

## **MINUTES**

### **MEETING OF THE PEABODY RETIREMENT BOARD WEDNESDAY, FEBRUARY 21, 2024**

Chairman Yagjian called the meeting to order at 7:05 A.M. Board members participating were Mr. Michael Gingras, Mr. Edward Lomasney, Mr. Henry Hogan, and Ms. Andrea Trefry. As authorized with the passage of Chapter 2 of the Acts of 2023 signed by Governor Healey on March 29, 2023, extending the Open Meeting Law Waiver until March 31, 2025, this meeting of the Peabody Retirement Board was held by remote participation with all Board Members remote. Every effort was made to ensure that the public could adequately access the proceedings in real time via technological means. Alternative public access to this meeting was made via Zoom virtual meeting software for remote access. A notice of the meeting was posted at City Hall, the Peabody Police Department, the City of Peabody webpage under City Calendar of Meetings, and Peabody Access Telecommunications television. There were no public attendees at the meeting today.

#### **ACCEPTANCE OF MINUTES:**

**ON MOTION BY MS. TREFRY, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO ACCEPT THE MINUTES OF THE JANUARY 24, 2024, REGULAR MEETING OF THE PEABODY RETIREMENT BOARD.**  
**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

#### **SUPERANNUATION RETIREMENT:**

The Board reviewed the Application for Voluntary Superannuation Retirement Form and Choice of Retirement Option Form at Retirement submitted by the following members:

Gerald Fitzgerald	Police Officer	55 years old	30 years 3 months	03/08/2024
Colleen Kolodziej	Assistance City Clerk	73 years old	36 years 9 months	03/30/2024
Paul Caputo, III	PMLP Dispatcher	67 years old	21 years 2 months	04/18/2024

**ON MOTION BY MR. LOMASNEY, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE.**  
**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

#### **SECTION 9 SURVIVOR BENEFIT:**

Lawrence Grant is a former Police Officer that retired under Accidental Disability under the Heart Bill. Mr. Grant passed away on January 21, 2024 and his surviving spouse, Dolores Grant is requesting a member survivor allowance under Section 9, MGL Chapter 32. The Board reviewed the Application for Survivor Benefits, Death Certificate, letter from Mr. Grant's cardiologist and statement of facts. After discussion on the matter and a determination that further clarification is needed regarding the death certificate and causation, **ON MOTION BY MR. LOMASNEY, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO REFER THE MATTER TO THE BOARD'S ATTORNEY FOR OPINION.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

#### **NEW MEMBERS:**

The following candidates for membership have completed the New Member Enrollment Form, Beneficiary Selection Form(s), been physically cleared, and provided birth certificate for themselves and applicable beneficiaries:

Marie Venezia	Building Access Attendant/School	Group 1	01/16/2024
Stephen McCarthy	Van Driver/Council on Aging	Group 1	01/21/2024
Melissa Rougier	Mental Health & Substance Abuse Clinician/ Health Department	Group 1	01/29/2024

**ON MOTION BY MS. TREFRY, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO APPROVE.**  
**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**REFUNDS:**

Robert Galvis is a former School Department employee that resigned with 4 years 5 months of creditable service and has requested a refund of his accumulated deductions totaling \$19,151.05. Mr. Galvis will receive \$15,320.84 and the remaining \$3,830.21 forwarded to the IRS for tax withholding.

**ON MOTION BY MR. GINGRAS, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**TRANSFERS:**

Kristin Crockett is a former employee from the Council on Aging that has transferred to the Essex Retirement System with 8 years 6 months of creditable service totaling \$27,759.06. Peabody will accept 8 years 6 months liability.

Maria Kaba is a former employee from the School Department that has transferred to the Massachusetts Teachers' Retirement with 4 years 5 months of creditable service totaling \$8,017.04. Peabody will accept 4 years 5 months liability.

**ON MOTION BY MR. LOMASNEY, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO APPROVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**ROLLOVERS:**

Marlana Fiandaca is a former employee of the Collector's Office with 1 year 11 months creditable service that is rolling over her Annuity Savings to an IRA in the amount of \$8,542.04.

Carolyn LeBlanc is a former employee from the School Department with 3 years 10 months creditable service that is rolling over her Annuity Savings to an IRA in the amount of \$8,431.20.

Ann Gray is a former employee from the Recreation Department with 6 years 7 months creditable service that is rolling over her Annuity Savings to an IRA in the amount of \$38,689.24.

