



Arlington Contributory Retirement Board

Date: January 25, 2018

Time: 4:30 PM

Location: Senior Center Ground Floor Conference Room

Agenda

Board Members present: Chairman John Bilafer, Richard Keshian, Kenneth Steele, and Kenneth Hughes. The Ex-Officio position is still open as of this meeting.

Call to order Regular Monthly Meeting

Chairman Bilafer called the regular meeting to order at 4:30 P.M

Motion and vote to approve Expense Warrants #1-2018 and Payroll Warrant January 2018

After review and discussion, Mr. Steele made a motion to approve the Expense Warrants 1 for 2018 and the January 2018 Payroll Warrants for payment, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Motion and vote to approve Minutes for December 21, 2017

After review and discussion Mr. Keshian made a motion to approve the December 21, 2017 Minutes, seconded by Mr. Steele. The motion was approved by unanimous vote.

Motion and vote to approve November 2017 Trial Balances

After review and discussion Mr. Steele made a motion to approve the November 2017 Trial Balance, seconded by Mr. Hughes. The motion was approved by unanimous vote

Motion to approve new town members

After review and discussion Mr. Keshian made a motion to approve the new town employee listed below, seconded by Mr. Hughes. The motion was approved by unanimous vote

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>
Urvi Agarwalla	12-19-2017	9+2%	Geriatric Nurse
Karen Dillon	12-18-2017	9+2%	AYHSC Director
Erika Roberts	11-29-2017	9+2%	Recreation Assistant

Motion to approve new school members

After review and discussion Mr. Steele made a motion to approve the new school employee listed below, seconded by Mr. Keshian. The motion was approved by unanimous vote

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>
Melissa Boyd	12-27-2017	9+2%	AYCC Psychologist
Shepleigh Voit	01-02-2018	9+2%	Teacher Assistant

Motion to approve retirement application for William Murphy

After review and discussion of Mr. Steele made a motion to approve the retirement applications for William Murphy seconded by Mr. Hughes. The motion was approved by unanimous vote.

Name	DOB	Creditable Service	Group	Dept/Pos	Veteran Status	Retirement Option	Date
William Murphy	4-23-1944	15 Years 0 Months	1	HHS COA/ Supervisor of Volunteers and Transportation	N	B	2-21-2018

Motion and Vote on Section 94 for Anargyros Siempos

After a review of the documentation provided by the independent medical panel that stated Mr. Siempos can no longer perform his essential duties do to his injury. Mr. Hughes made a motion to approve Mr. Siempos ADR, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Motion and Vote on January 1, 2017 Actuarial Valuation

After review and discussion Mr. Keshian made a motion to approve the January 1, 2017 Actuarial Valuation, seconded by Mr. Hughes. The motion was approved by unanimous vote

Motion and Vote OPEB Consultant

Mr. Keshian made a motion to postpone the consultant vote until the Ex-Officio is hired, seconded by Mr. Hughes. The motion was approved by unanimous vote

New Business

Mr. Greco told the Board that he received the PRIT December 2017 yearend report and the 2017 rate of return was 17.16% net of fees.

Mr. Greco also told the Board that he has received the annual COLA Memo from PERAC. Chairman Bilafer asked if Mr. Greco knew if the employees are being offered raises in fiscal July of 2018. Mr. Greco said he would check with the Human Resources Director Ms. Malloy and inform the Board at the February Meeting.

Mr. Hughes asked the Board if he could be approved for travel in October 2018 to Las Vegas for the NCPERS Fiduciary Certificate Program. After discussion Mr. Keshian made a motion to approve the travel, seconded by Mr. Steele. The motion was approved by unanimous vote.

5th Member Interviews

Mr. Greco summarized for the Board the process prior to the interviews. Mr. Greco told the Board that he had invited the three applicants for the 5th Board Member position as instructed by the Board at the December 21, 2018 Board Meeting. Those three applicants were Kenneth Steele the Arlington Board's current 5th Member, George "Fred" McCray former Quincy Firefighter, Quincy Board Member and MACRS Board Member and Kenneth Moffatt who is employed by Partners HealthCare in their Investment Office.

Mr. Greco told the Board that the three candidates all excepted the invitation to be interviewed at tonight's meeting. On Monday January 22, 2018 Mr. McCray emailed Mr. Greco thanking him and the Board for the opportunity but, he asked Mr. Greco to withdraw him from consideration.

The Board Members Mr. Bilafer, Mr. Keshian and Mr. Hughes then interviewed Mr. Kenneth Steele.

Chairman Bilafer welcomed Mr. Steele and asked Mr. Steele if he would like to make an opening statement before the interview. Mr. Steele said he would.

Mr. Steele thanked the Board for their consideration and then told the Board that he has been a Board Member since 1997 and would like to continue to serve on the Arlington Retirement Board. Mr. Steele also told the Board he is a graduate of Boston College and has 42 years of experience in the insurance and investment business. Mr. Steele also stated he holds professional designation including Certified Financial Planner and Chartered Financial Consultant, along with professional licenses including series 7,6 and 63.

Mr. Hughes asked Mr. Steele that as a Board Member there are certain requirements of the position that need to be fulfilled on an annual basis, included among them are : the filling of a Statement of Financial Interest and required Continuing Education obligations. Does Mr. Steele anticipate any potential conflicts in fulfilling these requirements?

