk, who will then write to the retiree and provide right to appeal.

Report of the Executive Director

Ms. Olszewski provided an update on office projects. She and Mr. Soohoo will make a list of and prioritize all work that must be completed by year-end.

Executive Session

As Mr. Quirk did not have an update on the disability cases, there was no need to enter executive session.

Review and Approval of Pension and Board Member/Staff Payroll Warrants

Mr. Gibson made a motion, seconded by Mr. Sloman, to approve the payment of staff payroll warrant in the amount of \$8,083.34 and the pension payroll warrant in the amount of \$838,699.94. The vote passed unanimously.

Review and Approval of Warrant for Refunds, Transfers-out, and Invoices

Mr. Gibson made a motion, seconded by Mr. Wellman, to approve the payment of the refunds and invoices warrant in the amount of \$61,213.87. The vote passed unanimously.

Review of Correspondence Received

The board had not received any correspondence for review

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>
Brian Jennings	7/8/2016	11 years, 1 month	61	Council on Aging

The motion passed unanimously.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Status</u>	<u>Dept.</u>
Divino Roza	6/2/2016	Full-time	School

Mr. Gibson made a motion, seconded by Mr. Sloman, to acknowledge that the members are eligible to join the retirement system. The motion passed unanimously.

Appointment of New Chair and Vice Chair (effective July 1, 2016)

Mr. Sloman made a motion, seconded by Ms. Subramanian to appoint Mr. Gibson as the board's new chair and Mr. Wellman as vice chair. The motion passed unanimously.

Future Meeting Dates

The board selected Wednesday, July 27, 2016 as its next meeting date. As Mr. Sloman will be unable to attend in person as he will be out of town on that date. He will call in remotely. Reminder to the board that remote participation must be on the agenda and votes must be taken by roll call.

The board then selected Tuesday, August 30, 2016 for its August board meeting date.

Discussion of topics not reasonably anticipated 48 hours in advance of meeting

- Mr. Sacco told the board that he had been contacted by retiree Robert Oliverio who had an issue with filing his annual statement of earned income with PERAC
- Mr. Wellman brought up the issue of new office space. The board would like to invite a real estate agent and David Kale, town administrator, to its next meeting
- MACRS Conference: Mr. Gibson noted that he, Ms. Subramanian, Mr. Sacco, and Ms. Olszewski attended the TEDS seminar and/or conference. He found it beneficial. He highlighted the session where addiction was discussed.

Adjournment

Mr. Gibson made motion, seconded by Mr. Sloman, to adjourn the meeting at 10:48 am. The motion passed unanimously.

Respectfully submitted,

Angela M. Olszewski
Executive Director

Approved by the Retirement Board:

Date
