

ESSEX REGIONAL RETIREMENT BOARD
REGULAR SESSION
July 29, 2019

At the regular meeting of the Essex Regional Retirement Board held on Monday, July 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: 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

William C. Mehaffey, Member from the Northeast Mosquito Control District

Roy Melnick, Member from the Northeast Mosquito Control District

Shawn Smith, Member from the Town of Ipswich

Leigh Panettiere, Attorney for Mr. Smith

Robert Dole, Member from the Town of Boxford

Meredith Moran, BlackRock (via teleconference)

Ryan Coulter, BlackRock (via teleconference)

Board Chair Joseph Maney called the meeting to order at 8:33 a.m.

The Board said the pledge of allegiance.

Opening Statement by the Chair – Recording of the Meeting

Mr. Maney notified the meeting that 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 that this meeting is being recorded.

Approval of Board Minutes

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0; To approve the minutes of the regular session of the meeting of June 24, 2019.

Public Comment Period

There were no public comments.

New Enrollments

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted 4-0; That the following named employees be enrolled in the Essex Regional Retirement System, a list of ten names beginning with Antonio Barletta and ending with Kathleen Smith.

<u>Name</u>	<u>Unit Name</u>	<u>Department</u>	<u>Date</u>	<u>Group</u>
Barletta, Antonio	Nahant	Town Administrato	08/13/2018	1
Brocher, Sarah	Newbury	TV/Operations	04/01/2019	1
Davis, Jayson	Salisbury	Police	04/01/2019	4
LeBlanc, Amy	Pentucket	School	01/02/2019	1
Greenslade, Lori	Rockport	DPW	06/10/2019	1
Jutras, Paul	North Andover	Info/Tech	06/18/2019	1
Roldan, Briana	Pentucket	School	12/17/2018	1
Rais, Christopher	Ipswich	Facilities	01/14/2019	1
Stewart, Stephanie	Pentucket	School	12/17/2018	1
Smith, Kathleen	Ipswich	Utilities	06/10/2019	1

New Retirements

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

1. Francine K. Blair, Tutor, Town of Georgetown, Group 1
Effective Retirement Date: June 30, 2019
Monthly Retirement Allowance: \$654.20
Annual Retirement Allowance: \$7,850.40
2. Donna Bunk, Executive Assistant, Hamilton-Wenham RSD, Group 1
Effective Retirement Date: June 30, 2019
Monthly Retirement Allowance: \$3,765.87
Annual Retirement Allowance: \$45,190.44
3. Barbara A. Coleman, Instructional Assistant, Triton RSD, Group 1
Effective Retirement Date: June 30, 2019
Monthly Retirement Allowance: \$289.95
Annual Retirement Allowance: \$3,479.40
4. Richard A. Cronin, Jr., Custodian, Town of Nahant, Group 1
Effective Retirement Date: June 28, 2019
Monthly Retirement Allowance: \$1,194.78
Annual Retirement Allowance: \$14,337.36
5. Ruth E. Eifert, Library Director, Town of Georgetown, Group 1
Effective Retirement Date: June 25, 2019
Monthly Retirement Allowance: \$1,790.67
Annual Retirement Allowance: \$21,488.04
6. Nicolina L. Ferullo, Extended Day Teacher, Town of Lynnfield, Group 1
Effective Retirement Date: June 14, 2019

Monthly Retirement Allowance: \$1,981.69
Annual Retirement Allowance: \$23,780.28

7. Christine A. Kaissar, Administrative Assistant, Groveland Housing Authority, Group 1
Effective Retirement Date: June 1, 2019
Monthly Retirement Allowance: \$417.79
Annual Retirement Allowance: \$5,013.48
8. Norma A. Koloski, Instructional Assistant, Triton Regional School District, Group 1
Effective Retirement Date: June 30, 2019
Monthly Retirement Allowance: \$1,282.22
Annual Retirement Allowance: \$15,386.64
9. Angela A. Memmolo, School Secretary, Town of North Andover, Group 1
Effective Retirement Date: June 30, 2019
Monthly Retirement Allowance: \$2,918.49
Annual Retirement Allowance: \$35,021.88
10. **ADJUSTMENT** - Betty J. Minton, Secretary, Hamilton-Wenham Regional School District
Effective Retirement Date: December 31, 2018
Monthly Retirement Allowance: \$2,159.19
Annual Retirement Allowance: \$25,910.28
11. Patti L. Pedro, Teaching Assistant, Town of North Andover, Group 1
Effective Retirement Date: June 19, 2019
Monthly Retirement Allowance: \$966.44
Annual Retirement Allowance: \$11,597.28

