

SALEM RETIREMENT BOARD
OPEN SESSION MEETING MINUTES
AUGUST 26, 2020
11:00 A.M.

In attendance at this regular meeting of the Salem Retirement Board (“the Board”), via zoom webinar, were Dominick Pangallo (Chair), Laurie Giardella, Sarah M. Hayes, Robert T. Lutts, and Marcia A. Pelletier

Also in attendance were Board Treasurer Kathleen McMahon and Executive Director Paul Findlen

Remote Participation Announcement

Mr. Pangallo announced that, “pursuant to Governor Baker’s March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §20, and the Governor’s March 15, 2020 Order imposing strict limitations on the number of people that may gather in one place, this meeting of the Salem Contributory Retirement Board is being conducted via remote participation. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings as provided for in the Order. Persons who would like to listen or view this meeting while in progress may do so by visiting <https://zoom.us/join>, entering meeting ID # ‘830 5430 4934’ as directed on the webpage, and clicking ‘Join’. Follow the on-screen instructions to join the meeting. You can also dial a toll-free phone number at 877-853-5257 to join the meeting. When prompted, enter meeting ID # ‘830 5430 4934’ and then follow the instructions to join the meeting. All votes taken by this body shall be by roll call vote. To offer public comment, participants may click the ‘Raise Hand’ button or, if on the phone, may press *9 to raise their hand to speak.” Mr. Pangallo also announced that public comment will be permitted upon the conclusion of the Fifth Member interviews.

I. Fifth Member Interviews

Four applicants were invited to interview with the Board for the position of Fifth Member of the Board. The applicants appeared as follows:

- 1) Joseph Connarton: Mr. Connarton joined the meeting at 11:03 a.m., and answered several questions about his relevant experience and discussed his experience working as the Executive Director for PERAC, as well as his experience working with municipal retirement boards in Massachusetts and serving as a board member on the Cambridge Retirement Board. Mr. Connarton answered several questions and discussed his experience in matters relating to M.G.L. c. 32, and the manner in which that experience has prepared him to serve as a board member. Mr. Connarton left the meeting at 11:18 a.m.
- 2) Scott Provensal: Mr. Provensal joined the meeting at 11:18 a.m., and answered several questions about his relevant experience and discussed his experience working as the Director of Finance for the Essex Regional Retirement System, as well as his experience working in a member services capacity. Mr. Provensal also discussed his experience in matters relating to M.G.L. c. 32, and the manner in which that experience has prepared him to serve as a board member. Ms. Pelletier expressed concerns regarding Mr. Provensal’s resume. Mr. Provensal left the meeting at 11:29 a.m.

- 3) Adam Travinski: Mr. Travinski joined the meeting at 11:30 a.m., and answered several questions about his relevant experience and discussed his experience working as the Executive Director for the Melrose Retirement Board. Mr. Travinski also discussed his experience in matters relating to retirement financing, and the manner in which that experience has prepared him to serve as a board member. Mr. Travinski left the meeting at 11:40 a.m.
- 4) Kent Moffatt: Mr. Moffatt joined the meeting at 11:45 a.m. and answered several questions about his relevant experience as well as his understanding of board function and dynamics. Mr. Moffatt left the meeting at 12:03 p.m.

The Board discussed the qualifications of each of the four candidates. On a motion made by Mr. Pangallo and seconded by Ms. Giardella, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, no, Mr. Pangallo, yes, Ms. Pelletier, no, to appoint Scott Provensal as the Fifth member of the Board. As a result of the tie vote, the motion did not carry. On a motion made by Ms. Hayes and seconded by Ms. Pelletier, the Board voted by roll call: Ms. Giardella, no, Ms. Hayes, yes, Mr. Pangallo, no, Ms. Pelletier, yes, to appoint Joe Connarton as the Fifth member of the Board. As a result of the tie vote, the motion did not carry. On a motion made by Ms. Pelletier and seconded by Ms. Hayes, the Board voted by roll call: Ms. Giardella, no, Ms. Hayes, yes, Mr. Pangallo, no, Ms. Pelletier, yes, to appoint Adam Travinski as the Fifth member of the Board. As a result of the tie vote, the motion did not carry. Pursuant to M.G.L. c. 32 § 20(4)(b), the Board has thirty days from the expiration of the Fifth Member's term to appoint a Fifth Member and, "if the fifth member is not chosen by the other four members within thirty days after the expiration of the term of the fifth member, said member shall be appointed in a city by the mayor". However, the Board discussed the option of reposting the position in hopes of finding a candidate who can be appointed by a majority vote. Mr. Lutts' term is set to terminate on September 15th, 2020, per the resignation letter submitted by Mr. Lutts.

