



Arlington Contributory Retirement Board

Date: June 28, 2018

Time: 4:30 PM

Location: Senior Center Ground Floor Conference Room

Minutes

Board Members present: Chairman John Bilafer, Richard Keshian, Kenneth Steele, Kenneth Hughes and Ida Cody

Guest: Mr. Aneish Arora, Meketa Investments Larry Stone, Stone Consulting

Call to order Regular Monthly Meeting

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

Meketa presentation

Mr. Arora as part of the presentation to the Board prepared a detailed handout containing performance of the OPEB Fund as of June 28, 2018. This was presented to the members of the Board and will become part of the records of the Boards.

Mr. Arora informed the Board that the OPEB Trust from as May 31, 2018 had a value of \$ 12,941,691 and he told the Board that the return percentage for the 1 year performance as May 31, 2018 was 7.5% net of fees and 7.2% since the inception date of December 2010.

Mr. Arora recommended the rebalancing of the OPEB Fund and factoring in the appropriation \$936,982 to be paid in July of 2018. Mr. Arora recommended the following investment percentages of the portfolio U.S Equities be reduced from 27% to 26%, Emerging Markets increase from 13% to 14%, Investment Grade Bonds decrease from 14% to 13%, TIPS increase from 10% to 11% and High Yield Bonds from 8% to 9%.

After review and discussion, Mr. Keshian made a motion to approve the and accept the rebalancing recommendations, seconded by Mr. Steele. The motion was approved by unanimous vote.

Mr. Arora asked the Board if they have reviewed the new Investment Agreement.

After review and discussion Mr. Hughes made a motion to approve and sign the Meketa Investment Agreement, seconded by Mr. Steele. The motion was approved by unanimous vote.

Stone Consulting Presentation

Mr. Stone presented his preliminary results of the January 1, 2018 Actuarial Study.

Mr. Stone informed the Board that the funding ratio as of January 1, 2018 was 55% us a 7.25% discount rate and 53.7% using a 7.00% discount rate. Mr. Stone included the 7.00% assumption based on the Chairman's request at the 2017 meeting.

Mr. Stone stated that the system, with a 5.50% increasing appropriation policy, which was a matter of agreement between and among the members of the Board, the Town Manager and members of the Finance Committee on October 24, 2014, will not need any additional funding or years added to the funding schedule and the system would be funded in Fiscal Year 2036 based upon current 7.00 % discount rate.

After review and discussion, Mr. Steele made a motion adopt the funding schedule of 5.50% increasing appropriation and 7.00% discount rate to be fully funded in 2036, all in accordance with the above referenced agreement utilizing the with October 24, 2014 guidelines. The motion was seconded by Mr. Hughes. The motion was approved by unanimous vote

Motion and vote to approve Expense Warrants #10-2018 and Payroll Warrant June 2018 and June 2 2018

After review and discussion, Mr. Keshian made a motion to approve the Expense Warrants # 10-2018, and June 2018 and June 2 2018 Payroll Warrants for payment, seconded by Mr. Steele. The motion was approved by unanimous vote

Motion and vote to approve Minutes for May 2018

After review and discussion Mr. Steele made a motion to approve the May 31, 2018 Minutes, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Motion and vote to approve Executive Session Minutes for May 2018

After review and discussion Mr. Hughes made a motion to approve the May 31, 2018 Executive Session Minutes, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Motion and vote to approve April 2018 Trial Balances

After review and discussion Mr. Steele made a motion to approve the April 2018 Trial Balance, seconded by Mr. Keshian. The motion was approved by unanimous vote

Motion to approve new town members

After review and discussion Mr. Hughes made a motion to approve the new town members listed below, seconded by Mr. Steele. The motion was approved 4-0 , Ms. Cody abstained.

| <u>Name</u> | <u>Date of Membership</u> | <u>Percentage</u> | <u>Position</u> |
|----------------|---------------------------|-------------------|------------------------------------|
| Sarah Berson | 06-15-2018 | 9+2% | AYCC Community Resource Specialist |
| Ida Cody | 06-15-2018 | 9+2% | Comptroller |
| Mary Muszynski | 06-25-2018 | 9+2% | Admin. Asst. Planning |

Motion to approve new school members

After review and discussion Ms. Cody made a motion to approve the new school members 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> |
|---------------|---------------------------|-------------------|--------------------|
| Krystal Osika | 07-01-2018 | 9+2% | Admin. Asst. SPED |
| Jelani Sims | 06-11-2018 | 9+2% | Building Custodian |

Motion to approve retirement applications for Michael Hansen and Caryn Gillis

After review and discussion Mr. Keshian made a motion to approve the retirement application of Michael Hansen and Caryn Gillis, seconded by Mr. Steele. The motion was approved by unanimous vote.

| Name | DOB | Creditable Service | Group | Dept/Pos | Veteran Status | Retirement Option | Date |
|----------------|-----------|----------------------|-------|---------------------------------|----------------|-------------------|-----------|
| Michael Hansen | 4/28/1956 | 11 years 7 months | 1 | School /Teacher Assistant | N | A | 6/26/2018 |
| Caryn Gillis | 5/02/1955 | 22 years 7 months | 1 | School Administrative Assistant | N | A | 7/21/2018 |

Motion and vote a refund of accumulated deductions for Sarah Christian in the amount of \$ 3,283.53. Ms. Christian had 1 year 10 months of creditable service working for the School Department as a Teacher Assistant

After review and discussion Mr. Steele made a motion to approve Ms. Christian's refund, seconded by Mr. Hughes. The motion was approved by unanimous vote.

Motion and vote a refund of accumulated deductions for Iury Debs in the amount of \$ 3,291.16. Mr. Debs had 7 months of creditable service working for the School Department as a Bus Driver.

After review and discussion Mr. Hughes made a motion to approve Mr. Debs refund, seconded by Mr. Steele. The motion was approved by unanimous vote.

Motion and vote a refund of accumulated deductions for Matthew Jerome

in the amount of \$ 1,085.02. Mr. Jerome had 6 months of creditable service working for the School Department as a Teacher Assistant.

After review and discussion Mr. Hughes made a motion to approve Mr. Jerome's refund, seconded by Ms. Cody. The motion was approved by unanimous vote.

Motion and vote a refund of accumulated deductions for Zachary Roche in the amount of \$ 3,566.54. Mr. Roche had 1 year 5 months of creditable service working for the School Department as a Teacher Assistant.

After review and discussion Ms. Cody made a motion to approve Mr. Roche's refund, seconded by Mr. Hughes. The motion was approved by unanimous vote.

New Business

PTG Scanning Project

Mr. Greco informed the Board that PTG had provided two Support and Hosting preliminary agreements. The proposals are for \$18,500 for the retirees and members files and \$22,500 for all of the files. Mr. Greco reminded the Board that this was not fully budgeted for and he could see if there were funds for this project or if the Board would have to wait until 2019 and budget the whole amount.

Mr. Hughes made a motion to have Mr. Greco research if the Board has the funds to do either of the scanning projects, seconded by Mr. Steele. The motion was approved by unanimous vote.

Adjourn

Mr. Steele made motion to adjourn the meeting at 6:20 PM, seconded by Mr. Hughes. 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

Ida Cody Comptroller, Ex-Officio