

**ESSEX REGIONAL RETIREMENT BOARD  
OCTOBER 24, 2016**

At a regular meeting of the Essex Regional Retirement System (ERRS) held on Monday, October 24, 2016 at 491 Maple Street, Suite 201 at 8:30 a.m. the following Board members were present for all or some of the meeting: H. Joseph Maney, Susan J. Yaskell, Kevin A. Merz, Vincent R. Malgeri, Alan J. Benson.

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

Jane Dooley, Board Secretary  
Charles Kostro, ERRS Executive Director  
Michael Sacco, ERRS General Counsel  
Joan Tindle, wife of deceased member  
Associate of Mrs. Tindle's

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**

The Massachusetts Open Meeting Law permits meetings to be recorded and states that the Chair shall inform attendees at the beginning of the meeting of any such recording. Therefore, I am informing everyone attending this meeting that Jane Dooley, the Board Secretary, is recording this meeting.

**Approval of Board Minutes**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 4-0-1 with Alan J. Benson abstaining, to approve the minutes of the regular and executive session of the meeting of September 26, 2016.

**Public Comment Period**

Joan Tindle mentioned that she was in attendance related to her accidental death benefit application relative to survivor benefits.

**New Enrollments**

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted: 5-0 that all of the required documentation has been received to enroll the following named employees in the Essex Regional Retirement System, a list of seventy-five names beginning with Erin K. Antonopoulos and ending with Stephanie A. Zimbaldi.

<u>Name</u>	<u>Unit Name</u>	<u>Department</u>	<u>Hire Date</u>	<u>Group</u>
Antonopoulos, Erin K.	Pentucket RSD	School	08/31/2016	1
Archer, Susan A.	Hamilton-Wenham RSD	School	08/29/2016	1

Ash, Nawal	North Andover	School	08/30/2016	1
Basile, Kelli A.	Triton RSD	School	09/12/2016	1
Bider, Katherine M.	Lynnfield	School	09/01/2016	1
Boccia, Cynthia F.	Masconomet RSD	School	08/31/2016	1
Brown, Lisa P.	Middleton	Building	09/13/2016	1
Caldwell, Amy E.	Boxford	School	09/26/2016	1
Chadbourn, James D.	Newbury	Fire	08/29/2016	4
Ciampa, Stephanie A.	Middleton	School	09/13/2016	1
Ciccio, Aliza J.	Middleton	School	09/01/2016	1
Clancy, Michael P.	Georgetown	School	07/25/2016	1
Conley, Alyssa A.	Georgetown	School	08/09/2016	1
Crowley, Patti A.	Triton RSD	School	05/16/2016	1
Dagley, Glenn M.	Hamilton-Wenham RSD	School	08/29/2016	1
Diaz, Gabriella N.	Masconomet RSD	School	09/06/2016	1
DiFelice, Tara E.	Lynnfield	School	08/30/2016	1
DiSalvatore, Ellen E.	Lynnfield	School	08/18/2016	1
Doherty, Mary A.	Triton RSD	School	08/29/2016	1
Dolan, Jared W.	Hamilton	Fire	09/04/2016	4
Dolcimascolo, Michelle L.	North Andover	School	08/31/2016	1
Driscoll, Nevin M.	Manchester-Essex RSD	School	09/19/2016	1
Dyer, MaryBeth G.	Hamilton-Wenham RSD	School	08/29/2016	1
Farrell, Sandra M.	Pentucket RSD	School	08/29/2016	1
Flaherty, Corinn B.	Salisbury	Library	09/12/2016	1
Flanagan, Joshua K.	Boxford	DPW	09/20/2016	1
Francis, Elisabeth A.	Pentucket RSD	School	08/29/2016	1
Fudge, Jillian S.	Masconomet RSD	School	08/31/2016	1
Gallagher, Alyssa R.	Middleton	School	09/06/2016	1
Goodwin, Jennifer D.	Newbury	Inspectional Serv.	06/22/2016	1
Gordon, Justine E.	Pentucket RSD	School	08/29/2016	1
Hall, Theresa H.	Hamilton-Wenham RSD	School	08/29/2016	1
Hamm, Carol J.	Lynnfield	School	08/31/2016	1
Harris, Samantha D.	Hamilton-Wenham RSD	School	09/06/2016	1
Howard, Elaine M.	Newbury	Assessors & Staff	06/27/2016	1
Hughes, Austin E.	Hamilton-Wenham RSD	School	08/29/2016	1
Hutchins, Paul G.	North Andover	Building	09/12/2016	1
Johnston, Danielle M.	North Andover	School	08/31/2016	1
Legere, Mark N.	Hamilton-Wenham RSD	School	09/19/2016	1
Lippi, Christopher R.	Topsfield	Police	09/13/2016	4
Locke, Elizabeth S.	Lynnfield	School	08/31/2016	1
Long, Pamela A.	Manchester-Essex RSD	School	08/29/2016	1
Lopata, Peter J.	Triton RSD	School	09/06/2016	1
Lue, Shawn A.	Ipswich	School	09/12/2016	1
MacEachern, Mavrick J.	Hamilton-Wenham RSD	School	09/08/2016	1
Malynn, Adam P.	Triton RSD	School	08/29/2016	1
Maramaldi, Elizabeth M.	Middleton	School	09/01/2016	1

