

**ESSEX REGIONAL RETIREMENT BOARD
MAY 18, 2015**

At a regular monthly meeting of the Essex Regional Retirement System (ERRS) held on Monday, May 18, 2015 at 491 Maple Street, Suite 201 at 8:30 a.m. the following Board members were present for all or some of the meeting: Ira S. Singer, H. Joseph Maney, Susan J. Yaskell, Vincent R. Malgeri.

Also in attendance for all or some of the meeting were:

Jane Dooley, Board Secretary

Charles E. Kostro, ERRS Executive Director

Michael Sacco, ERRS General Counsel

ERRS Board Chairman H. Joseph Maney called the meeting to order at 8:30 a.m. The Board said the pledge of allegiance.

Opening Statement by the Chair – Recording of the Meeting

In accordance with the open meeting law, this is to notify attendees that this meeting is being recorded by the secretary to the Board.

Approval of Board Minutes – Regular/Executive Session of April 27, 2015

Upon a motion by Vincent R. Malgeri, seconded by Ira S. Singer, the Board voted 4-0 to approve the minutes of the regular and executive session of the meeting of April 27, 2015.

Public Comment Period

None.

New Enrollments

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0 that the following named employees be enrolled in the Essex Regional Retirement System as follows:

<u>Name</u>	<u>Unit Name</u>	<u>Department</u>	<u>Hire Date</u>	<u>Group</u>
Bellis-Casey, Diane	North Andover	School	11/10/14	1
Coleman, Christopher	Hamilton-Wenham RSD	School	04/21/15	1
Hoog, Cathy L.	North Andover HA	Housing	03/10/15	1
McClure, Christopher L.	North Andover	Computer/IT	04/08/15	1
O'Neil, Dawn M.	Hamilton-Wenham RSD	School	04/13/15	1
Palermo, Christine E.	Masconomet RSD	School	04/13/15	1
Skoff, Emily J.	Boxford	Library	04/21/15	1

Thibault, Andrea L.	Georgetown	Planning/Accounting	03/31/15	1
Tuneburg, Benjamin C.	Wenham	Public Works	04/21/15	1
Williams, Jennifer M.	Lynnfield	School	01/05/15	1

Late Entry into Membership

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0 that Keith A. Hammerbeck shall be permitted late entry into membership of the Essex Regional Retirement System for part-time service beginning on or about October 1, 1973 through July 12, 1979 with the Town of Lynnfield.

Granting Mr. Hammerbeck's late entry into membership was the apparent intent of the retirement board in 1979. However, granting late entry into membership requires a vote of the Board. No Board vote could be found in the meeting minutes of 1979 or early 1980. However, all of the proper documentation exists and this vote confirms the actions taken in 1979. This vote permits Mr. Hammerbeck to continue to contribute retirement deductions at 5% as he has since the Board action in 1979.

New Retirements

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0 that the following named members of the Essex Regional Retirement System receive the superannuation retirement benefits calculated as follows:

1. Timothy Crane, Town of North Andover Police Department, Sergeant, Group 4
Effective Retirement Date: April 11, 2015
Monthly Retirement Allowance: \$5,583.16
Annual Retirement Allowance: \$66,997.92
2. Linda Hmurciak, Town of North Andover, Water Treatment Plant Superintendent, Group 1
Effective Retirement Date: March 31, 2015
Monthly Retirement Allowance: \$5,709.51
Annual Retirement Allowance: \$68,514.12
3. Kenneth LeColst, Town of Middleton Fire Department, Lieutenant and Town of Wenham Fire Department, Mechanic, Group 4
Effective Retirement Date: March 31, 2015
Monthly Retirement Allowance: \$3,759.18
Annual Retirement Allowance: \$45,110.16
4. Dorothy Sieradzki, Town of Manchester, Public Library Director, Group 1
Effective Retirement Date: April 4, 2015
Monthly Retirement Allowance: \$2,497.45
Annual Retirement Allowance: \$29,969.40

5. David Thomson, Town of Georgetown Police Department, Lieutenant, Group 4
Effective Retirement Date: March 29, 2015
Monthly Retirement Allowance: \$5,899.92
Annual Retirement Allowance: \$70,799.04

Adjusted Retirements

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0 that due to the retroactive settlement of collective bargaining agreements that preceded their date of retirement, the following named members of the Essex Regional Retirement System shall receive the superannuation retirement benefits re-calculated as follows:

1. David Fritz, Town of Rockport, Water and Sewage Specialist, Group 1
Effective Retirement Date: November 21, 2013
Monthly Retirement Allowance: \$2,530.14
Annual Retirement Allowance: \$30,361.68
2. Clifford Whicher, Town of Topsfield, Department of Public Works foreman, Group 1
Effective Retirement Date: November 30, 2014
Monthly Retirement Allowance: \$3,210.81
Annual Retirement Allowance: \$38,529.72

