

PART I ADMINISTRATION OF THE GOVERNMENT (Chapters 1 through 182)

TITLE VI COUNTIES AND COUNTY OFFICERS

CHAPTER 34B ABOLITION OF COUNTY GOVERNMENT

Section 19A Essex regional retirement system; Essex regional retirement board; Essex regional retirement board advisory council; benefits; appointment of receiver upon violation by retirement board

Section 19A. (a) The contributory retirement system for Essex county, operating under the terms of sections 1 to 28, inclusive, of chapter 32, shall be known as the Essex regional retirement system and all business shall be transacted under the name of the Essex regional retirement system.

- (b) The Essex regional retirement system shall be managed by the Essex regional a retirement board which shall have the general powers and duties set forth in subdivision (5) of section 20 of chapter 32. The board shall consist of 5 members as provided herein:
- (1) The first member shall be a chief executive or chief administrative officer of a member town, unit or district belonging to the Essex regional retirement system for a term of 3 years. This member shall be chosen by weighted vote of the chief executive or chief administrative officers of member towns, units or districts belonging to the Essex regional retirement system. The member town, unit or district weighted vote shall be computed based on the percentage of members of the retirement system who were employed by the member town, unit or district. For the purposes of this section, "chief executive or chief administrative officer" shall mean, in the case of a town, the town manager or town administrator, except for a town which has neither a town manager nor a town administrator, in which case it shall mean the chairman of the board of selectmen; in the case of a school district, the superintendent; in the case of a water district, the superintendent; in the case of a veterans' services entity, the director; in the case of a housing authority, the executive director; in the case of a regional vocational institute, the superintendent; in the case of a mosquito control district, the superintendent; and in the case of a regional retirement board, the chief executive officer; provided, however, that in the case of the Essex regional retirement board, the chief executive officer shall not be eligible to be elected as the first member of the regional retirement board. If the first member is not elected within 30 days of the expiration of the previous term, or in the event of any earlier vacancy in this office, the public employee retirement administration commission shall appoint the first member.
- (2) The second member shall be a member of the regional retirement board advisory council, and shall be elected by a majority of those present and voting at a public meeting of the

council, properly posted and specifically calling for such election under subsection (i) and shall serve for a term of 3 years.

- (3) The third and fourth members, hereinafter referred to as the elected members, shall be elected by the members in or retired from service of the Essex county retirement system from among persons retired under the system in accordance with subsection (i) and shall serve for a term of 3 years.
- (4) The fifth member, who shall not be an employee, retiree or official of the retirement system, or of any of its constituent governmental units, shall be chosen by the other 4 members and shall serve for a term of 5 years. If the fifth member is not chosen within 30 days of the expiration of the member's term, or if a vacancy in the office occurs before the end of the term, the public employee retirement administration commission shall appoint the fifth member.
- (5) Upon the expiration of the term of office of a member, or in the event of a vacancy, the member's successor shall be elected for a term of 3 years or for the unexpired portion thereof, as the case may be.
- (6) The members of the retirement board shall elect a chairman from among the members.
- (c) The members of the Essex regional retirement board shall be compensated in an amount to be determined by the board but not to exceed the amounts set forth in subdivision (6) of section 20 of chapter 32.
- (d) No person shall be both a member of the Essex regional retirement board, or an employee thereof, and registered as a legislative or executive agent, as defined in section 39 of chapter 3. Should a sitting member of the board register as a legislative or executive agent, as so defined, the member's seat shall be considered vacant.
- (e) The retirement board may employ clerical and other assistants as may be required to transact the business of the retirement system; provided, however, that all employment contracts shall be subject to review and approval by the public employee retirement administration commission. All permanent employees of the retirement system shall be members of the retirement system.
- (f) The retirement board may purchase or lease property, facilities and equipment and employ personnel necessary for the proper administration and transaction of business of the retirement system.