McDonald, Kevin M.	Pentucket RSD	School	09/01/2016	1
Messina, Desirae L.	Lynnfield	School	08/31/2016	1
Mulkern, Kristy L.	Hamilton-Wenham RSD	School	08/29/2016	1
Muller, Sarah J.	Hamilton-Wenham RSD	School	09/20/2016	1
O'Leary, Bonnie A.	Tri-Town	School	09/01/2016	1
Osborne, Dale L.	North Andover	School/Library	09/26/2016	1
Ostrowski, Shayne M.	Hamilton-Wenham RSD	School	08/29/2016	1
Ouellette, Courtney S.	Lynnfield	School	08/31/2016	1
Pecevich, Allison L.	Georgetown	School	08/30/2016	1
Penta, Alexandra E.	Middleton	School	09/01/2016	1
Pinciario, Rebecca M.	Ipswich	School	09/06/2016	1
Poritzky, Andrea P.	Hamilton-Wenham RSD	School	08/30/2016	1
Price, Jessica R.	Georgetown	School	09/21/2016	1
Prodanas, Amy C.	Hamilton-Wenham	School	08/30/2016	1
Reid, Ashley A.	Masconomet RSD	School	08/31/2016	1
Rizzo, Lauren A.	Lynnfield	School	09/01/2016	1
Robinson, Jillian M.	Ipswich	School	09/02/2016	1
Roy, Melissa S.	Triton RSD	School	08/30/2016	1
Roy, Michele M.	Pentucket RSD	School	08/30/2016	1
Rubin, Julia D.	Hamilton-Wenham RSD	School	09/06/2016	1
Ryu, Claire C.	Hamilton-Wenham RSD	School	08/29/2016	1
Sullivan, Cathy A.	Hamilton-Wenham RSD	School	08/29/2016	1
Tang, Gayla E.	Triton RSD	School	08/29/2016	1
Thornhill, Nathan A.	Manchester-Essex RSD	School	09/12/2016	1
Van Twuyver, Kimberly A.	Triton RSD	School	08/29/2016	1
Varney, Kathleen A.	North Andover	School	08/08/2016	1
Woods, Adam S.	Hamilton-Wenham RSD	School	09/06/2016	1
Zimbaldi, Stephanie A.	Middleton	School	09/01/2016	1

### New Retirements

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted: 5-0 that the retirement system staff has verified that the necessary documentation has been received and that the following eleven members of the Essex Regional Retirement System be awarded superannuation retirement benefits calculated as follows:

1. Timothy F. Briggs, Pentucket Regional School District, Custodian, Group 1  
Effective Retirement Date: September 7, 2016  
Monthly Retirement Allowance: \$1,223.16  
Annual Retirement Allowance: \$14,677.92
2. **Adjustment** - Elizabeth Godzyk, Triton Regional School District, Paraprofessional, Group 1  
Effective Retirement Date: August 16, 2016  
Monthly Retirement Allowance: \$1,239.80