Disability Award – Richard Dorr

Upon a motion by Vincent R. Malgeri, seconded by Ira S. Singer, the Board voted 4-0 to approve the disability retirement allowance of Richard Dorr as follows, subject to the appropriate worker's compensation off-set:

Monthly Allowance: \$3,025.85
Annual Allowance: \$36,358.20

Acceptance/Denial of Liability

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0 that the Board accepts the recommendation of the Executive Director to deny liability for past service rendered as described below:

1. Charles Voderis as requested by the Newburyport Retirement Board for reserve police service for the period of June 13, 1997 through September 19, 1999 as ERRS never received contributions during this period of time.
2. Claire Lopata as requested by the Massachusetts Teachers Retirement System for the period of September of 1992 through June of 1993 as ERRS never received contributions during this period of time.

Refund Warrant RT2015.05

Upon a motion by Ira S. Singer, seconded by Vincent R. Malgeri, the Board voted 4-0 to approve the Warrant RT2015.05 for May 2015 to refund, rollover or transfer the accumulated deductions as presented in the warrant for 15 members beginning with Nadia T. Abdessemed and ending with Julie M. Preston as described below in the total net amount of \$102,394.12.

Name	Type	Board or Institution
Abdessemed, Nadia T.	Withdrawal	
Bratt, Laurie A.	Transfer	Mass Teachers Retirement System
Carucci, Allison H.	Transfer	Mass Teachers Retirement System
Champagne, Nikki D.	Withdrawal	
Chenery, Mary J.	Withdrawal	
Connors, Jacqueline M.	Transfer	Mass Teachers Retirement System
Delgreco, Lianna M.	Transfer	Mass Teachers Retirement System
Farrell, Leanne G.	Transfer	Mass Teachers Retirement System
Johns, Tawnya R.	Transfer	Mass Teachers Retirement System
Lacey, Kaley A.	Rollover	Edward Jones
Linehan, Lisa T.	Transfer	Mass Teachers Retirement System
Lovett, Roylee K.	Transfer	Mass Teachers Retirement System
Pirro, Sharon L.	Withdrawal	
Pratt, Brian J.	Withdrawal	
Pratt, Brian J.	Withdrawal	
Preston, Julie M.	Withdrawal	
Preston, Julie M.	Rollover	Ameriprise Financial

May Retirees Payroll

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0 to approve the retirement allowances for the month of May in the approximate amount of \$3,200,000.00.

ERRS Payroll

Upon a motion by Ira S. Singer, seconded by Susan J. Yaskell, the Board voted 4-0 to approve the payment of the ERRS employee payroll for May 1, 2015, in the amount of \$16,771.56, and the employee payroll for May 15, 2015 in the amount of \$17,750.16.

Cash Disbursement Warrant CD2015.05

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0 to approve the Cash Disbursement Warrant CD2015.05 for May 2015 as presented below in the total amount of \$40,280.32.

Vendor	Amount
Bentley, Donavin - Mileage - Office Hours	25.54
Boston Retirement Board 2014 - 3(8)©	10,306.14
Town of Danvers Electric - #201	153.38
Town of Danvers Electric - #202	192.14
Jane Dooley - May Meeting	275.00
Group Insurance Commission - Health Est. 04/01/2015 - 06/30/2015	5,859.12
H.C.O.P.T. - Condo Fee - June 2015	1,397.00
Harper's Payroll Service - 2015.05.12	48.34
Harper's Payroll Service - 2015.04.27	73.34
Law Office of Michael Sacco - 2015.04	4,685.00
Massachusetts Teachers' Retirement System 2014 - 3(8)(c)	3,734.45
Mathew's Cleaning & Painting - 2015.05	272.00
Murphy, Hesse, Toomey & Lehane - 2015.03	8,512.50
Newburyport Retirement Board - 2014 3(8)(c)	1,778.29
North of Boston Media Group - Legal Services RFP Ad	291.38
Provencal, Scott - Mileage - Office Hours	37.12
Rainmaker Spring LLC - 2015.04	21.25
Ricoh Americas Corporation - 2015.05	325.48
Tyco Integrated Security LLC - System Repairs - #201	1,006.46
Tyco Integrated Security LLC - System Repairs - #202	1,006.46
Verizon Wireless - April 2015	279.93
Total	40,280.32

Cash Disbursement Warrant CD2015.05a

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0 to approve the Cash Disbursement Warrant CD2015.05a for May 2015 as presented below in the total amount of \$66,362.50.

Vendor	Amount
Principal Real Estate Investors – Management Fees – 01/01/2015	8,004.00
Principal Real Estate Investors – Capital Call	58,358.50
Total	66,362.50

IT Consulting Services Agreement

The Board passed over this item until next month.