**ON MOTION BY MR. LOMASNEY, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**WARRANTS:**

**ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:**

#012924	01/29/2024	Pension Payroll	\$2,046,109.78
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**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:**

#012624	01/26/2024	Refund/Transfer/Rollover	\$96,108.99 as follows:
		\$27,759.06 - Essex Regional Retirement System - Kristin Crockett - Transfer	
		\$ 8,542.04 - Fidelity Management Trust - Marlana Fiandaca - Rollover	
		\$15,320.84 - Robert Galvis - Refund	
		\$ 3,830.21 - IRS - Robert Galvis Refund	
		\$38,689.24 - Fidelity Management Trust - Ann Gray - Rollover	
		\$ 8,017.04 - Mass Teachers Retirement System - Maria Kaba - Transfer	
		\$ 8,431.20 - Fidelity Management Trust - Carolyn LeBlanc - Rollover	

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:**

#020124B	02/01/2024	Miscellaneous Bills	\$156,028.09 as follows:
\$11,119.52	- 3-8-C	- Swampscott Retirement System	
\$38,457.93	- 3-8-C	- Reading Retirement System	
\$ 2,524.96	- 3-8-C	- Gloucester Retirement System	
\$19,100.09	- 3-8-C	- Belmont Retirement System	
\$28,254.50	- 3-8-C	- Marblehead Retirement System	
\$55,921.09	- 3-8-C	- Middlesex County Retirement System	
\$ 650.00	-	- MACRS 2024 Retirement Board Membership Dues	

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:**

#021524B	02/15/2024	Miscellaneous Bills	\$60,045.64 as follows:
\$16,052.69	- 3-8-C	- Chelsea Retirement System	
\$15,751.21	- 3-8-C	- Newburyport Retirement System	
\$25,633.64	- 3-8-C	- Haverhill Retirement System	
\$ 191.00	-	- Law Offices of Michael Sacco - Legal Services	
\$ 2,417.10	-	- Bank of America - BoardPaq 2024 Subscription	

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**BOARD & STAFF PAYROLL:**

**ON MOTION BY MS. TREFRY, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING BOARD AND STAFF PAYROLLS TOTALING \$18,653.36:**

1/24/2024 for \$9,326.68, and 2/7/2024 for \$9,326.68.

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**CASHBOOKS:**

December 2023

Pooled fund worksheet and PRIT General Allocation Account Market Value of \$198,349,623.15

Cash Receipts Report for the period 1-31 December totaling \$2,170,573.66

Cash Disbursements Report for the period 1-31 December totaling \$4,240,086.19

Adjusting Journal Entries for the period 1-31 December totaling \$17,223,784.30

Trial Balance Report for the period ending 31 December

General Ledger for the period ending 31 December

Budget Report for the period ending 31 December

Treasurer Bank Reconciliation Report - Eastern Bank 31 December

Eastern Bank Statements (Checking & Payroll) 31 December

Budget to Actual Expense through 31 December

Cash Flow Forecast through January 2024

**ON MOTION BY MR. GINGRAS, 2ND BY MS. TREFRY IT WAS VOTED UNANIMOUS TO RECEIVE AND APPROVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**PERAC CORRESPONDENCE:**

Memo 7-2024. Buyback and Make-up Repayment Worksheets

Memo 7-2024 Attachments

Memo 8-2024. PROSPER COLA Submission is almost here

Memo 8-2024 Attachment. COLA Module of PROSPER

Memo 9-2024. Actuarial Data. Note: *Data was uploaded to PERAC on 1/31/2024.*

*LATE ENTRY:* PERAC Pension Newsflash February 15, 2024. Commission Appoints Assistant Deputy Director as next Executive Director

**ON MOTION BY MR. LOMASNEY, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO RECEIVE THE LISTED PERAC CORRESPONDENCE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**PRIM CORRESPONDENCE:**

PRIM Value Report for December 2023

Performance Update - December 2023

**ON MOTION BY MR. LOMASNEY, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO RECEIVE THE LISTED PRIM CORRESPONDENCE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**PUBLIC RECORDS REQUEST:**

We have received and complied with a public records request from American Transparency and Massachusetts Open the Books for an electronic copy of retired employees who are paid a monthly pension for the year 2023. The request included name, retirement date, hire date, last employer name, last employer zip code, and monthly annuity amount. The request was received on January 19, 2024 and responded to on January 31, 2024. The requester acknowledged receipt and states the report provided satisfies the request.