- Annual Retirement Allowance: \$14,877.60
3. Geraldine Gozycki, Town of Merrimac, Tax Collector, Group 1  
Effective Retirement Date: September 9, 2016  
Monthly Retirement Allowance: \$1,677.12  
Annual Retirement Allowance: \$20,125.44
4. Deborah J. Graham, Ipswich Public Schools, Library Assistant, Group 1  
Effective Retirement Date: August 31, 2016  
Monthly Retirement Allowance: \$984.57  
Annual Retirement Allowance: \$11,814.84
5. Kristine Harrison, Town of Salisbury, Dispatcher, Group 1  
Effective Retirement Date: August 18, 2016  
Monthly Retirement Allowance: \$2,943.23  
Annual Retirement Allowance: \$35,318.76
6. **Adjustment** – Charles D. LaBella, Triton RSD, Paraprofessional, Group 1  
Effective Retirement Date: August 15, 2016  
Monthly Retirement Allowance: \$586.59  
Annual Retirement Allowance: \$7,039.08
7. Richard D. LeBel, Town of Topsfield, Police Sergeant, Group 4  
Effective Retirement Date: September 8, 2016  
Monthly Retirement Allowance: \$5,174.82  
Annual Retirement Allowance: \$62,097.84
8. Thomas J. Nentwig, Town of Boxford, Police Officer, Group 4  
Effective Retirement Date: September 1, 2016  
Monthly Retirement Allowance: \$4,466.19  
Annual Retirement Allowance: \$53,594.28
9. Stephen M. Ringuette, Town of Merrimac, Police Sergeant, Group 4  
Effective Retirement Date: August 26, 2016  
Monthly Retirement Allowance: \$4,914.96  
Annual Retirement Allowance: \$58,979.52
10. **Adjustment** - Marina Salenikas, Town of North Andover, Librarian, Group 1  
Effective Retirement Date: July 15, 2016  
Monthly Retirement Allowance: \$686.79  
Annual Retirement Allowance: \$1,123.97
11. Frank W. Twiss, Town of Middleton, Fire Chief, Group 4  
Effective Retirement Date: August 31, 2016  
Monthly Retirement Allowance: \$7,092.39  
Annual Retirement Allowance: \$85,108.68

### **Denial of Liability**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 4-0-1 with Alan J. Benson abstaining, that the Board accepts the recommendation of the Executive Director to deny liability for past service rendered by the following two individuals as described below:

1. Carol A. Gaucher, as requested by the Massachusetts Teachers Retirement System, for service rendered from September 1, 2004 to June 30, 2005, with the Town of Hamilton, as she was not a member of the retirement system, did not remit contributions, and was not wrongfully excluded during this period.
2. Kevin M. Wood, as requested by the Boston Retirement System, for service rendered from April 1984 to July 22, 1987, with the Town of Boxford as he was not a member of the retirement system, did not remit contributions, and was not wrongfully excluded during this period.

### **Refund Warrant**

Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted: 5-0 to approve the warrant for October 2016, to refund, rollover and transfer the total accumulated deductions for seven members beginning with and ending with as described below in the total net amount of \$35,599.68.

<b>Name</b>	<b>Type</b>	<b>Board or Institution</b>
Briggs, Timothy	Withdrawal	
Hale Cindy L.	Rollover	Capital Bank & Trust
Lindberg, Christine M.	Withdrawal	
McKiel, Glenn F.	Withdrawal	
Orne, Bradley S.	Withdrawal	
Samsel, William W.	Rollover	Thrivent Mutual Funds
Walton, Joan Ann	Withdrawal	

### **September Retirees Payroll**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to approve the retirement allowances for the month of September in the actual amount of \$3,452,941.78.

### **October Retirees Payroll**

Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted: 5-0 to approve the retirement allowances for the month of October in the approximate amount of \$3,450,000.00.

### **ERRS Payroll**

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted: 5-0 to approve the payment of the ERRS employee payroll for September 30, 2016, in the amount of \$20,371.15, and for October 14, 2016, in the amount of \$18,496.16.

### **Cash Disbursement Warrant CD2016.10**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to approve the Cash Disbursement Warrant CD2016.10 for October 2016 as presented below in the total amount of \$28,104.23.

