

ESSEX REGIONAL RETIREMENT BOARD
REGULAR SESSION
April 29, 2019

At the regular meeting of the Essex Regional Retirement Board held on Monday, April 29, 2019, at 491 Maple Street, Suite 201 at 8:30 a.m. the following Board members were present for all or some of the meeting: Alan J. Benson, Vincent R. Malgeri, H. Joseph Maney, Kevin A. Merz and Susan J. Yaskell.

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

Charles Kostro, ERRS Executive Director

Michael Sacco, ERRS Counsel

John Parsons, Executive Director, PERAC

Colleen Soares, Member from the Town of Rockport

Susan Horwitz, Counsel for Ms. Soares

John Horvath, Police Chief, Town of Rockport

Board Chair Joseph Maney called the meeting to order at 8:37 a.m.

The Board said the pledge of allegiance.

Approval of Board Minutes

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted 5-0; To approve the minutes of the regular and executive session of the meeting of March 25, 2019.

Public Comment Period

There were no public comments.

John Parsons, Executive Director, PERAC

Mr. Parsons introduced himself to the Board and noted that he is in the process of visiting every retirement board in Massachusetts. He said he would speak generally about retirement system issues and then he had a few remarks about this retirement board in particular. Mr. Parsons reviewed his prior work experience and his view of the role of PERAC in overseeing retirement boards. He described the funding challenges facing retirement boards and the question of whether public pension systems are sustainable. Mr. Parsons then addressed his comments to the Essex Regional Retirement Board specifically. He recalled the history of the board from many years ago when things were so bad that PERAC had to send a monitoring team to end the abuses and problems identified in this retirement system. He complimented the Board on the work that has been done to fix the system and he noted the excellent choice he felt they made in hiring Mr. Kostro as the Executive Director. Mr. Parsons said that Mr. Kostro is active on the Public Pension Advisory Group that advises PERAC on retirement matters, and he reviewed his history with Mr. Kostro, who he has known for twenty-five years. Mr. Parsons thanked the Board for their time and asked if

anyone had any questions. Mr. Merz reviewed the Board's attempt several years ago to move to an actuarial appropriation process and noted that there was some question whether the statute permitted PERAC to authorize actuarial based appropriations. Mr. Parsons said that he was not aware that this matter has ever risen to the level of legislation, but he is aware of the issue and he did not think PERAC would have any problem with legislation which clarified their authority to approve actuarial based appropriations. Mr. Merz asked why does PERAC approve actuarial based appropriations when it is not legally able to be done. Mr. Parsons responded that this is a longstanding practice that has been deemed acceptable and that it provides an equitable manner for retirement boards to assess the appropriation. Mr. Merz said that it does make sense to have it but that PERAC is the oversight agency that is supposed to be following the law but here is a situation in which PERAC does not follow the law so why doesn't PERAC make a change so that the agency actually follows the law? Mr. Merz continued that he has spoken to Jim Lamenzo, the PERAC Actuary in the past and all that he says is "I don't know, we just do this" and he said that this is not a good answer, that PERAC just continues to do what is wrong year after year. He said with Mr. Parsons being new, he would like to see PERAC actually follow the laws that are written. Mr. Parsons said that it is a point well taken and he will review it further. Mr. Malgeri said that by way of clarification, when the Board floated the idea of the actuarial appropriation at an Advisory Council meeting, one of the larger units indicated that they may sue to stop it. Mr. Malgeri felt that this discussion and the ambiguity in the law that many felt existed, caused the Board to stop pursuing the actuarial based appropriation. Mr. Malgeri felt that if PERAC took the lead to clarify that the authority exists to implement an actuarial based appropriation that would be very helpful. Mr. Malgeri also asked about the 3(8)(c) process, which could be streamlined if the total liability was paid at the time of the transfer of a member's funds. He asked if PERAC is looking at legislation to address it. Mr. Parsons indicated that this issue has been under discussion and what Mr. Malgeri is proposing is a reasonable solution, but it would be a massive undertaking. Mr. Parsons left the meeting.