**ON MOTION BY MS. TREFRY, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO RECEIVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**BOARD ATTORNEY CORRESPONDENCE:**

Correspondence from Attorney Sacco on guidance for properly identifying and including forms of exhibit materials in open or executive session meetings and processing those requests under the Public Records Law and not the Open Meeting Law. Attorney Sacco also provides the Board with a copy of 950 CMR 32.07 and correspondence on the matter between his office and the Commonwealth's Division of Open Government.

Memo to all clients announcing Senior Associate Christopher Collins has become a principal in the Firm. The Law Offices of Michael Sacco is now known as Sacco and Collins, P.C.

Pension Technology Group, LLC, Complaint against HRMECCA Inc., MACRS BS LLC, Bay State Pension Solutions Inc., Paul Wallace, and Christopher Wallace in Massachusetts Superior Court. Attorney Sacco correspondence to BSPS on the matter requesting a copy of any responsive pleading they have filed, or file, or response to the complaint and written communication that BSPS will continue to provide the contracted serviced to the Peabody Retirement Board while the matter is ongoing.

Correspondence from BSPS to Attorney Sacco informing they will provide his office with their response to the complaint, and they will continue to provide the Peabody Retirement Board with the same exemplary service they have provided to date.

All Client Memo: Recent Decisions – Military Service and Substitute Teaching Service.

**ON MOTION BY MS. TREFRY, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO RECEIVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**MISCELLANEOUS**

Powers and Sullivan has completed and delivered their Report of Audit of Specific Elements, Accounts and Financial Statements for year-end December 31, 2022 which opines... *“the*

*accompanying schedule of employer allocations and schedule of pension amounts by employer present fairly, in all material respects, the employer allocations and net pension liability/(asset), total deferred outflows of resources, total deferred inflows of resources, total contributions and total pension expense for the total of all participating entities for the PCRS as of and for the year ended December 31, 2022, in accordance with accounting principles generally accepted in the United States of America.” Also attached for the Board’s review and acceptance is Powers and Sullivan Letter of Representation of facts and materials for their audit that has been signed by the Finance Director and Pension Administrator.*

**ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RECEIVE.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

#### **MISCELLANEOUS**

PRIM is preparing their 2024 annual investment review meetings with their clients, and we are tentatively slated for Tuesday, November 19, 2024.

**ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO COORDINATE THE 2024 INVESTMENT REVIEW WITH PRIM FOR NOVEMBER 19, 2024.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

#### **MISCELLANEOUS**

The Pension Administrator raised the issue of health, dental and life insurance administration by board staff. The Board will recall from the September 2023 meeting the administrator brought up the matter of health insurance administration and maintenance of those records for retired employees, beneficiaries and survivors being processed in the retirement office that was deferred until after the start of the new year. As the Board is aware, our responsibility in regard to employee benefits carried into retirement is to withhold the cost of benefits offered by the city from the retired employee pension payment and to forward those funds each month along with detailed report of the benefit plans and the retired employees cost share back to the city/treasurer each month. The Board is reminded of the survey completed in 2021 by the Lynn Retirement System, of those that responded, only Peabody and Marblehead are involved in enrollments and only Peabody in the maintenance of records. More recently, with the change of life insurance vendors, there is an expectation the retirement office staff will take on additional responsibilities by accessing the vendor portal to transition active employees to a retired employee grouping if they maintain the benefit into retirement. The administrator reports this on occasion has resulted in a re-enrollment process that seeks member information the retirement office does not have. The administrator is unable to locate any mention of this function as a responsibility of the Retirement System in MGL Chapter 32, 840 CMR, or on a PERAC Audit. The administrator respectfully requests the Board engage with the city to initiate the transition of benefits enrollments and maintenance back to an appropriate city department by the start of FY2025. The administrator will assist in a smooth transition and continued support in developing a mutually agreeable reporting system to avoid any interruption in employee benefits into retirement.

**ON MOTION BY MS. TREFRY, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO TASK THE PENSION ADMINISTRATOR AND THE EX-OFFICIO TO PREPARE CORRESPONDENCE TO MAYOR BETTENCOURT TO HAVE THE BENEFITS ADMINISTRATION AND RECORDS MAINTENANCE FUNCTIONS CURRENTLY BEING DONE IN THE RETIREMENT OFFICE BE TRANSFERRED BACK TO HUMAN RESOURCES AND TO REVISIT THE ISSUE OF RELOCATING THE RETIREMENT OFFICE WITHIN CITY HALL SPACES.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

#### **NEW BUSINESS:**

The Pension Administrator provided the Board with an update on the transition over to Bay State Pension Solutions. All is running well, and we successfully processed the initial retirement payroll in January with no issues or concerns. We have also processed five new retirement calculations and commenced pension payment for those individuals with no difficulties for concerns. Overall, the staff

is pleased with the improved efficiencies of the new system and BPS working with us to tailor reports and customized letters and statements.