- (g) The retirement board and the chairman thereof shall respectively be and act as the board and treasurer-custodian of the system with respect to the employees of any town or district who become members of the system as provided for in paragraphs (b) or (c) of subdivision (3) or paragraph (b) of subdivision (4) of section 28 of chapter 32, or who have become members under corresponding provisions of law. The treasurer or other disbursing officer of any such town or district shall act as a liaison officer between the employees thereof and the board of the system.
- (h) There shall be an Essex regional retirement board advisory council which shall consist of all the full-time treasurers, elected or appointed, of each city, town, unit or district in the Essex regional retirement system. If a city, town, unit or district does not employ a full-time treasurer, the highest ranking, full-time executive employee shall be a member of the Essex regional retirement board advisory council. The members of the advisory council shall elect a chair from among the members. The council shall meet twice annually and at the call of the chair. The council shall supervise and certify the procedures involved in the election of members to the retirement board, as provided in subsections (b) and (i). Upon approval by votes of the retirement board and the council, the actuary shall be furnished with an estimate of the expenses and costs of administration of the system for the ensuing year. The actuary shall annually, not later than December 15, specify by written notice to the council and the board the amounts required to be paid from the Pension Fund, the Annuity Reserve Fund, the Special Fund for Military Service Credit and the Expense Fund, as provided in subdivision (7) of section 22 of chapter 32. The regional retirement board advisory council, at a meeting specifically called for the purpose, shall elect 1 of its members, who shall be a member in service in the retirement system, as a member of the regional retirement board at the expiration of the current member's term, as provided in paragraph (2) of subsection (b).
- (i) The Essex regional retirement board advisory council, which shall serve as the election board, shall supervise the election of the elected members of the retirement board. The council shall make available nomination papers to a member in or retired from service so requesting and shall require that the nomination papers be signed by the candidate and be returned to the office of the retirement board for safekeeping until the election board shall meet. The chairman of the council shall give a duplicate receipt for the nomination papers to each candidate. Completed nomination papers shall contain the signatures and addresses of at least 5 active or retired members of the retirement system. The election board shall determine whether each candidate has filed nomination papers containing the requisite signatures and addresses. If, after an investigation, the election board determines that a candidate has filed nomination papers containing less than 5 signatures, the election board shall declare the nomination papers invalid and shall notify the candidate of the determination. If, after an investigation, the election board determines that only 1 candidate has filed the requisite number of signatures, the election board shall declare the candidate to

be the elected member of the county retirement board. If, after an investigation, the election board determines that more than 1 candidate has obtained the requisite number of valid signatures, the election board shall notify the candidates of the determination and shall immediately prepare election ballots and set the date for an election to be held within 40 days.

The election board shall mail ballots to all members of the retirement system whether active or retired. The election board shall instruct each member to place an appropriate marking on the face of the printed ballot envelope next to the name of 1 candidate, insert the ballot into a ballot envelope and the ballot envelope into the pre-stamped envelope, seal the pre-stamped envelope and mail the envelope to the election board in care of the Essex regional retirement board, within 20 days after they were mailed. An envelope postmarked later than 20 days after the mailing shall not be used to determine the elected member. The election board shall notify each candidate of the time and location of the tabulation of the ballots and shall permit all candidates to be present at the tabulation. At the specified time for tabulation, the election board shall assemble all envelopes and inspect the envelopes. Any envelope which has been opened prior to that date or which has not been signed on the rear by the appropriate addressee shall be invalidated and shall not be used to determine the elected member. The election board shall assemble all properly signed, unopened envelopes and shall open each envelope and separate the enclosed ballot from the envelope. The election board shall assemble all ballots and shall tabulate the vote for each candidate. Any ballot which contains a marking for more than the number of vacancies shall be declared invalid.

The election board shall notify each candidate in writing of the results of the election. All envelopes and ballots received by the election board, including those determined to be invalid, shall be preserved by the election board for 2 years. The costs incurred by the election board in administering the election shall be paid from the Essex regional retirement system administration fund.

(j) The group insurance commission shall make available to board members and employees of the Essex regional retirement board health, life and disability benefits and board members and employees shall be eligible to participate in all benefits administered by the group insurance commission. The costs thereof, including any administrative costs incurred by the group insurance commission, shall be borne by the employees and board members and the regional retirement system.

Any benefits provided, prior to the abolition of county government, to employees and retirees of a regional retirement system that are not available through the group insurance commission may be provided to employees and retirees through the Essex regional retirement system; provided, however, that the system is fully reimbursed, in the case of

retirees, for the cost of the benefits, and, in the case of employees, is reimbursed in a percentage equal to that of the percentage paid by state employees for similar benefits.

(k) If the public employment retirement administration commission makes a written finding that the retirement board has violated or neglected to comply with chapter 32 or the rules and regulations promulgated by the public employee retirement administration commission, in a manner that substantially impacts the duties or obligations of the board, the commission may appoint a receiver to oversee the retirement board. The receiver shall be authorized to take or refrain from taking any action in order to ensure that the system is managed with reasonable care, skill, prudence and diligence. The action may include, but shall not be limited to, the following: (i) transfer of assets to the PRIT Fund; (ii) removal of a board member; (iii) appointment of a board member; (iv) termination of a contract; (v) approval or denial of retirement benefits; (vi) employment or termination of employees; and, (vii) conduct a fiduciary audit.