

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

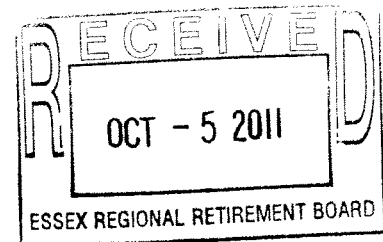
DOMENIC J. F. RUSSO, *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PAUL V. DOANE | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. McCARTHY | GREGORY R. MENNIS

October 3, 2011

Charles Kostro  
Executive Director  
Essex Regional Retirement System  
491 Maple Street  
Building 200, Suite 202  
Danvers, MA 01923



Dear Mr. Kostro:

I write relative to the status of the PERAC Monitoring Team for the Essex Regional Retirement System ("ERRS"). When the original audit was released on March 17, 2010, the 23 findings demonstrated that the financial records were not being maintained and the management functions were not being performed in conformity with the standards established by PERAC.

Since the release of the audit a PERAC Monitoring Team has assisted the ERRS and its staff in implementing the PERAC recommendations. A follow up audit was recently conducted at ERRS' offices. While there is still some work that needs to be done to put ERRS back in full conformity with PERAC standards, tremendous progress has been made and ERRS has resolved many of its deficiencies under your leadership.

With the ERRS Chairman, Board Members and you as the new Executive Director now in place, I feel there is no longer a need to have the PERAC Monitoring Team reporting to your office on a regular basis. Therefore, upon my recommendation, the Commission voted at its September 26, 2011 meeting to officially end the duties of the PERAC Monitoring Team.

Please know that my staff is always readily available to assist ERRS in any issues that may present themselves in the future upon your request. Thank you for your leadership, dedication and hard work for ERRS, its members and its retirees. Please call with any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Joseph E. Connarton".

Joseph E. Connarton  
Executive Director

JEC/ker

Enclosure

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