The Board was also made aware the term for the 5<sup>th</sup> Member, currently held by Mr. Yagjian, expires on July 16, 2024. The administrator will coordinate the process announcing the upcoming term through an open and competitive process as outlined in PERAC Memo 28 of 2017.

We also have the ongoing issue of a Light Plant Commissioner that has not had retirement deduction withheld from his earnings. As reported to the Board in July 2023, this is a systemic problem with ADP in the hierarchy of deductions from employee payroll where retirement deductions are not being withheld before voluntary benefit deductions. This is the third time we have requested payment of deductions directly from this member.

**ON MOTION BY MS. TREFRY, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RECEIVE THE ADMINISTRATORS REPORT AND FOR THE ADMINISTRATOR TO FORWARD CORRESPONDENCE TO THE ELECTED OFFICIAL TO MAKE PAYMENT FOR ALL OWED RETIREMENT DEDUCTION BY MARCH 15, 2024. THE ADMINISTRATOR WAS ALSO TASKED TO INFORM THIS MEMBER THAT AS DEDUCTIONS ARE NOT BEING WITHHELD FROM HIS COMPENSATION, THAT HIS STATUS WILL BE CHANGED FROM ACTIVE TO INACTIVE UNTIL DEDUCTIONS ARE WITHHELD ON A RECURRING BASIS.**

**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

**ADJOURN:**

The next regular meeting of the Peabody Retirement Board will be Wednesday, March 27, 2024.

The Board will convene at 7:00 a.m. by remote participation.

**ON MOTION BY MS. TREFRY, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO ADJOURN THE MEETING AT 7:25A.M.**


**ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.**

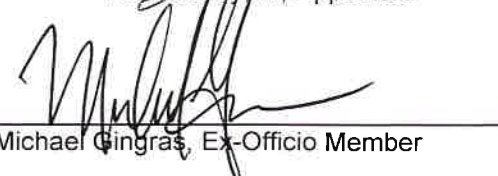
ATTESTED TO BY:

Respectfully submitted:


  
Richard A. Yagjian, Chair

  
James W. Freeman, Pension Administrator

  
Edward J. Lomasney, III, Appointed Member

  
Michael Gingras, Ex-Officio Member

  
Henry Hogan First Elected Member

  
Andrea Trefry, Second Elected Member



**PEABODY**  
RETIREMENT BOARD  
CONTRIBUTORY RETIREMENT SYSTEM



PEABODY CITY HALL  
1882

**BOARD MEMBERS**

Richard Yagjian, Chairman  
Michael Gingras  
Edward Lomasney, III  
Henry Hogan  
Andrea Trefry

CITY HALL - 24 LOWELL STREET  
PEABODY, MA 01960  
PH (978) 538-5911 / 5913  
FAX (978) 538-5989

**BOARD STAFF**

James W. Freeman,  
Pension Administrator  
Traci Masterson,  
Administrative Assistant

March 6, 2024

The Honorable Edward A. Bettencourt, Jr.  
Mayor, City of Peabody  
24 Lowell Street  
Peabody MA 01960

Dear Mayor Bettencourt:

For many years, the staff of the Peabody Contributory Retirement Board has been performing health, dental and life insurance enrollments, and maintenance of those records, for retiring and retired city employees and their family members, and survivors. Our fiduciary responsibility is to the retirement system. As we have experienced a surge the past few years to nearly double the number of retiring employees and those seeking retirement counseling coupled with these additional non-retirement related tasks has resulted in our staff frequently working through lunch break and our director working far too many evenings and weekends to meet their mandated deadlines and work product. It is worth noting that of the respondents to a 2021 survey to retirement boards on health maintenance administration, only two systems, Peabody and Marblehead, were engaged health benefits of retired/retiring employees with Peabody having the most active involvement. This Board believes those tasks are not a function of our staff as the statute clearly places post-employment benefits on the municipality.