Disability Retirement

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted 4-0; That the following member of the Essex Regional Retirement System be awarded an ordinary disability retirement benefit calculated as follows:

1. Colleen E. Soares, Patrol Officer, Town of Rockport, Group 4
Effective Retirement Date: June 29, 2019
Monthly Retirement Allowance: \$2,186.10
Annual Retirement Allowance: \$26,233.20

Creditable Service Awards

Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted 4-0; That the retirement system staff has verified that the required payments having been received, that the following four members of the Essex Regional Retirement System be awarded creditable service as follows:

1. Joseph L. Fedullo shall be awarded three years and one month of creditable service at no cost for reserve police service rendered from February 10, 2015 to October 8, 2018 with the Town of Middleton.
2. Jennifer J. Good shall be awarded two years and nine months for the purchase of prior refunded service rendered from September 1, 1997 to June 13, 2000 with the Essex Public Schools and shall be awarded five months for prior non-membership service rendered from September 7, 2005 to August 31, 2007 with the Manchester-Essex Regional School District.
3. Jay S. Routhier shall be awarded ten months of creditable service at no cost for reserve police service rendered from November 22, 1989 to September 30, 1990 with the Town of Newbury.
4. Ronald S. Tatro shall be awarded eleven months of creditable service for the purchase of prior refunded service rendered from May 8, 1989 to April 27, 1990 with the Town of Salisbury.

Liability Requests

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0; To take the following action on requests for the acceptance of liability received by the retirement system:

1. To accept liability as requested by the Worcester Regional Retirement System on behalf of Stephen LeBrun for five years and two months of creditable service for service rendered from June 16, 1994 to June 15, 1999 as a reserve police officer with the Town of West Newbury, provided, however, that the Board reserves the right to reconsider this decision upon the conclusion of litigation in the "Gomes" matter.
2. To accept liability as requested by the Amesbury Retirement Board on behalf of Neil D. Moody, Jr. for three years and ten months of creditable service for service rendered from June 16, 1994 to June 15, 1999 as a reserve police officer with the Towns of Groveland and Salisbury, provided, however, that the Board reserves the right to reconsider this decision upon the conclusion of litigation in the "Gomes" matter.
3. To correct the vote taken on June 24, 2019 to accept liability as requested by the Lowell Retirement System on behalf of Gregory Pekarski for three years and two months of creditable service for service rendered from September 12, 2011 to November 16, 2014 as a reserve police office with the Town of Groveland, provided,

however, that the Board reserves the right to reconsider this decision upon the conclusion of litigation in the “Gomes” matter.

Refund Warrant – July 2019

Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted 4-0; To approve the refund warrant for July 2019, to refund, rollover, or transfer the accounts of the individuals listed below, a list of twenty-one members beginning with Francine K. Blair and ending with Mollie K. Watson, in the total net amount of \$448,681.44.

Name	Type	Board or Institution
Blair, Francine K.	Withdrawal	
Bowling, David R.	Withdrawal	
Branciforte, Michelle C.	Transfer	Saugus Contributory Retirement Board
Clohec, Glenn A.	Withdrawal	
Clohec, Glenn A.	Withdrawal	
Conley, III, Edward G.	Transfer	Gloucester Retirement Board
Dike, Herbert C.	Transfer	
Ferullo, Nicolina Louise	Withdrawal	
Finnegan, Katelyn Elizabeth	Transfer	Stoneham Retirement Board
Flood, Dina M.	Transfer	
Gosselin, Shelly J.	Rollover	Pershing LLC
Jop, Meghan C.	Transfer	Wellesley Retirement Board
Kaissar, Christine	Withdrawal	
Keefe, Ronald E.	Transfer	Newburyport Retirement Board
Maclean, John A.	Withdrawal	
Maguire, Christopher J.	Rollover	Ameriprise Financial
Moschetti, Anthony V.	Withdrawal	
Pedro, Patti L.	Withdrawal	
Poe, Jessica S.	Withdrawal	
Shields, Kelley A.	Withdrawal	
Tgettis, Richard S.	Refund	
Watson, Mollie K.	Transfer	Beverly Retirement Board

June Retirees Payroll

Upon a motion by Susan J. Yaskell, seconded by Kevin A. Merz, the Board voted 4-0; To approve the retirement allowances for the month of June in the actual amount of \$3,916,679.90.

July Retirees Payroll

Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted 4-0; To approve the retirement allowances for the month of July in the actual amount of \$4,005,253.41.

ERRS Payroll

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0; To approve the payment of the ERRS employee payrolls for July 5, 2019, in the amount of \$16,832.89, and for July 19, 2019 in the amount of \$18,707.89.

