

**PEABODY RETIREMENT BOARD MEETING
WEDNESDAY, FEBRUARY 15, 2017 – 7:00 A.M.
Lower Level Conference Room, Peabody City Hall**

A G E N D A

- **ACCEPTANCE OF THE MINUTES FOR THE MEETING ON JANUARY 18, 2017.**

- **DISABILITY:**

Michael Hayes – Peabody Retirement Board is in receipt of a Medical Panel Certificate and requests clarification.

Adam Skelton – Review of Treating Physician Statement

- **SUPERANNUATION:**

Department	Age	Years of Service	Ret. Date
Andrew Anastopoulos PMLP/Work Foreman	62	30 years 11 months	02/25/2017
Tessa Marc-Aurele ComDev/Planning Board	80	30 years 9 months	03/01/2017
Martha Holden Library Director	55	17 years 5 months.	03/04/2017
Pauline Hudson Assessor's Clerk	89	52 years 4 months	04/01/2017

- **NEW MEMBERS:**

Department/Position	Group	Hire Date
Jennifer Clement School - Paraprofessional	Group 1	08/29/2016
Sean Meagher Library - Custodian	Group 1	01/23/2017
Carol Bettencourt School - Paraprofessional	Group 1	01/23/2017
Lirianny Jorge PHA - Admin Assistant	Group 1	02/06/2017

- **BUYBACK/MAKEUP:**

Gail Everson worked for the State from 11/01/2000 – 7/10/2009 and would like to buy back 8 years 3 months of creditable service totaling \$57,793.46.

Stephen Patten our Veterans Agent worked for the State and transferred to Peabody. While working for the State he was in the process of buying back his military time of 4 yrs. He bought back 1 year 8 months and would like to continue to buyback the remaining 2 years 4 months' service that will give him his 4 years. The State is taking liability for the 1 year 8 months of creditable service.

- **WARRANTS:**

Number	Date	Reason	Amount
#013117	01/31/2017	Pension Payroll	\$1,556,707.65
#020917	02/09/2017	Miscellaneous Bills	\$ 391,924.25 *

* 3(8)(C) Massachusetts Teachers Retirement System	\$196,362.65
3(8)(C) Middlesex Retirement System	\$ 45,594.80
3(8)(C) Reading Retirement Board	\$ 25,445.36
3(8)(C) Lexington Retirement Board	\$ 23,119.24
3(8)(C) Salem Retirement Board	\$ 21,628.57
3(8)(C) Danvers Retirement Board	\$ 19,739.64
3(8)(C) Lynn Retirement Board	\$ 14,150.06
3(8)(C) Barnstable Retirement Board	\$ 13,521.10
3(8)(C) Dedham Retirement Board	\$ 13,509.01
3(8)(C) Swampscott Retirement Board	\$ 8,460.66
3(8)(C) Saugus Retirement Board	\$ 1,184.06
3(8)(C) Weymouth Retirement Board	\$ 476.08
3(8)(C) Amesbury Retirement Board	\$ 294.73
City of Peabody (Health Insurance)	\$ 8,055.04
W. B. Mason - Office Supplies	\$ 239.25
Attorney Sacco	\$ 144.00

- **BOARD & STAFF PAYROLL:**

01/18/17: \$5,821.56 02/01/17: \$5,921.76 **Total: \$11,743.32**

- **PERAC MEMO:**
 #06-17 - Mandatory Retirement Board Training – 1st Quarter 2017
 #07-17 – Actuarial Data
 #08-17 – Continuing Membership of "Non-Full-Time Employees"
 #09-17 – Buyback and Make-up Repayment Worksheets
 #10-17 – Domestic Relations Orders
 #11-17 - 2017 Annuity Savings Account
 #12-17 – 2017 Interest Rate set at 0.1%
 #13-17 – Administrators are Encouraged to Attend PERAC Training
- **PRIM/PRIT:**
 Summary of Account Activity and Investment Update – December 2016
- **CASH BOOKS – DECEMBER 2016**
 Pooled fund worksheet and PRIT General Allocation Account (#1199)
 Cash Receipts Report for the period 1-31 December totaling \$1,894,339.86
 Cash Disbursements Report for the period 1-31 December totaling \$2,356,455.94
 Adjustments Report for the period 1-31 December totaling \$2,782,620.48
 Trial Balance Report for December 2016
 Budget Report for the period 1-31 December 2016
 Treasurer's Bank Reconciliation Report – Eastern Bank December 2016
 Eastern Bank December 31, 2016 – Condensed Statements – Checking and Payroll
 Budget to Actual Expense and Cash Flow Forecast December 2016
- **MISCELLANEOUS:**
 Attny Sacco: Re: Notice of Decision and Demand for payment (Priscilla Bakula)
 Attny Sacco: Re: Demand for Payment (Dina Howcroft)
 Attny. Keefe – Edward Bettencourt attorney requesting copies of correspondence to PERAC and copy of Peabody Retirement Board meeting minutes from April 2016 to present. - *Pension Administrator responded and provided with copy to Attorney Sacco*