Ascent Venture Partners – Annual Fund Manager Meeting

Walter Dick from Ascent Venture Partners reviewed the investment performance for Funds III, IV and V. He reviewed some of the shifts in personnel assignments which have taken place within the firm. Mr. Dick reviewed the twenty investments and their performance in Fund III and noted that there are no more capital calls for this fund. He reviewed the seventeen investments in Fund IV and that this fund is also 100% drawn. For Fund V, there have been ten investments and Mr. Dick reviewed the performance of this fund. There were no questions from the Board for Mr. Dick.

New Enrollments

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted 5-0; That the following named employees be enrolled in the Essex Regional Retirement System, a list of eighteen names beginning with Nicole M. Amalfitano and ending with Karin E. Ward.

<u>Name</u>	<u>Unit Name</u>	<u>Department</u>	<u>Date</u>	<u>Group</u>
Amalfitano, Nicole M	Pentucket	School	12/17/2018	1
Bernard, Cody M	Merrimac	Electric/Light	01/15/2019	4
Bernard, Tara M	Merrimac	Dispatcher/Police	01/07/2019	1
Burke, Julia A	North Andover	School	10/01/2018	1
Canty, Matthew J	Nahant	Fire	11/05/2018	4
Catizone, Nicole M	Lynnfield	School	11/26/2018	1
Colbert, Jamie M	H/W RSD	School	02/04/2019	1
Crawford, Matthew J	Lynnfield	School	10/31/2018	1
Curell, Benjamin	North Andover	Conservation	02/04/2019	1
Hanson, Jennifer L	H/W RSD	School	01/14/2019	1
Howard, Patrick S	Georgetown	School	01/16/2019	1
Jordan, Chantel H	Middleton	School	01/09/2019	1
Kent, Susan D	M/E RSD	School	01/22/2019	1
Peary, Luke C	Middleton	DPW	02/19/2018	1
Ringwood, Wesley A	Georgetown	School	02/01/2019	1
Vasques, Julio	Georgetown	School	12/03/2018	1
Ventura, Elaine G	North Andover	School	02/25/2019	1
Ward, Karin E	Masconomet RSD	School	01/22/2019	1

New Retirements

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted 5-0; That the following four members of the Essex Regional Retirement System be awarded superannuation retirement benefits calculated as follows:

1. Daniel J. Folding, Light Dept. General Manager, Town of Rowley, Group 4
Effective Retirement Date: March 1, 2019
Monthly Retirement Allowance: \$8,432.70
Annual Retirement Allowance: \$101,192.40
2. Scott P. Hirtle, Patrolman, Town of Rowley, Group 4
Effective Retirement Date: March 14, 2019
Monthly Retirement Allowance: \$2,395.17
Annual Retirement Allowance: \$28,742.04
3. Virginia G. Nangle, Payroll Clerk, Rockport Public Schools, Group 1
Effective Retirement Date: February 28, 2019
Monthly Retirement Allowance: \$1,050.81
Annual Retirement Allowance: \$12,609.72
4. Robert H. Viel, D.P.W. Mechanic, Town of Wenham, Group 1
Effective Retirement Date: March 8, 2019
Monthly Retirement Allowance: \$2,138.18
Annual Retirement Allowance: \$25,658.16

Disability Retirement – Cheryl Martin

Upon a motion by Vincent R. Malgeri, seconded by Alan J. Benson, the Board voted 5-0; That the following member of the Essex Regional Retirement System be awarded disability retirement benefits calculated as follows:

1. Cheryl A. Martin, School Department, Town of North Andover, Group 1
Effective Retirement Date: April 10, 2018
Monthly Retirement Allowance: \$497.32
Annual Retirement Allowance: \$5,967.84

Creditable Service Awards

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted 5-0; That the retirement system staff has verified that the required payments having been received, that the following eleven members of the Essex Regional Retirement System be awarded creditable service as follows:

1. Diane Borseti shall be awarded five months of creditable service for the purchase of prior non-membership service rendered from September 3, 1997 to September 5, 2000 with the Town of Lynnfield.
2. Bruce J. Dow shall be awarded four years and two months of creditable service at no cost for reserve police service rendered from July 17, 2002 to September 30, 2006 with the Town of Salisbury.
3. Daniel P. Lanen shall be awarded six years and one month of creditable service at no cost for reserve police service rendered from January 5, 1988 to February 21, 1994 with the Town of North Andover.
4. Kelsey A. Liakos shall be awarded four months of creditable service for the purchase of prior non-membership service rendered from May 17, 2015 to September 29, 2015 with the Northeast Mosquito Control Project.
5. Andrea L. Locke shall be granted late entry into membership and her enrollment date changed to April 1, 2008 when she originally qualified membership but did not have retirement deductions taken from her qualified earnings, and, further, she shall be awarded eight months of creditable service for prior non-membership service rendered from March 15, 2007 to March 31, 2008 for her service with the Town of Manchester.
6. David MacMullen shall be awarded four years of creditable service for the purchase of military service rendered from January 9, 1985 to January 8, 1988 in the United States Army, and from September 8, 2004 to October 23, 2005 in the Army National Guard.