Mr. Steele stated he did not see a problem with the Statement of Financial Interest because he submitted one every year since the regulation was enacted without any issues and has fulfilled his all his continuing education requirements.

Mr. Hughes asked Mr. Steele if he knew as of the last Valuation Date, January 1, 2017 What is the approximate Funding Ratio, the Investment Return

Assumption, and the fiscal year that the amortization is to be completed for the Arlington Contributory Retirement System?

Mr. Steele stated the Investment Return Assumption is 7.25%, and the system is approximately 52% funded and the fiscal year the system is scheduled to be funded is 2035.

Mr. Hughes confirmed those answer to be correct.

Mr. Keshian asked Mr. Steele which continuing education course did he find most helpful?

Mr. Steele answered that he enjoy the Actuarial Hodgepodge and found it helpful.

Chairman Bilafer asked Mr. Steele why is he interested on serving on the Arlington Board?

Mr. Steele told the Board that he grew up in Arlington and graduated from Arlington High School and raised his family in Arlington and owned a home in Arlington for over 30 years.

Chairman Bilafer then asked Mr. Steele does he still support Chapter 32 Section 90ACDE or as commonly known the 50% rule.

Mr. Steele said yes has support 90ACDE for 20 years and sees no reason at the current time why he would not continue to support it.

Chairman Bilafer asked if the Board had any other questions and they did not so, Chairman Bilafer thanked Mr. Steele for interviewing and asked if he had anything he would like to add.

Mr. Steele thanked the Board and asked for their consideration on reappointing him to the Arlington Retirement Board. Mr. Steele then told the Board he would recues himself from the rest of the interviews and left the meeting.

Mr. Kent Moffatt entered the meeting and introduced himself to the Board.

The Board Members Mr. Bilafer, Mr. Keshian and Mr. Hughes then began the interview of Mr. Kent Moffatt.

Chairman Bilafer again welcomed Mr. Moffatt and asked Mr. Moffatt if he would like to make an opening statement before the interview. Mr. Moffatt said he would.

Mr. Moffatt told the Board that he has lived in Burlington for 6 years and previous to that he lived West Medford so he was familiar with Arlington and found the position interesting. Mr. Moffatt also stated his work for BYN Mellon and at his current position at Partners HealthCare he is been involved with pensions

Chairman Bilafer asked Mr. Moffatt why is he interested on serving on the Arlington Board?

Mr. Moffatt told the Board that he was familiar with Arlington having lived in West Medford and liked the community and thought Arlington had good people.

Chairman Bilafer then asked Mr. Moffatt would he support Chapter 32 Section 90ACDE or as commonly known the 50% rule which, allows 25 year Arlington employees not fall below 50% of what the position they retired from?

Mr. Moffatt told the Board yes he thinks so if the Board is committed to it, he knows other companies have done away with pensions and his father was a mailman for 30 years and his pension didn't keep up with the cost of living.

Mr. Hughes asked Mr. Moffatt that as a Board Member there are certain requirements of the position that need to be fulfilled on an annual basis, included among them are : the filling of a Statement of Financial Interest and required Continuing Education obligations. Does he anticipate any potential conflicts in fulfilling these requirements?

Mr. Moffatt told the Board yes he would have no problem filling out a disclosure form he has to do that at his current employer and hasn't had a problem. Mr. Moffatt also said he likes the idea of continued training.

Mr. Hughes asked Mr. Moffatt if he knew as of the last Valuation Date, January 1, 2017 What is the approximate Funding Ratio, the Investment Return Assumption, and the fiscal year that the amortization is to be completed for the Arlington Contributory Retirement System?

Mr. Moffatt told the Board he did not know but, he said he could figure it out or read it on line and he just knew he had would have a fiduciary responsibility to employees and retirees.

Mr. Keshian asked Mr. Moffatt if he had done Retirement research?

Mr. Moffatt told the Board he did in hiring outside managers to oversee Partners Healthcares assets.

Mr. Keshian asked Mr. Moffatt with his detailed background in finance how would he rate managers?

Mr. Moffatt told the Board he use the same philosophy he uses for his own portfolio and that is long term results.

Mr. Keshian asked Mr. Moffatt what he does for Partners HealthCare?

Mr. Moffatt told the Board he manages budgets and oversees 8 employees and manages operation an internal transaction for Partners pension funds

Chairman Bilafer asked if the Board had any other questions and they did not so, Chairman Bilafer thanked Mr. Moffatt for interviewing and asked if he had anything he would like to add.

Mr. Moffatt thanked the Board and told them he has interest in the Retirement Board and can bring a lot to the table and looks forward to learn more about the job. Mr. Moffatt then left the meeting.

5Th Member Vote

After discussion Mr. Hughes made a motion to reappointment Mr. Steele to a three year term from February 1, 2018 to January 31, 2021, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Adjourn Mr. Hughes made motion to adjourn the meeting at 6:20 PM, seconded by Mr. Keshian. The motion was approved by unanimous vote

Respectfully submitted,

Richard S. Greco
Retirement Administrator

John J. Bilafer, Chairman and Elected

Richard Keshian, Appointed

Ken Steele, Board Appointed

Kenneth Hughes, Elected

Not Filled

Comptroller, Ex-Officio