Cash Disbursement Warrant CD2019.07

Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted 4-0; To approve the Cash Disbursement Warrant CD2019.07 for July 2019 as presented in the total amount of \$1,047,653.95.

Vendor	Amount
Salem Retirement System - 2018 - 3(8)(c)	27,812.69
Massachusetts State Retirement Board - 2018 (3(8)(c)	954,423.11
Access - Monthly Fee	395.29
Arbella Insurance Group - Business Owners Policy - 2019-2020	3,059.00
Arbella Insurance Group - Workers Compensation Policy - 2019-2020	820.00
ASI Flex - Admin Fees	5.00
Comcast - Monthly Fee	404.92
Town of Danvers, Danvers Electric - #201 - Monthly Fee	116.48
Town of Danvers, Danvers Electric - #202 - Monthly Fee	118.16
Harpers Payroll Services - 2019.07.05	68.40
Harpers Payroll Services - 2019.07.19	81.95
HIQ Computers - #122237 - Remote Access Security - 3 Year Renewal	372.00
HIQ Computers - Monthly Replication Services	90.00
HIQ Computers - #122096 - Maney Site Visit - iPad & Printer Set-Up	357.50
Kostro, Charles - PRIM Meeting Mileage & Parking	66.47
Law Office of Michael Sacco - 2019.06	4,370.00
Murphy, Hesse, Toomey & Lehane, LLP - Audit Response	125.00
Powers & Sullivan, LLC - 2018 Financial Audit	40,000.00

Red Sun Press - Election Notice Letters	3,603.32
Red Sun Press - Spring 2019 Newsletters	4,669.32
Red Sun Press - Envelopes	460.00
Ricoh USA - 2019.07	288.69
Quadrant Health Strategies - Pre-Employment Physical	175.00
The Segal Company - 2018 GASB 67 & 68 Report	5,000.00
S.J. Services, Inc. - Office Cleaning - 2019.07	241.67
US Post Office Account - Return Mail Forwarding Notices	500.00
W.B. Mason - Office Supplies - 2019.06	29.98
Total	1,047,653.95

Cash Disbursement Warrant CD2019.07a

Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0; To approve the Cash Disbursement Warrant CD2019.07a for the monthly condominium fee in the total amount of \$1,511.00.

Vendor	Amount
HCOPT - Monthly Fee	1,511.00
Total	1,511.00

Cash Disbursement Warrant CD2019.07b

Upon a motion by Susan Y. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0; To approve the Cash Disbursement Warrant CD2019.07b for July 2019 for the wire transfer of the annual appropriation payments from Eastern Bank to the PRIT Cash Fund as presented in the total amount of \$25,000,000.00.

Vendor	Amount
Eastern Bank to PRIT Fund – FY2020 Appropriation Transfer	\$25,000,000.00
Total	\$25,000,000.00

Annual Statement of Earned Income Hearings

Mr. Kostro reviewed the process for 91A earned income reporting required by PERAC and noted that the five individuals listed for the Board are the same five that were listed in 2018. Mr. Kostro advised the Board that all five members had received notice of this hearing and that none had indicated their intent to attend. Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 4-0; That the retirement benefits of the following members be terminated effective as of August 1, 2019 and shall remain terminated until such time as PERAC notifies the Board that the members listed below have complied with the requirements of Massachusetts General Law Chapter 32, Section 91A:

Paul J. Alosky
David A. Ford
Thomas F. Hilliard
Terrence Joyce
William Marchant

Printing of Election Materials

Mr. Kostro reviewed the quote from Red Sun Press for the printing of all of the materials for the election of the third member and fourth member. Mr. Kostro advised that the quote is approximately \$10,000, which is more than the amount spent six years when the last competitive election for these positions were held. If there is an election, Mr. Kostro said, and all of the materials are printed, the cost may be close to \$10,000. He said that Red Sun Press has all of the specifications and has successfully handled the printing and mailing in the past, but if the Board wanted to pursue a competitive procurement, there is still time to do that. But with the cost coming close to \$10,000, he wanted to bring this to the Board for their approval as the procurement policy requires a vote of the Board for anything over \$10,000. Upon a motion by Kevin A. Merz, seconded by Vincent R. Malgeri, the Board voted 4-0; To continue to use Red Sun Press for the printing of materials for the election of the third member and fourth member of the Board in 2019.

Board Packet Procedures

Mr. Kostro said it has been sometime since he reviewed the process for assembling the Board's packet for each meeting. He felt in light of the time passed, and some of the minor changes made, he would explain how the packet is put together. Mr. Kostro felt this was important so that the Board members would know that they need not wait until the weekend immediately prior to a meeting to access materials for upcoming meetings. Mr. Kostro then reviewed the process by which the Board packet is assembled each month.