7. Mark McCoy shall be awarded two years and eight months of creditable service at no cost for reserve police service rendered from December 5, 1996 to August 14, 1999 with the Town of Manchester.
8. Michael A. Reilly shall be awarded four months of creditable service at no cost for reserve police service rendered from May 31, 1988 to October 10, 1988 with the Town of Newbury.
9. Daniel Souliotis shall be awarded four years and two months of creditable service at no cost for call firefighter service rendered from September 18, 2006 to March 30, 2013 with the Town of Salisbury.
10. Anthony J. Sousa shall be awarded seven months of creditable service at no cost for reserve police service rendered from June 30, 2014 to February 1, 2015 with the Town of North Andover.
11. Pamela Thorne shall be awarded ten months of creditable service rendered from August 17, 2015 to May 20, 2017 when she was a member and should have had deductions taken from her qualified earnings with the Town of Manchester.

Liability Requests

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 5-0; To take the following action on requests for the acceptance of liability received by the retirement system:

1. To deny liability as requested by the Worcester Regional Retirement System on behalf of Gayle A. Dion as this individual was not a member of the retirement system during the period requested, did not remit contributions, and was not wrongfully excluded from membership.
2. To deny liability as requested by the Gloucester Retirement Board on behalf of Merri Foote for service rendered from September 2008 to October 2018 as this individual was not a member of the retirement system during this period, did not remit contributions, and was not wrongfully excluded from membership.
3. To accept liability as requested by the Massachusetts Teachers Retirement System on behalf of Abby McCarthy for one year and seven months for prior refunded service rendered from November 22, 1999 to June 28, 2001 with the Town of Ipswich.
4. To deny liability as requested by the Andover Retirement Board on behalf of Rosemary McPherson as this individual was not a member of the retirement system during the period requested, did not remit contributions, and was not wrongfully excluded from membership.

5. To accept liability as requested by the Haverhill Retirement System on behalf of Jonathan W. Pramas for one year and ten months for service rendered from August 31, 1995 to July 13, 1997 as a call firefighter with the Town of North Andover, provided, however, that the Board reserves the right to reconsider this decision upon the conclusion of litigation in the "Gomes" matter.
6. To accept liability as requested by the Bristol County Retirement System on behalf of Richard W. Shailor for four years and four months of service rendered from September 28, 1992 to January 30, 1997 as a reserve police officer with the Town of Rowley, provided, however, that the Board reserves the right to reconsider this decision upon the conclusion of litigation in the "Gomes" matter.

Installment Plans

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 5-0; To approve an installment plan as described below for the following members:

1. Mary Beth Lawton for the purchase of prior refunded service which shall be paid in full on or before May 2, 2022 in accordance with the terms and conditions as presented.
2. Jean McNamara for the purchase of prior refunded service which shall be paid in full on or before June 30, 2022 at an interest rate of 3.75% subject to the approval of PERAC, and in accordance with all other terms and conditions as presented.

Refund Warrant – April 2019

Upon a motion by Alan J. Benson, seconded by Kevin A. Merz, the Board voted 5-0; To approve refund warrant RT2019.04 for April 2019, to refund, rollover, or transfer the accounts of the individuals listed below, a list of twenty-six members beginning with Matthew S. Barrett and ending with MaryBeth Wiser, in the total net amount of \$317,356.01.

