

Minutes of the meeting held on January 13, 2025

Present: Francis Murphy – Chair, Michael Gardner, Nadia Chamblin-Foster, Joseph McCann, James Monagle, Chris Burns, James Quirk, and Christopher McLaughlin.

The meeting was called to order at 11:01 AM. The meeting was digitally recorded. This was a hybrid meeting, held in-person in the Sheila Tobin Conference Room at 125 CambridgePark Drive, with some participants joining via Zoom videoconference.

Agenda Item #1 –Minutes

Motion by Monagle, seconded by Gardner to accept the minutes of the investment review meeting held on December 3, 2024. The motion carried on a 3-0 vote with Chamblin-Foster and McCann absent.

Motion by Gardner, seconded by Monagle to accept the regular minutes of the meeting held on December 16, 2024. The motion carried on a 3-0 vote with Chamblin-Foster and McCann absent.

Motion by Gardner, seconded by Monagle to accept the executive session minutes of the meeting held on November 4, 2024. Voted unanimously.

Agenda Item #2 - Warrants

Motion by Gardner, seconded by McCann to accept payment of Warrant #24/2024 in the amount of \$9,753,724.54 and Warrant #1/2025 in the amount of \$1,308,434.80. Voted unanimously.

Agenda Item #3 – Superannuations

Motion by Gardner, seconded by Chamblin-Foster to accept the Superannuation retirement applications submitted by Barbara Armistead, Personnel Specialist, Human Resources Dept. with twenty-one years, nine months; James Carvello, Lead Mechanic, Cambridge Housing Authority with forty years; Iram Farooq, Assistant City Manager, Community Development Dept. with twenty-eight years; Laurie Gaines, Library Assistant with twenty-one years; Anthony Macone, Deputy Superintendent, Police Dept. with thirty-three years, nine months; Faye McKinnon, Manager of Operations, Assessing Office with forty years, five months; Heli Medeiros, Laborer-Porter, Cambridge Health Alliance with nineteen years, nine months; Oswaldo Ortiz, Patrol Officer, Police Dept. with thirty years, seven months; James Rita, Director of Operations, Water Dept. with twenty-two years, eleven months; and Juliet Turner, Administrative Assistant, Finance Dept. with thirty-three years, one month. Voted unanimously. Gardner noted that he had hired Barbara Armistead and that she was a valued member of the Personnel office.

Agenda Item #4 - Make-ups/Redeposits/Liability

The Board reviewed make-up and redeposit worksheets for six members.

Motion by Gardner, seconded by McCann to allow the make-up of deductions for India T. Cordero for one year, seven months; Karee Dottin-Vass for two years, five months; Ivelisse J. Garcia for one year, two months; Justin C. Nortelus for one year; and Emily F. Paton for one year. Voted unanimously.

Motion by Gardner, seconded by Monagle to allow the redeposit of a refund for Thomas V. Rowlings for three years, three months. Voted unanimously.

Agenda Item #5 – Refund Applications

The Board reviewed a list of refund applications submitted in December.

Motion by Monagle, seconded by Chamblin-Foster to accept eight refund applications. Voted unanimously.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting would reconvene in open session at the conclusion of the executive session. On a roll call, the vote was as follows:

James Monagle:	YES
Michael Gardner:	YES
Nadia Chamblin-Foster	YES
Joseph McCann:	YES
Francis Murphy:	YES

Agenda Item #6 – Accidental Disability Benefit – Philip Fournier

The Board reviewed the certificate and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement filed in connection with Philip Fournier's application for Accidental Disability benefits. Attorney Morgan Gray appeared with Philip Fournier.

Motion By Gardner, seconded by McCann to accept the findings of the medical panel and grant Accidental Disability benefits to Philip Fournier, Clinical Leader at Cambridge Health Alliance. Voted unanimously.

Agenda Item #7 – 91A Overearning – James Desrosiers

The Board reviewed correspondence from PERAC noting the amount of overearning for James Desrosiers in 2023.

Burns noted that Desrosiers was also found to have overearned in 2021 and 2022. The amount of that overearning was already repaid in full. The amount of the 2023 overearning is now before the Board. Mr. Desrosiers waived his pension benefit in 2024, so there will be no overearning for that year.