Policies & Procedures Booklet

Mr. Kostro presented an updated Policies and Procedures Booklet. He advised that this booklet was updated based on several items discussed during the recent audit. Mr. Kostro said that during the updating of the booklet, he noticed several other items that were outdated and those have been corrected as well. Finally, Mr. Kostro said that the recommendation of the auditors for lump sum payments by units for erroneous withholdings of member contributions has been added to the booklet. He noted that there was a memo in the Board's packet describing all of the changes made in the booklet. Upon a motion by Susan J. Yaskell, seconded by Vincent R. Malgeri, the Board voted 4-0; To approve the revised Policies & Procedures Booklet as presented.

New Business – Copier Lease

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted 4-0; To authorize the Executive Director to enter into a three-year lease for a new copier pursuant to state contract ITC66.

BlackRock PEP Fund IV Annual Meeting

Meredith Moran and Ryan Coulter from BlackRock joined the meeting via teleconference. Mr. Coulter reviewed the presentation and the impressive performance in this fund since inception.

Executive Session

Upon a motion by Vincent R. Malgeri, seconded by Kevin A. Merz, the Board voted by roll call; Mr. Malgeri, Yes; Mr. Maney, Yes; Mr. Merz, Yes; and Ms. Yaskell, Yes; To move to executive session to act of the disability applications of Robert Dole and Shawn Smith, and to remain in executive session to discuss strategy with respect to litigation in the Ferullo and other matters as open meeting may have a detrimental effect on litigating position of the retirement system.

The Board entered executive session at 9:17 a.m.

Mr. Merz noted that he was recusing himself from the disability application involving Shawn Smith and left the meeting at 9:35 a.m.

The Board returned from executive session at 10:07 a.m.

While in executive session, the Board voted as follows:

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted by roll call: Vincent R. Malgeri, Yes; H. Joseph Maney, Yes; Kevin A. Merz, Yes; and Susan J. Yaskell, Yes; To approve the accidental disability application of Robert Dole and that this vote be recorded in the open meeting minutes.

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted by roll call: Vincent R. Malgeri, Yes; H. Joseph Maney, Yes; and Susan J. Yaskell, Yes; To request PERAC to schedule a medical panel consisting of three separate examinations pursuant to the disability application of Shawn Smith and to authorize ERRS Counsel to submit such questions as he deems necessary, and that this vote be recorded in the open meeting minutes.

Motion to Adjourn

Upon a motion by Vincent R. Malgeri, seconded by Susan J. Yaskell, the Board voted 3-0; To adjourn the meeting.

The meeting was adjourned at 10:07 a.m.

Vincent R Malgeri

Vincent R. Malgeri

H. Joseph Maney

H. Joseph Maney

Kevin A. Merz

Susan J. Yaskell

Susan J. Yaskell

The following are a portion of the materials provided to the Board for items acted upon at the meeting:

- Meeting Minutes from June 24, 2019
- New Enrollments
- Retirement Calculations
- Creditable Service Award Letters
- Liability Request Response Letters
- Warrants
- Correspondence Regarding Statements of Earned Income
- BlackRock Presentation
- Correspondence on Printing Cost for Election Materials
- Revised Policies & Procedures Booklet

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

- Agenda Posting Checklist
- Executive Director's Schedule
- Financial Reports - 03 - March Adjustments
- Financial Reports - 03 - March Disbursements
- Financial Reports - 03 - March General Ledger
- Financial Reports - 03 - March Receipts
- Financial Reports - 03 - March Trial Balance
- Financial Reports - 04 - April Adjustments
- Financial Reports - 04 - April Disbursements
- Financial Reports - 04 - April General Ledger
- Financial Reports - 04 - April Receipts
- Financial Reports - 04 - April Trial Balance
- Financial Reports - 05 - May Adjustments
- Financial Reports - 05 - May Bank Reconciliation Report
- Financial Reports - 05 - May Disbursements
- Financial Reports - 05 - May General Ledger
- Financial Reports - 05 - May Receipts
- Financial Reports - 05 - May Trial Balance
- Financial Reports - 2018 Audit – Financial Statements
- Financial Reports - 2018 Audit - Report on Internal Control
- Financial Reports - 2018 Audit Management Letter
- Financial Reports - Monthly Cash Flow.2019
- Financial Reports - Monthly Expenditure Report – June
- Financial Reports - PRIT Fund June Report
- Fiscal Year 2020 Appropriation Payments
- PERAC 2018 Annual Report
- PERAC Pension News