II. Regular Matters of Business

Meeting Minutes

The minutes of the previous Board meeting, held on July 29, 2020, were reviewed and, on a motion made by Ms. Giardella and seconded by Ms. Hayes, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to approve the July meeting minutes as amended.

Monthly Warrants

The warrants for the month of August were reviewed and, on a motion made by Ms. Pelletier and seconded by Ms. Giardella, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to approve the August warrants as submitted.

Applications to Purchase Service

There were no applications to purchase service that required the Board's attention.

Recent Enrollments

All recent new enrollments were reviewed. On a motion made by Ms. Giardella and seconded by Mr. Lutts, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Lutts, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to acknowledge the new enrollments as submitted.

Mr. Lutts joined the meeting at approximately 12:25 p.m.

Benefit Calculation Results

All benefit calculation results for the month of August were reviewed and, on a motion made by Ms. Pelletier and seconded by Ms. Hayes, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Lutts, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to approve the August benefit calculation results for Mary Butler, Kathleen Makros, Peter Smyrnios, Stephen Tassinari, and Luzia Evans, as submitted.

III. Treasurer's Report

Board Treasurer, Kathleen McMahon, presented a comprehensive report on the monthly reconciliation performed on behalf of the Board. The Board reviewed the reconciliation report for the month of July. On a motion made by Ms. Pelletier and seconded by Ms. Hayes, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Lutts, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to accept the Treasurer's Report as submitted.

III. Executive Director's Report

Mr. Findlen presented the Board with a report on all cash receipts for the month of July, as well as a trial balance for the month of July, for the Board's review. Mr. Findlen also presented the Board with a monthly expenditure report for the month of July, a monthly report on the traffic experienced by the Board's website, and a monthly report of the Employee Self-Service portal usage, as well as the July 2019 reports on the traffic experienced by the Board's website and the Employee Self-Service portal usage, for comparative purposes. The Board reviewed monthly statements of the SCRB's investment in the PRIT Core Fund, prepared by the MA PRIM Board. The PRIT Core Fund grew by approximately 3.06% in the month of July, reducing the overall loss experienced by the fund to (-0.48%) for the calendar year. Mr. Findlen also noted that Board Attorney Tom Gibson had relayed a request from PERAC to submit a medical panel waiver on behalf of Brian Benson, per Chapter 117 of the Acts of 2020. On a motion made by Ms. Pelletier and seconded by Ms. Hayes, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Lutts, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to acknowledge the Executive Director's Report.

IV. PERAC Memos & News

There were no recent PERAC memos or news items that required the Board's attention

V. Monthly Board Meeting Schedule

The Board once again discussed the possibility of changing the regular meeting schedule, so as to better facilitate the SCRB office's workflow. The Board discussed the possibility of reducing the amount of materials prepared for the regular monthly meetings. The Board did not reach a definitive determination on the possibility of changing the regular meeting schedule, but agreed to continue the discussion.

VI. Actuarial Valuation

Kathleen Riley, Senior Vice President and Actuary, Segal, and her associates, Lisa VanDermark and Ken Gordon, presented a preliminary actuarial valuation to the Board, as of January 1, 2020. Ms. VanDermark explained the methodology used to arrive at the valuation results and noted that the experience in the years since the last valuation had been generally positive. Ms. Vandermark discussed the positive growth experienced by the SCRB's investment portfolio, and the smoothing technique that is used to spread out changes in the investment performance, so as to stabilize the Board's funded ratio from year to year. The Board was asked to consider changes to some of the actuarial assumptions, such as the expected rate of return.

VII. Old Business

There were no old business matters that required the Board's attention.

VIII. New Business

The Board confirmed the scheduling of the next regular meeting, which will be held on Wednesday, September 23, 2020, at 12:00 p.m.

On a motion made by Mr. Lutts and seconded by Ms. Hayes, the Board voted by roll call: Ms. Giardella, yes, Ms. Hayes, yes, Mr. Lutts, yes, Mr. Pangallo, yes, Ms. Pelletier, yes, to adjourn the meeting at 1:36 p.m.

Dominick Pangallo, Chair

Laurie Giardella

Sarah M. Hayes

Marcia A. Pelletier

Robert T. Lutts

Documents used in SCRB Board meeting of August 26, 2020

- Agenda for August 26, 2020 SCRB Board meeting
- Fifth Member Applicant Resumes
- Open Session minutes of July 29, 2020 SCRB Board meeting
- August Cash Disbursements Warrant
- New Member Enrollment Report
- Benefit Calculations Results report
- July Treasurer's Report
- July Cash Receipts
- July Trial Balance
- July monthly expenditure report
- PRIT Fund June Statement
- PRIM Performance Update
- Monthly ESS Usage Report
- July 2019 Monthly ESS Usage Report
- Monthly Website Traffic Report
- July 2019 Monthly Website Traffic Report