Name	Type	Board or Institution
Barrett, Matthew S.	Transfer	Woburn Retirement Board
Desfosses, William A.	Withdrawal	
Doucette, Renee D.	Transfer	Massachusetts Teachers Retirement System
Doyle, Daniel E.	Transfer	Massachusetts Teachers Retirement System
Gillotte, Maggie A.	Transfer	Massachusetts Teachers Retirement System
Gupte, Seema S.	Withdrawal	
Hurley, Tara M.	Transfer	Andover Retirement Board
Johnson, Shane E.	Transfer	Revere Retirement Board
Jones, Elizabeth B.	Transfer	Newburyport Retirement Board

Kaye, Lauren E.	Transfer	Massachusetts Teachers Retirement System
Kowalski, Derek A.	Transfer	Beverly Retirement Board
Kwiatek, Joseph	Transfer	Massachusetts Teachers Retirement System
Manganaro, Christopher	Transfer	Massachusetts Teachers Retirement System
Mazza, Suzanne D.	Transfer	Haverhill Retirement Board
McNelly, Katelyn A.	Withdrawal	
Murphy, Joseph D.	Transfer	Massachusetts Teachers Retirement System
Nangle, Virginia G.	Erroneous Deductions	
Polonsky, Paul E.	Erroneous Deductions	
Robart, Curtis C.	Transfer	Haverhill Retirement Board
Robicheau, Kristan D.	Transfer	Massachusetts Teachers Retirement System
Rubino, Benjamin S.	Rollover	Vanguard Fiduciary Trust
Ryan, Dianna L.	Withdrawal	
Sinclair Fisher, Elizabeth T.	Transfer	Massachusetts Teachers Retirement System
Viel, Robert H.	Erroneous Deductions	
Wahlberg, Carolyn F.	Transfer	Massachusetts Teachers Retirement System
Wiser, MaryBeth	Transfer	Middlesex County Retirement System

March Retirees Payroll

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 5-0; To approve the retirement allowances for the month of March in the actual amount of \$3,893,141.65.

April Retirees Payroll

Upon a motion by Alan J. Benson, seconded by Susan J. Yaskell, the Board voted 5-0; To approve the retirement allowances for the month of April in the actual amount of \$3,899,025.23.

ERRS Payroll

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 5-0; To approve the payment of the ERRS employee payrolls for March 29, 2019, in the amount of \$18,707.91, for April 12, 2019 in the amount of \$16,832.90, and for April 26, 2019 in the amount of \$18,707.91.

Cash Disbursement Warrant CD2019.03c

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 5-0;
To approve the Cash Disbursement Warrant CD2019.03c for March 2019 for the wire transfer from the PRIT Fund to Eastern Bank as presented in the total amount of \$2,500,000.00.

Vendor	Amount
PRIM - Transfer to Eastern Bank	2,500,000.00
Total	2,500,000.00

Cash Disbursement Warrant CD2019.04

Upon a motion by Alan J. Benson, seconded by Vincent J. Malgeri, the Board voted 5-0;
To approve the Cash Disbursement Warrant CD2019.04 for April 2019 as presented in the total amount of \$23,583.49.

Vendor	Amount
Access - Monthly Fee	387.17
ASI Flex - Admin Fees	5.00
Comcast - Monthly Fee	398.88
Town of Danvers, Danvers Electric - #201 - Monthly Fee	108.25
Town of Danvers, Danvers Electric - #202 - Monthly Fee	147.18
Group Insurance Commission - GIC Health 01/01/2019 - 03/31/2019	10,494.39
Harpers Payroll Services - 2019.03.27	81.95
Harpers Payroll Services - 2019.04.10	43.40
Harpers Payroll Services - 2019.04.24	81.95
HIQ Computers - #1212212 - APC, Bandwidth, Board Member Access, etc.	495.00
HIQ Computers - #121131 - Sonicwall Renew 3-Year Subscription	755.00
HIQ Computers - #121132 - Upgraded WiFi Access Points	690.00
HIQ Computers - Monthly Replication Services	90.00
H.C.O.P.T. - Condo Fees - 2019.04	1,511.00
H.C.O.P.T. - Condo Fees - 2019.05	1,511.00
Kostro, Charles - PRIM Meeting - Mileage and Parking	72.84
Law Office of Michael Sacco - 2019.03	5,459.00
Ricoh USA, Inc. - 2019.04	288.69
W.B. Mason - Office Supplies	721.12
S.J. Services, Inc. - Office Cleaning - Monthly Bill	241.67
Total	23,583.49

Cash Disbursement Warrant CD2019.04a

Upon a motion by Alan J. Benson, seconded by Vincent J. Malgeri, the Board voted 5-0; To approve the Cash Disbursement Warrant CD2019.04a for April 2019 for the wire transfer from the PRIT Fund to Eastern Bank as presented in the total amount of \$2,500,000.00.