<b>Vendor</b>	<b>Amount</b>
ASI Flexible Spending Account - Administrative Fee	10.00
Comcast	338.87
Dahab Associates, Inc.	7,500.00
Town of Danvers Electric - #201	149.01
Town of Danvers Electric - #202	200.93
Dooley, Jane - Board Meeting	275.00
Group Insurance Commission - Health - FY16 Admin Costs	102.00
H.C.O.P.T. - Condo Fee	1,482.00
HIQ Computers - Invoice #112610	129.00
HIQ Computers - Invoice #112830	330.00
Harper's Payroll Service - 2016.09.26	85.59
Harper's Payroll Service - 2016.10.11	48.34
Kostro, Charles - PRIM Board Meeting Parking & Travel	64.57
Law Office of Michael Sacco - 2016.09	13,948.00
Lynch, Pamela - Board Meeting Supplies	141.92
Matthews Cleaning & Painting - 2016.10	282.00
Merz, Kevin - MACRS Conference	632.91
Pitney Bowes Postage Lease - 07/30/2016 - 10/29/2016	1,084.95
Rainmaker Spring LLC - Office Water	21.25
Retrievevex - 2016.10	239.92
Ricoh USA, Inc. - Copier Lease - 2016.09	306.73
Speicher, Anne - PTG Users Group Supplies	186.44
Tyco Integrated Security LLC - Battery Replacement #202	43.94

Verizon Wireless	159.96
W.B. Mason Company, Inc. - Office Supplies	340.90
Total	28,104.23

### **Cash Disbursement Warrant CD2016.10a**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to approve the Cash Disbursement Warrant CD2016.10a for wire transfers for October 2016 as presented below in the total amount of \$2,000,000.00.

<b>Date</b>	<b>Vendor</b>	<b>Amount</b>
10/27/2016	State Street Bank and Trust Wire Transfer to Eastern Bank	\$2,000,000.00
	Total	\$2,000,000.00

### **Board Secretary**

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted: 4-1 with Kevin A. Merz opposed to authorize the Executive Director to appoint Katherine Carleton as the interim Board Secretary to record the minutes of meetings on an as needed basis and to pay her a stipend of \$250.00 per meeting.

The Board discussed how an ERRS employee getting paid a stipend to do the minutes would manage her time so it did not conflict with her regular ERRS duties. This interim work would occur until a permanent person is hired since Jane Dooley, ERRS Board Minutes Secretary, is leaving for full time employment.

Alan J. Benson moved to amend the motion but there was no second to accept the Executive Director's recommendation as presented with the intention that there be no more than three months period of time (three Board meetings) when ERRS staff would do the minutes and at that point the Board will revisit the situation.

### **Board Secretary**

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted: 5-0, to authorize the Executive Director to post an ad for a Board Secretary with a stipend of \$250.00 per meeting, pending a review by Counsel of the appropriate employment status for this position.

### **Funding Schedule**

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted: 4-1 with Alan J. Benson opposed because he does not support the COLA increase, to approve the funding schedule as presented and with a full funding date of Fiscal Year 2035, using generational mortality, Scale BB, with a discount rate of 7.75%, and which includes 7.41% increases in the annual appropriation to Fiscal 2022 with 4.0% annual increases

thereafter, and which includes the anticipated cost of an increase in the COLA Base to \$14,000 to be effective as of July 1, 2017.

### **Accidental Death Benefit Application – Joan Tindle**

The Board discussed with ERRS General Counsel Michael Sacco the medical opinion of PERAC appointed physician that there was no connection between the reason Mr. Tindle retired and his death related to his condition. Sacco described how absent any contrary medical opinion the recommendation was to deny the application of Joan Tindle for survivor benefits pursuant to Massachusetts General Law Chapter 32, Section 9.

Mrs. Tindle explained to the Board that her husband was not physically well after an incident that occurred while he was on duty where another individual jumped from a height onto Mr. Tindle causing damage to his body due to the impact. Sacco clarified that the Board could consider any medical evidence (i.e., relationship of the two conditions – after the incident and at time of death) put forward by the applicant. He suggested a standard needs to be satisfied in the medical documentation that Mrs. Tindle could bring forward to the Board laying the foundation to make a case.

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted: 5-0 to table the application of Joan Tindle for survivor benefits pursuant to Massachusetts General Law Chapter 32, Section 9 until the next ERRS Board meeting.