A retirement system in the Commonwealth of Massachusetts has no role in the administration of health, dental or other insurance benefits other than withholding the premiums for these insurances. Massachusetts General Law (M.G.L.) chapter 32, section 19A "Assignment of retirement allowances for payment of certain subscriber premiums, income taxes or support orders; deduction for payment of premiums for coverage under chapter 32B" contains two (2) provisions that address this:

*Any employee of the commonwealth, a city, town, district or other member unit of a retirement system who is retired under this chapter shall, upon the request of the retiring authority paying such pension or retirement allowance, or otherwise may, by assignment made in writing authorize the retiring authority paying such pension or retirement allowance to withhold each*

*month such amount as he may designate for the payment of subscriber premiums applicable to any hospitalization, medical or surgical insurance in effect with a nonprofit hospital and medical service corporation or insurance company at the time of his retirement. In the event that the amount of a retiree's pension check is insufficient to accommodate the entire deduction and upon notice from the retirement board, the employer for whom the retiree last worked and from whom he is retired shall bill the retiree for the employee share of the premiums.*

*A retirement board in the case of a retiree may deduct the per cent contribution of health insurance premiums for all retired members receiving group life insurance, group accidental death and dismemberment insurance, group general or blanket hospital, surgical, medical, dental, or other health insurance coverage under chapter 32B from the respective retiree pension check. In the event that the amount of a retiree's pension check is insufficient to accommodate the entire deduction and upon notice from the retirement board, the employer for whom the retiree last worked and from whom he is retired shall bill the retiree for the employee share of the premiums.*

M.G.L. c. 32 covers Retirement Systems and Pensions and M.G.L. c. 32B covers Contributory Group General or Blanket Insurance for Persons in the Service of Counties, Cities, Towns and Districts, and their Dependents. There is no dispute that health, dental and life, et al., insurance benefits are addressed and administered pursuant to M.G.L. c. 32B, not Chapter 32, and Chapter 32B is indisputably administered by the municipality that employs or employed the retiree. The only reference in Chapter 32B to Chapter 32 pertains to the authorization of premiums to be withheld from the monthly retirement allowance and paid to the municipal treasurer. All other aspects of the eligibility for and administration of insurance benefits are solely within the purview and responsibility of the municipality. Nothing in Chapter 32 (with the lone exception as noted above in Section 19A) authorizes a retirement board to play any role or have any responsibility as it relates to the administration of insurance benefits to retired city employees.

Currently, when a city employee is retiring, as part of the retirement workup, our pension administrator is completing the health enrollment form(s) and making change notification to Massachusetts Interlocal Insurance Association (MIIA) and is retaining those enrollments in a separate health maintenance filing within the spaces allocated to the Retirement System.

Our staff is also completing enrollments when a retired (or retiring) employee or spouse is aging 65 and transitioning to Medicare and when children are aging 26 and terminating a health plan. They are also making notification and completing termination of benefits forms, when a retired employee, spouse, or survivor passes. MIIA is forwarding the monthly "aging 65" reports to the pension administrator to research if those identified in the report are actively employed, retired employee or employee spouse, or a survivor. The administrator must then reach out to those effected and obtain a copy of the Medicare A/B card and provide to MIIA or counsel them on the procedures to apply through the Social Security Administration to enroll and the consequences for failing to do so.

These same enrollment functions are being performed by our staff when retired employees are transitioning in dental insurance coverage and when a retired employee's COBRA benefit terminates. Most recently with the change in the city's vendor providing life insurance coverage, our staff were given enrollment permissions with the expectation that they would log on to the portal and complete the enrollment/transition for a retiring employee.

The Peabody Retirement Board can no longer absorb these health maintenance functions. We are asking that the responsible department take possession of these no later than June 30, 2024. Our director will work with your designee on establishing a smooth transition and provide training if needed as well as developing a mutually beneficial reporting system to accommodate the premium deductions of selected employee benefits from retirement pension payments.

After many requests and not having an adequate solution, the Board is also seeking an update on any plan involving the relocation of the Retirement Board. We are in dire need of a new part-time hire, but as you know, we have outgrown the current space and have no room within the office for this critical third staff member. If circumstances are such that there is no available space within City Hall, we must search nearby for commercial space outside Peabody City Hall. If this is our only solution, please understand this will increase our operating expenses which ultimately adds to the unfunded liability of the City. We request your answer no later than May 31 so that we may proceed to the next step.

Respectfully,

A handwritten signature in black ink, appearing to read "Richard A. Yagjian". The signature is fluid and cursive, with a prominent loop at the end.

Richard A. Yagjian, Chair,  
Peabody Retirement Board