Budget Amendment: We were not charged for health insurance in 2016. Reimbursement for \$8,055.04 was requested on 2 February 2017. Respectfully request to amend 2017 Budget – element 5589-0005, Staff Health Insurance, from the approved amount of \$7,826.70 to \$15,881.74 to reimburse the city for 2016 and 2017 health insurance costs. The amended budget would be as follows:

Board Stipend	\$21,000.00
City Treasurer	\$1,500.00
Medi-Match	\$327.00
Staff Payroll	\$126,793.22
Longevity	\$700.00
2% Staff Salary Increase	\$2,535.86
Medi-Match	\$1,885.42
Management Fees	\$750,000.00
Legal Expenses	\$25,000.00
Medical Expenses	\$1,000.00
Service Contracts	\$30,000.00
Actuarial Services	\$2,500.00
Education and Training	\$1,600.00
Administrative Expenses	\$7,500.00
Postage	\$4,600.00
Staff Health Insurance	\$15,881.74
Furniture & Equipment	\$1,000.00
Travel Expenses	\$2,500.00
TOTAL	\$996,323.24

- **NEW BUSINESS:**
 - Records Access Officer appointment.

- PERAC Memo #29-16 superseded prior PERAC Memos in regards to buyback of reserve time for police officers and firefighters. At the January 2017 meeting the Retirement board approved the refund of \$77,635.01 and interest in the amount of \$4,439.14 pending the outcome of litigation on the CRAB decision. Based on the contents of PERAC Memo #29-16, PERAC accepts the CRAB decision and allows for reimbursement. Attorney Sacco does not feel interest is *required*, as the Herrick decision (actuarial equivalent) is intended to make the member whole where the retirement board had wrongfully withheld his superannuation retirement benefit
- Review of Memorandum to Police and Fire regarding the refund of reserve buyback.
- Follow up from January meeting - Stoneham Retirement Board v. CRAB, Supreme Judicial Court, Docket NO SJC-12908. (Once a member always a member). This issue is also outlined in PERAC Memo #08-17 of January 19, 2017. It is unknown if anyone in Peabody Membership is effected as those potential members would no longer be listed as an active member due to a reduction of less than 20 hours. Pension Administrator will prepare a memo to HR Director and other hiring officials in the City of the change and requirement to allow future potential members to participate in the event hours are reduced to less than 20 hours and all other requirements are met.
- TABLED from January 2017: Section 101 pension increase. Pension Administrator was tasked to research if a vote of the City Council was required to approve an increase. Chapter 131 of The Acts of 2010 in part states:
 - **SECTION 27.** *Section 101 of said chapter 32, as so appearing, is hereby amended by striking out, in line 8, the words “six thousand dollars” and inserting in place thereof the following words:- either \$6,000 or, in a retirement system accepting the supplemental annual allowance as provided in this section, \$9,000.*
 - **SECTION 28.** *Said section 101 of said chapter 32, as so appearing, is hereby further amended by adding the following paragraph:-
Notwithstanding the previous paragraph, a retirement system may accept a supplemental annual allowance fixed at the rate of \$9,000, by a majority vote of the board of each such system, subject to the approval of the legislative body thereof. For the purposes of this section, “legislative body” shall mean, in the case of a city, the city council in accordance with its charter, in the case of a town, the town meeting, in the case of a county, the county retirement board advisory council, in the case of a region, the regional retirement board advisory council, in the case of a district, the district members and, in the case of an authority, the governing body of such authority. Acceptance shall be deemed to have occurred upon the filing of a certification of such votes with the commission. For purposes of this section, the state teachers’ and state employees’ retirement systems shall be deemed to have accepted the supplemental annual allowance provided for by this section.*