

**MINUTES****MEETING OF THE PEABODY RETIREMENT BOARD  
WEDNESDAY, OCTOBER 17, 2018 – 7:00 A.M.**

Chairman Yagjian called the meeting to order at 7:00 A.M. Board members present were Ms. Linda Cavallon, Mr. Joseph DiFranco, Mr. Michael Gingras, and Mr. Edward Lomasney. Public attendees at the meeting were Mr. Paul Todisco from Pension Reserves Investment Management Board.

**ON MOTION BY MR. DIFRANCO, 2ND BY MS. CAVALLON, IT WAS VOTED UNANIMOUS TO ACCEPT THE MINUTES OF THE SEPTEMBER 19, 2018 RETIREMENT BOARD MEETING.**

**SUPERANNUATION RETIREMENT:**

The Board reviewed the Application for Voluntary Superannuation Retirement and Choice of Retirement Option Form at Retirement for Ms. Linda Slavin. **ON MOTION BY MR. GINGRAS, 2ND BY MR. DIFRANCO, IT WAS VOTED UNANIMOUS TO APPROVE.**

Linda Slavin	Council on Aging	56 years old	12 years 4 months	10/11/2018
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**NEW MEMBERS:**

The following candidates for membership have completed their New Member Enrollment Form, Beneficiary Selection Form, been physically cleared, and provided birth certificates for themselves and applicable beneficiaries and **ON MOTION BY MS. CAVALLON, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO APPROVE.**

Eric Still	Golf Course Superintendent	Group 1	09/04/2018
Kristin Adamo	Paraprofessional	Group 1	09/06/2018
Steven Chamberland	Firefighter	Group 4	09/10/2018
John LeClerc	Firefighter	Group 4	09/10/2018
Emily Carbone	PMLP Phone Operator	Group 1	09/10/2018
Daniel Begin	Skating Rink	Group 1	09/10/2018
Diana Cameron	Paraprofessional	Group 1	09/11/2018
Yvette Preira	Paraprofessional	Group 1	09/11/2018
Tyler Boutilier	Paraprofessional	Group 1	09/12/2018
Alyssa DiMaria	Attendance Officer	Group 1	10/01/2018

**MEMBER TRANSFERS:**

Sara Kelso worked for the Library and is transferring to Newburyport Retirement System with 1 year 11 months of creditable service totaling \$10,059. **ON MOTION BY MS. CAVALLON, 2ND BY MR. DIFRANCO, IT WAS VOTED UNANIMOUS TO APPROVE AND ACCEPT LIABILITY.**

**BUYBACK:**

Mr. Daniel Begin works at the skating rink and is requesting to buyback time he worked at the skating rink for more than twenty hours from September 29, 2013 through September 9, 2018, an aggregate of 1 year 7 months of creditable service totaling \$2,357.49. **ON MOTION BY MS. CAVALLON, 2ND BY MR. DIFRANCO, IT WAS VOTED UNANIMOUS TO APPROVE.**

**WARRANTS:**

**ON MOTION BY MR. DIFRANCO, 2ND BY MS. CAVALLON, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANTS:**

#092818	09/28/2018	Pension Payroll	\$1,671,252.49
#092718	09/27/2018	Pension Administrator MACRS Fee	\$320.00
#100418	10/04/2018	MACRS Conference Travel	\$1,224.05

#101118      10/11/2018      Miscellaneous Bills      \$10,418.61 as follows:  
                  \$10,059.00 - Newburyport Retirement System - Sara Kelso  
                  \$174.00    - Bank of America - BoardPac  
                  \$75.21     - James Freeman - Travel reimbursement  
                  \$93.00     - Attorney Sacco - Legal Services  
                  \$17.40     - W.B.Mason - Office Supplies

**BOARD & STAFF PAYROLL:**

**ON MOTION BY Ms. CAVALLON, 2ND BY MR. DiFRANCO, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING BOARD AND STAFF PAYROLLS TOTALING \$12,849.50:**

9/26/2018 for \$6,424.75 and 10/09/2018 for \$6,424.75

**CASH BOOKS:**

**ON MOTION BY Ms. CAVALLON, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO RECEIVE AND APPROVE THE AUGUST 2018 CASH BOOKS CONTAINING THE FOLLOWING DOCUMENTS:**

Pooled fund worksheet and PRIT General Allocation Account #1199  
 Cash Receipts Report for the period 1-31 August totaling \$1,484,743.89  
 Cash Disbursements Report for the period 1- 31 August totaling \$1,737,092.93  
 Adjusting Journal Entries for the period 1-31 August totaling \$1,661,874.71  
 Trial Balance Report for the period ending 31 August  
 General Ledger for the period ending 31 August  
 Budget Report for the period ending 31 August  
 Treasurer Bank Reconciliation Report - Eastern Bank August 2018  
 Eastern Bank Statements (Checking & Payroll) August 2018  
 Budget to Actual Expense through 31 August  
 Cash Flow Forecast through September 2018

**PRIT/PRIM:**

**ON MOTION BY Ms. CAVALLON, 2ND BY MR. DiFRANCO, IT WAS VOTED UNANIMOUS TO RECEIVE THE FOLLOWING CORRESPONDENCE:**

August 2018 Summary of Account Activity and Investment Update

**PERAC CORRESPONDENCE:**

**ON MOTION BY Ms. CAVALLON, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO RECEIVE THE FOLLOWING PERAC CORRESPONDENCE:**