Vendor	Amount
PRIM - Transfer to Eastern Bank	2,500,000.00
Total	2,500,000.00

IT Consulting Services Supplemental Agreement

Mr. Kostro reviewed the procurement of IT consulting services from 2018. He noted that he had proposed an RFP to secure IT consulting services last fall as the existing agreement with HIQ Computers was coming due. When Mr. Kostro sought the Board's approval for the RFP, the Board instead directed that he use a state contract to retain HIQ. Mr. Kostro noted that the state contract expired in March of 2019 but that it was extended to June of 2020. However, he said, the state contract contains generic terms which do not necessarily protect the retirement system or provide the specific services used by ERRS. This document is a supplemental agreement to the state contract which is nearly identical to the agreement used through the competitive bid process. This agreement has been modified to reflect that it is a supplemental agreement to the state contract, but the terms and conditions are substantially similar to the IT consulting agreements used by ERRS since 2012. Mr. Kostro noted that the agreement has been reviewed by ERRS Counsel and has already been signed by HIQ. Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 5-0; To authorize the Chair to sign the supplemental agreement for IT Consulting Services as presented.

2018 Annual Statement

Mr. Kostro presented to the Board the 2018 Annual Statement of Financial Condition of the retirement system for submission to PERAC. Mr. Malgeri noted that this is Mr. Provensal's first annual statement and that it is being filed timely. Mr. Malgeri asked Mr. Kostro how many years the statement has been filed timely. Mr. Kostro responded that the annual statement has been filed timely going back to his first one in 2012, and that for the seven to ten years prior to that point, the annual statement was not filed timely. Mr. Merz asked Mr. Kostro if he has reviewed the annual statement. He questioned the increase in 3(8)(c) payments from 2016 to 2018 and asked why there has been an increase. Mr. Kostro responded that the primary reason for the increase is that MTRS has been catching up on a backlog of these requests and that all retirement boards were facing increased 3(8)(c) bills as a result. He noted that ERRS has been very diligent in reviewing 3(8)(c) bills and have not paid ones that lacked documentation. He reminded the Board that a significant amount of 3(8)(c) bills were not paid, particularly from the state, because they were lacking documentation. Mr. Merz asked if there is anything Mr. Kostro saw in the report when he reviewed it that led him to question any of the numbers. Mr. Kostro responded that the only

significant issue that was cleared up was a small deficit in the pension fund. ERRS contacted PERAC and received permission to transfer the necessary amount from the pension reserve fund, which was done and which eliminated the deficit in that account. Mr. Kostro further noted that the annual statement is also sent to Powers & Sullivan and to Segal Company. Mr. Merz questioned whether the auditors and the actuary review the report or if it is just sent to them for their information. Mr. Kostro said that the Annual Statement is used by Segal Company for the development of their GASB 67 & 68 report and that Powers & Sullivan check the Annual Report's numbers to ensure that they match the financial statements. Mr. Merz asked if the audit has started. Mr. Kostro said that the auditors arrived in early March and have already been here and gone. Mr. Merz questioned if Mr. Kostro was aware of any issues that have come from the audit. Mr. Kostro said that there were no significant questions raised to him about the finances or operations or the retirement system, other than the typical questions that normally come up and which were addressed. He noted that until the final audit report is received, you will not know precisely the issues that may come up, but that from an operational standpoint, this audit was one of the quicker ones he has experienced. Mr. Merz questioned Mr. Kostro on whether the staff was prepared when the auditors arrived. Mr. Kostro noted that there is a lot of pulling of files in preparation for the audit and, as will be discussed in the next item, the office continues to be short-handed. But he said that Mr. Provensal has made a smooth transition to the Director of Finance position and he noted the excellent job Ms. Speicher did in preparing ERRS when she left the retirement system. Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 5-0; To approve the annual statement as presented.