Interview Committee – Retirement Counselor

Upon a motion by Ira S. Singer, seconded by Susan J. Yaskell, the Board voted to appoint Vincent R. Malgeri and H. Joseph Maney to the committee to interview selected candidates for the position of Retirement Counselor.

Legal Services RFP – Opening of Bids

Discussion ensued about process for procurement officer to open bids. ERRS received two bids for legal services from its existing attorneys: Michael Sacco and Murphy, Hesse, Toomey and Lehane. Both firms have worked well with ERRS. The bids were open by Executive Officer Charles E. Kostro. July 1, 2015 is the start date for legal agreement.

New Retirement: Peter Nikas

Discussion ensued about whether or not a Section 15 hearing should be held with Ipswich police officer who plead guilty to assault and battery and malicious destruction of property. Sacco referred to Durkin case and how police officers are held to a higher standard when breaking the law where pension was forfeited. The Nikas case requires a judgment call by ERRS Board.

Upon a motion by Ira S. Singer, seconded by Vincent R. Malgeri, the Board voted to take no action on the retirement application of Peter Nikas and to schedule a hearing under MGL Chapter 32, Section 15 for the June 29, 2015 meeting of the Board. Discussion addressed details about how hearing would be managed and witnesses brought in.

Executive Session – Disability Applications

At 9:15 a.m., upon a motion by Vincent R. Malgeri, seconded by Ira S. Singer, the Board voted by roll call: Ira S. Singer, yes, H. Joseph Maney, yes, Vincent R. Malgeri, yes, Susan J. Yaskell, yes, to move to executive session to act on the disability applications of Mark Thomas and Linda Bloom and to return to open session only for the purpose of adjourning the meeting.

The Board returned from Executive Session at 10:41 a.m.

NEW BUSINESS

Discussion ensued about Barbara Sanborn's part time service that is in dispute. She had been told that her part time service was prorated (for time she did not buy) so she expected a year more of service relative to benefit calculation, and she'll have to work

another 11 months before she retires. ERRS sent a letter with apology explaining that retirement system should have vetted this more thoroughly, and provided details on her right to appeal.

Discussion was on clarification mailing for 19 individuals who received errors in statements, and on police incident that occurred at ERRS office.

Cash Disbursement Warrant CD2015.05b

Upon a motion by Ira S. Singer, seconded by Vincent R. Malgeri, the Board voted 4-0 to approve Cash Disbursement Warrant CD2015.05b for \$5,855.

The Board took a break at 11:00 a.m. and reconvened at 11:09 a.m.

Legal Services RFP

Discussion ensued about how the two existing ERRS law firms had submitted bids which met minimum qualifications according to RFP. Murphy, Hesse, Toomey and Lehane will be asked for record of insurance.

Upon a motion by Ira S. Singer, seconded by Vincent R. Malgeri, the Board voted 4-0 that ERRS Board finds both legal services proposals as submitted meet the minimum evaluation criteria contained in the ERRS RFP and that the Board begin to move them to the next level of evaluation to look at comparative evaluation criteria.


Discussion ensued about comparative evaluation criteria including Chapter 32 knowledge, fees, timely service, OML compliance, personnel matters and procurement procedures, ERRS Board meeting attendance, ERRS staff training, represent Board in court and administrative hearings, positive working relationship with consultants, provide timely information on retirement issues, provide interpretation of PERAC and CRAB information. The Board's overall ranking for Sacco law firm as highly advantageous and Murphy, Hesse, Toomey and Lehane as advantageous. The Board reviewed the price proposals (\$250 an hour for Murphy, Hesse, Toomey and Lehane, \$240 an hour for Sacco) and escalators. These were found based on what ERRS is paying now and services provided in line with current contracts. The Board ranked relative to fees Murphy, Hesse, Toomey and Lehane advantageous and Sacco as highly advantageous. Discussion addressed how Katharine Hesse could be invited to an upcoming Board meeting in the fall.

Upon a motion by Ira S. Singer, seconded by Vincent R. Malgeri, the Board voted 4-0 to award two contracts for continuing legal services: one to Murphy, Hesse, Toomey and Lehane for services now being provided and outlined as specialty in RFP, and second to Michael Sacco and his law firm to provide full range of services outlined in RFP, and contracts be approved using draft contracts in RFP, and authorized ERRS Board Chair to sign on behalf of full Board.


Motion to Adjourn

Upon a motion by Vincent R. Malgeri, seconded by Ira S. Singer, the Board voted 4-0 to adjourn the meeting at 11:45 a.m.


H. Joseph Maney, Chair


Susan J. Yaskell, Vice Chair


Vincent R. Malgeri


Ira S. Singer