PERAC Memo 28/2018 - Mandatory Retirement Board Training – 4<sup>th</sup> Quarter 2018  
 PERAC Memo 29/2018 - Tobacco Company List.  
 PERAC Memo 30/2018 - Appropriation Data Due October 31, 2018. PERAC is requesting information to allow them to furnish retirement board with amounts to be appropriated in FY20. Draft Appropriation Data Questionnaire for Peabody is attached for the Board's review and approval. PERAC Approval of Funding Schedule. This memorandum is in follow up to the 2018 Actuary Study. PERAC mentions the investment return assumption of 7.75% indicating they believe it is on the high end and would recommend an assumption between 7.25% and 7.40%. They also point out the amortization period of the unfunded actuarial liability of FY36 and recommend an adoption of a funding schedule to fully fund the unfunded actuarial liability by FY35.

**MISCELLANEOUS:**

• **Attorney Sacco Correspondence:**

Status update on Worcester Regional Retirement Board et al. (Peabody Retirement Board) v. PERAC, Supreme Judicial Court for Suffolk County in the Vernava matter. PERAC answers to complaint. **ON MOTION BY Ms. CAVALLON, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO RECEIVE.**

- **Division of Administrative Law Appeals (DALA):**

Ms. Sharon Druhan has filed an appeal with DALA following the Peabody Retirement Board's denial of her application for disability retirement. DALA has acknowledged receipt and assigned Docket Number CR-18-0518. **ON MOTION BY MR. GINGRAS, 2ND BY MS. CAVALLON, IT WAS VOTED UNANIMOUS TO RECEIVE AND TO HAVE THE PENSION ADMINISTRATOR ENGAGE THE BOARD'S ATTORNEY ON THE MATTER.**

- **Proposed 2019 Budget:**

**ON MOTION BY MS. CAVALLON, 2ND BY MR. DIFRANCO, IT WAS VOTED UNANIMOUS TO RECEIVE AND APPROVE THE 2019 BUDGET AS FOLLOWS:**

BOARD STIPEND	\$21,000.00
CITY TREASURER STIPEND	\$1,500.00
BOARD MEDICARE	\$326.25
STAFF PAYROLL	\$143,256.90
LONGEVITY	\$1,100.00
SALARY INCREASE	\$2,845.14
STAFF MEDICARE	\$2,114.43
MANAGEMENT FEES	\$750,000.00
LEGAL EXPENSES	\$25,000.00
MEDICAL EXPENSES	\$1,000.00
PTG CONTRACT	\$32,700.00
BCA CONTRACT	\$500.00
BOARDPAQ CONTRACT	\$2,200.00
ADOBE SUBSCRIPTION	\$250.00
ACTUARIAL SERVICES	\$2,500.00
EDUCATION & TRAINING	\$1,600.00
ADMINISTRATIVE EXPENSES	\$7,500.00
POSTAGE	\$4,600.00
STAFF HEALTH INSURANCE	\$8,382.00
FURNITURE & EQUIPMENT	\$1,000.00
TRAVEL EXPENSES	\$2,500.00
<b>TOTAL</b>	<b>\$1,010,874.42</b>

- **Update on Request for Proposals (RFP) for Actuarial Services:**

The RFP has been posted to PERAC Website, Massachusetts Secretary of State Goods and Services Website, City of Peabody Retirement Board Website, advertised in the local newspaper, and posted within Peabody City Hall. To date three companies have inquired and asked for the RFP package. The deadline for submission is October 31, 2018.

- **Second Elected Member of the Peabody Retirement Board:**

Ms. Cavallon's term on the Board expires on March 3, 2019 and we need to hold an election for the March 4, 2019 through March 3, 2022 term. The start of the election process, forwarding the Notice of Election to all eligible voting members will commence on November 16, 2018. The Pension Administrator will coordinate.

- **Presentation by Pension Reserve Investment Management Board:**

Mr. Paul Todisco provided the Board with an overview of the PRIT Fund performance through June 2018, the close of the fiscal year as well as the performance and asset allocation for Peabody through August 2018.

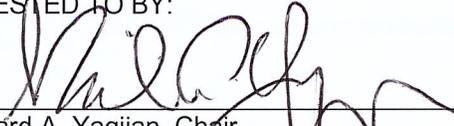
• **November Retirement Board Meeting:**

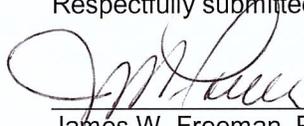
The next regular scheduled meeting of the Peabody Retirement Board will be Tuesday, November 13, 2018 at 7:00 a.m. in the Lower Level Conference Room, Peabody City Hall.

**ON MOTION BY MS. CAVALLON, 2ND BY MR. GINGRAS IT WAS VOTED UNANIMOUS TO ADJOURN THE MEETING AT 7:55 A.M.**

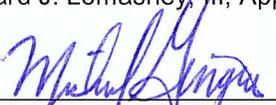
ATTESTED TO BY:

Respectfully submitted:

  
Richard A. Yagjian, Chair

  
James W. Freeman, Pension Administrator

  
Edward J. Lomasney, III, Appointed Member

  
Michael Gingras, Ex-Officio Member

  
Joseph P. DiFranco, Elected Member

  
Linda Cavallon, Elected Member