Receptionist/Office Administrator

Mr. Kostro reviewed the staffing challenges that continue to face the retirement system, noting that the staff has been limited to six positions for almost a decade. He said a lot of additional responsibilities have been added on to the staff over those years, such as the need to review actual payroll records when processing retirements, which was not the case a few years before. He also described how the new PTG employer reporting module has worked as intended thus far, but it is also identifying more issues and problems that need to be addressed and corrected by the staff. Mr. Kostro said that the Membership Coordinator position has long needed additional help and that it has been one of the hardest positions to fill and, once filled, one of the hardest positions in which to retain people. He noted that at just over three years of service, Ms. Masterson is now the longest serving person in this role. Mr. Kostro said that the person in this position is responsible for handling the deduction reporting for forty-seven units, plus other duties and responsibilities. He said that he has been trying to combine aspects of the Membership Coordinator position with the administrative assistant position in order to use an existing vacancy to provide some support with the posting of members deductions. He contrasted the lack of back up for deduction posting with the good structure and back up that exists with the retirement counselor positions. Mr. Kostro noted that Ms. Yaskell and Mr. Malgeri have spent countless hours, not just in interviews and reviewing resumes, but in meeting with the existing staff to try and determine the best way to make the office work within the existing budgetary limitations. He said that after the interviews for the current position, it was the consensus of opinion among himself, Ms. Yaskell and Mr. Malgeri that the combining of two positions into one

was just not going to work. Mr. Kostro said that the office is in need of administrative help and that he feels the Board needs to move forward and fill a position that provides some administrative help. He said he will develop a budget for 2020 which seeks a new, additional position, similar to the proposed part-time position that was in the Board's packet, to try and get the retirement system properly staffed to meet its operational obligations. Mr. Kostro noted that the retirement system has been short-handed for seven months and has been through two searches trying to make things work under the current limitations but it has not been successful, and that in the short-term, he would at least like to fill the administrative position. He said that the position proposed for the Board's approval today pays \$10,000 less than the vacant administrative position, and pays less than current postings for similar positions at MTRS. Ms. Yaskell described the conversations she had with the staff over the past several months and the need for administrative help and she thinks the plan before the Board is a good one. Mr. Malgeri said it has really been incredible how difficult this has been and how long the process has been. He said that the meetings with the staff, which he noted were not held in the presence of the Executive Director, were really enlightening regarding the current workload and needs of the office. Mr. Malgeri said that it is really becoming essential to fill these positions. Mr. Merz thanked everyone involved for the hours they have put in to trying to make this work and he appreciates that difficulty of the decision not to proceed if they felt continuing would be a mistake. He said that he likes the current proposal but reminded the Board that the mistakes of the past should not be repeated, noting the practice of the prior board where a relative of a Board member ended up getting hired for a high paying position in which they did very little other than answer phones. Discussion ensued about the duties of the current position being more than just answering the phone and that under the prior Board all positions were paid very well. Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted 5-0; To approve the position description for a Receptionist/Office Administrator as presented.

New Business – Board Member Travel Approvals

Mr. Merz asked Mr. Malgeri if there was an issue he wished to bring up to the Board. Mr. Malgeri indicated that he was concerned as to when the Board will approve travel to the MACRS Conference as there is only the May meeting left before the conference begins. He noted that this issue will be on the May agenda as he understands it. Mr. Merz asked Mr. Kostro what the travel budget is for this year, and Mr. Kostro advised that it is \$6,500. Mr. Merz questioned why the Board approves travel every year and suggested that the travel budget be divided up between the five board members for their use as they see fit. He said that as long as a board member is within that annual travel budget for trips that receive PERAC training credits you do not need board approval, since the funds have already been approved through the budget process. Mr. Benson pointed out that the PERAC rules require approval of individual travel reimbursement requests, and Mr. Malgeri noted that the ERRS rules also require approval of individual travel reimbursements. Mr. Malgeri further noted that this item is not on the agenda and really should be put on the next meeting agenda. Mr. Benson questioned whether there will be enough time if they wait to the next meeting to act on the travel requests for MACRS. Discussion ensued on which Board members will attend which portions of the conference. Mr. Benson asked Mr. Kostro if he will be attending MACRS, and Mr. Kostro replied that he was not planning to as no funds are available for his