### **COLA Base Increase Vote**

Upon a motion by Susan J. Yaskell, seconded by Kevin A. Merz, the Board voted: 4-1 with Alan J. Benson opposed, to schedule a vote for the regular meeting of December 19, 2016 to increase the COLA Base to \$14,000, subject to approval by the Advisory Council.

### **Budget Transfer**

The Board discussed how in the last two years legal costs have gone up due to the amount of disability cases.

Upon a motion by Alan J. Benson, seconded by Kevin A. Merz, the Board voted: 5-0 to transfer to the line-item in the 2016 budget entitled Michael Sacco, Attorney at Law, the following amounts totaling \$30,000:

From the line-item Murphy, Hesse, Toomey & Lehane	\$7,500
From the line-item Election Expense	\$6,702
From the Reserve Fund	\$15,798



### **Budget Transfer**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to transfer \$1,850 from the Reserve Fund in the 2016 budget to the line-item entitled PBI – Death Research Services.

### **Fall 2016 Newsletter**

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted: 5-0 to approve the fall 2016 newsletter as presented and incorporating the comments and changes as requested by the Board.

### **Policy Memo #12-10**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to rescind Policy Memo #12-10 as it is no longer applicable.

### **Beneficiary Form**

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted: 5-0 to replace the current ERRS beneficiary form with the standard PERAC beneficiary form effective as of November 1, 2016.

### **Extend Actuarial Services Agreement**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to extend to December 31, 2017 the agreement between ERRS and Stone Consulting, Inc., for the provision of actuarial consulting services pursuant to Section 2 of the agreement.

### **Extend Banking Services Agreement**

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted: 5-0 to extend to June 30, 2017 the agreement between ERRS and Eastern Bank, for the provision of banking services pursuant to Section 3 of the agreement.

### **Cleaning Services IFB**

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted: 5-0 to approve the Invitation for Bids for Office Cleaning Services as presented.

### **Payroll Services IFB**

Upon a motion by Alan J. Benson, seconded by Vincent R. Malgeri, the Board voted: 5-0 to approve the Invitation for Bids for Payroll Services as presented.

The Board took a break at 9:40 a.m. and reconvened at 9:48 a.m.

### **Executive Session**

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted by roll call: Kevin A. Merz, yes, Alan J. Benson, yes, H. Joseph Maney, yes, Vincent R. Malgeri, yes, Susan J. Yaskell, yes, to move to executive session at 9:48 a.m. to act on the disability application of Timothy Leonard and to remain in executive session to discuss strategy with respect to litigation as an open meeting may have a detrimental effect on the litigating position of the retirement system.


### **Statement of the Chair**

The Board will return to open session upon the conclusion of the executive session only for the purpose of adjourning the meeting.

### **Motion to Adjourn**


Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted: 5-0 to adjourn the meeting at 10:15 a.m.

  
H. Joseph Maney

  
Susan J. Yaskell

  
Kevin A. Merz

  
Vincent R. Malgeri

  
Alan J. Benson

In addition to the materials provided to the Board for items acted upon at the meeting, the following documents were also provided:

July and August Financial Reports  
Advisory Council Meeting Minutes  
Agenda Posting Checklist  
Bank Reconciliation Report for September 2016  
BlackRock Distribution Notice dated September 30, 2016  
Essex Regional GASB 67&68 Report  
Executive Director's Schedule  
Expenditure Report – August Final  
Expenditure Report – September Final  
Intercontinental Letter to Investors  
Labaton Sucharow Q2 2016 Securities Litigation Report  
Levin Leichtman Distribution Letter dated September 30, 2016  
Levine Leichtman Transaction Announcement  
Member Correspondence Regarding Meeting with ERRS Staff  
PERAC Board Member Training Credit Report – Third Quarter 2016  
PERAC Election Results Letter dated September 29, 2016  
PERAC Memos 24-26 of 2016  
PERAC Notice of Custodial Bank Account Closing dated October 4, 2016  
PERAC Response – Pension Forfeiture of Retirement Allowance dated  
October 3, 2016  
Sentinel Realty Partners Special Distribution Notice dated September 28, 2016  
Tracking of Legal Cases