Attorney Thomas Gibson appeared, representing James Desrosiers. He stated that Desrosiers did not dispute the overearning amount as calculated by PERAC. He also stated that he was prepared to present a check for the full amount owed immediately. Gibson noted that Desrosiers has sent written notice to the Board that he wishes to have his pension reinstated. He stated that Desrosiers has concluded the process of reorganizing his business under new ownership. He will remain as a W2 employee in a minimized role.

Quirk noted that PERAC has advised that Board may wish to conduct hearings to determine a member's earning capacity in circumstances where they report substantial income. He also noted that it remains possible that PERAC may impute earnings from the business to Desrosiers, even though he is no longer the owner of the company. Gibson stated that he and Desrosiers have thoroughly documented the transfer and his new role within the company. Gibson stated that this documentation would pass muster with PERAC when his 2025 earnings are reviewed. Motion by Monagle, seconded by Chamblin-Foster to acknowledge repayment of James Desrosiers' overearnings from 2023, and to acknowledge reinstatement of his pension effective on January 1, 2025. Voted unanimously.

Agenda Item #8 – PERAC Memos

The Board reviewed PERAC Memos #32, 33 and 34 of 2024 as well as memos 1, 2 and 3 of 2025.

Burns stated that he sent notification to one inactive member who is required to take a distribution of her account.

Agenda Item #9 – Old Business

Gardner stated that he received a copy of the final version of the letter sent to PERAC in connection with Hazardous Duty Pay. He said that he intended to share that letter with Jamie

Matthews. The Board agreed to discuss the matter further if PERAC does not respond before the February meeting.

Agenda Item #10 – New Business

The Board agreed to move the regular March meeting to be held on Thursday, March 6. Gardner stated that he was concerned about the level of redemption requests described in the latest update from Intercontinental and asked that Segal discuss that at their next review.

Agenda Item #11 – Executive Session

Agenda Item #6 – adopted

Agenda Item #12 - Chairman's Report

The Chair noted that he had received notification that MetLife has separately acquired both the Mesirow and PineBridge portfolios. The Board has received assurances that MetLife intends to hold both portfolio teams together. The Chair stated that he would like to review this transaction more carefully at the March investment meeting.

The Chair noted that the City benefits office has made a change to their process for sending out Medicare reimbursements and that retirees will not need to send documentation of their Medicare premiums. The City will make payments to eligible retirees based on the published standard tier for Medicare cost.

Agenda Item #13 – Executive Director's Report

Burns reported Segal is reviewing the MetLife acquisitions and have reported no objections to the Mesirow transaction. They are still reviewing details of the PineBridge transaction.

Burns reported that, acting on Gardner's request, he had a conversation with Francesco Daniele about the possibility of moving additional assets into the PRIT fund. Daniele stated that the system could make separate allocations to the core fund (mainly consisting of equities and bonds), the real estate fund, and private equity funds. By doing that, the system could avoid making any allocation to hedge funds. However, the system would not be able to invest in PRIT's timber fund, which is not available as a separate investment. Daniele also stated that by moving assets into PRIT, Cambridge would likely see some savings on management fees. He requested that the Board provide some information on their process for making a decision on the move to PRIT before he runs a complete analysis. The Board agreed to take no immediate action.

The staff will mail 1099-R forms to all retirees before the end of the month.

Burns reported that he would conduct a retirement seminar at the Fire Department on January 14 and McLaughlin would conduct a seminar at the Redevelopment Authority on January 30.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths
- PERAC Approval of Funding Schedule
- PERAC Pension News – October 2024
- PERAC 2023 Annual Report
- Correspondence from Mass Retirees re: WEP/GPO Repeal
- Report of Dividends Paid by Eastern Bank
- Eastern Bank Named #1 SBA Lender in Massachusetts for the 16th Year in a Row
- Correspondence from Bernstein Litowitz Berger & Grossman re: Facebook Litigation
- Correspondence from Blackrock re: Acquisition of HPS
- Boston Globe article re: 125 CambridgePark Drive
- Washington Post article re: Hyperlinks on X
- 2024 Administrative Budget

- September Financials: General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers, Bank Reconciliation.

Monagle moved to adjourn at 12:20 PM.