overnight travel. Mr. Malgeri reminded the Board that they knocked the funds out of the budget for Mr. Kostro's travel to MACRS a few years prior. Mr. Benson questioned why the Board wouldn't just approve the travel now. Mr. Merz asked Mr. Malgeri what he does in terms of splitting travel expenditures now that he is part of two retirement systems, and he questioned what Mr. Kostro does as well since he is also a member on another retirement board. Mr. Malgeri noted that he accrues credits only for being a board member and not for being an administrator which is why ERRS pays for his travel. Mr. Maney said that this arrangement made sense. It was noted that Mr. Kostro no longer attends MACRS due to the elimination of funding for his travel. Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted 5-0; That any of the five members of the Board be allowed to go to the TEDS and Annual MACRS Conference for overnight travel in June. Mr. Benson asked Mr. Kostro to register the Board members who are going and it was noted that Mr. Malgeri will attend the TEDS and the Annual Conference and Mr. Benson, Ms. Yaskell and Mr. Maney will be attending the Annual Conference only.

Executive Session

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted by roll call; Mr. Benson, Yes; Mr. Malgeri, Yes; Mr. Maney, Yes; Mr. Merz, Yes; and Ms. Yaskell, Yes; To move to executive session to act on the application of Town of Rockport for a disability retirement benefit for Colleen Soares and to act on the application of Mary Delamater for a disability survivor benefit.

Mr. Maney stated that the Board will be returning to open session upon the conclusion of the executive session only for the purpose of adjourning the meeting.

The Board entered executive session at 9:45 a.m.

Mr. Merz noted that he was recusing himself from the disability application involving Colleen Soares and left the meeting at 9:50 a.m.

The Board returned from executive session at 10:02 a.m.

While in executive session, the Board voted as follows:

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted by roll call: Vincent R. Malgeri, Yes; H. Joseph Maney, Yes; Kevin A. Merz, Yes; and Susan J. Yaskell, Yes; To deny the accidental death benefit application of Mary Delamater filed pursuant to Massachusetts General Law Chapter 32, Section 9.

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted by roll call: Alan J. Benson, Yes; Vincent R. Malgeri, Yes; H. Joseph Maney, Yes; and Susan J. Yaskell, Yes; To approve Collen Soares for an ordinary disability retirement. Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted by roll call: Alan J. Benson, Yes; Vincent R. Malgeri, Yes; H. Joseph Maney, Yes; and Susan J. Yaskell,

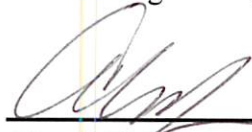
Yes; To deny the involuntary accidental disability application of the Town of Rockport filed on behalf of Colleen Soares.

Motion to Adjourn

Mr. Malgeri pointed out to the Board members that in the communications received this month there was a nice commendation from PERAC regarding the actuarial RFP drafted by Mr. Kostro. Mr. Malgeri pointed out that PERAC is using Mr. Kostro's RFP as their model to use when procuring actuarial services and is distributing it to other retirement boards. Mr. Kostro advised the Board that Mr. Sacco was instrumental to helping draft the RFP.

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0; To adjourn the meeting.


The meeting was adjourned at 10:02 a.m.



Alan J. Benson



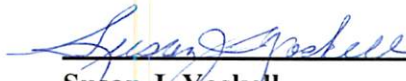
Vincent R. Malgeri



H. Joseph Maney



Kevin A. Merz



Susan J. Yaskell

The following materials were provided to the Board for items acted upon during the regular session of the meeting:

- Agenda
- Board Minutes
- New Enrollments
- New Retirement Calculations
- Service Purchase Award Letters
- Liability Letters
- Monthly Warrants
- IT Consulting Supplemental Agreement
- 2018 Annual Statement
- Position Descriptions

In addition to the materials provided to the Board for items acted upon during the regular session of the meeting, the following documents were also provided:

- Advisory Council Meeting Agenda
- Agenda Posting Checklist
- BlackRock Press Release
- Executive Director's Schedule
- Financial Reports – 2019 Cash Flow Plan
- Financial Reports - Monthly Bank Reconciliation – February
- Financial Reports - Adjustments - 2018.12
- Financial Reports - Cash Receipts - 2018.12
- Financial Reports - Disbursements - 2018.12
- Financial Reports - General Ledger - 2018.12
- Financial Reports - PRIM Investment Performance - March.2019
- Financial Reports - Trial Balance - 2018.12
- Financial Reports - Trial Balance.2 - 2018.12
- Kostro - Ethics Disclosure
- PERAC Compliance Office Comments
- Public Records Requests - 2019