

**SALEM RETIREMENT BOARD
OPEN SESSION MEETING MINUTES
AUGUST 27, 2025
12:00 P.M.**

Meeting held via Microsoft Teams webinar (meeting notice with access instructions posted on www.salemretirement.org).

In attendance at this regular meeting of the Salem Retirement Board (the “Board”), via Teams webinar, were Lisa J.B. Peterson (Chair), Sarah M. “Sally” Hayes, Matthew A. Veno, Robert W. Callahan, and James R. LeBlanc. Also in attendance were Deputy Director Jamie Godjikian and Executive Director Paul Findlen.

Remote Participation Announcement

Pursuant to the March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §20, and the passage of Chapter 2 of the Acts of 2025 on March 28, which includes an extension until June 30, 2027, this meeting of the Salem Contributory Retirement Board was conducted via remote participation. Members of the public could access the proceedings by visiting microsoft.com/microsoftteams and entering Meeting ID 212-612-444-981 or by telephone at 1-872-212-4377 and entering Phone Conference ID 247-627-003#. All votes were taken by roll call.

I. Regular Matters of Business

Approval of minutes of the Regular Meeting held on July 30, 2025 – On a motion made by Mr. Callahan and seconded by Ms. Hayes, the Board voted by roll call: Mr. LeBlanc, yes, Ms. Peterson, yes, Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, to approve the minutes of the Regular Meeting held on July 30, 2025.

Approval of the minutes of the Executive Session held on August 21, 2024 – On a motion made by Mr. Callahan and seconded by Ms. Hayes, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes, to approve the minutes of the Executive Session held on August 21, 2024.

Approval of the minutes of the Executive Session held on July 30, 2025 – On a motion made by Mr. Veno and seconded by Mr. LeBlanc, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes to approve the minutes of the Executive Session held on July 30, 2025.

Approval of all August Warrants – On a motion made by Ms. Hayes and seconded by Mr. Callahan, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes to approve the August Warrants as submitted.

Acknowledgement of August Refunds and Transfers – On a motion made by Ms. Hayes and seconded by Mr. Callahan, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes to acknowledge the August Refunds and Transfers.

Acknowledgement of all recent enrollments – On a motion made by Mr. Callahan and seconded by Mr. LeBlanc, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes to acknowledge all recent enrollments.

Acknowledgement of recent retiree and member deaths – None.

Approval of recent applications to purchase service – On a motion made by Ms. Hayes and seconded by Mr. Callahan, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes to approve the recent applications to purchase service credit.

Benefit Calculations – Mr. Callahan inquired whether retirement contributions withheld from veteran's stipends, recently determined by PERAC not to qualify as regular compensation, would be refunded to affected members. Mr. Findlen confirmed that refunds would be issued. Mr. Callahan also asked if any retirees had been impacted by PERAC's determination. Mr. Findlen responded that neither he nor the auditors had found any indication of retirees being affected, as the withholdings had been a recent practice and only applied to a small number of police officers. The Board reviewed the benefit calculation results for: Jane Colman; Eric A. Connolly; Susan M. Fair; Roger N. Lewis; and Joanne Scott – On a motion made by Mr. Callahan and seconded by Mr. LeBlanc, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes to approve the benefit calculations as submitted.

II. Treasurer's Report

Mr. Findlen informed the Board that the July cash reconciliation remains pending, following the resolution of a discrepancy involving a stale check issued to MTRS. The Board will revisit this item at the September meeting.

III. Executive Director's Report

Mr. Findlen presented the July cash receipts, trial balance, and monthly expenditure report. He reported that investment returns for July were +0.6%, bringing the calendar year-to-date return to 6.2%, which is slightly below the 6.9% actuarial benchmark. Mr. Callahan noted that the system's expenditures appear to be on track with budget projections and commented that reallocations would likely occur, as in previous years..

The Board acknowledged the report by roll call vote: Mr. Callahan, yes, Ms. Hayes, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes.

IV. PERAC Memos

No PERAC memos were received for review this month.

V. PERAC Audit

The Board reviewed PERAC's draft audit report for calendar years 2017 through 2021. The Board was found to be in compliance in most areas, with one finding related to inaccurate retirement deductions. Mr. Findlen provided an overview of the finding and described the corrective actions being undertaken by Board staff in coordination with payroll staff from the Board's various employer units to address the issue. Mr. Callahan inquired about the actions taken to resolve the issue concerning 2% deductions on earnings in excess of \$30,000 for certain school employees. Specifically, he referenced cases where 2% deductions were withheld based on projected annual earnings exceeding the \$30,000 threshold, but the employees ultimately did not reach that level of compensation. Mr. Findlen explained that in some instances, employees appear on track to exceed the \$30,000 threshold based on their earnings in specific pay periods; however, due to later schedule changes, they do not ultimately surpass the threshold. The school payroll office is following PERAC's guidelines, but these fluctuations result in a small number of employees - those with earnings near the \$30,000 threshold - contributing, on average, an additional \$25 - \$50 per year, or approximately \$1 - \$2 per pay period. Mr. Veno noted that these incorrect assessments could potentially have minor tax implications for affected members, as the excess contributions are made on a pre-tax basis and would be returned as a lump sum upon retirement - likely at a time when the member's tax liability is lower. On a motion made by Mr. Veno and seconded by Mr. Callahan, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes, to acknowledge the audit and respond to PERAC's recommendations.

VI. Legal Services RFP

The Board reviewed the proposed materials and timeline for the SCRB's legal services RFP. On a motion made by Mr. Callahan and seconded by Mr. Veno, the Board voted by roll call: Ms. Hayes, yes, Mr. Callahan, yes, Mr. Veno, yes, Mr. LeBlanc, yes, Ms. Peterson, yes, to approve the RFP and its timeline.

VII. Old Business

None.

VIII. New Business

Next Meeting – The next regular meeting is scheduled for Wednesday, September 24, 2025, at 12:00 p.m. No additional business was raised.

Adjournment

On a motion made by Mr. LeBlanc and seconded by Mr. Veno, the Board voted by roll call: Ms. Hayes, yes, Ms. Peterson, yes, Mr. Veno, yes, Mr. Callahan, yes, Mr. LeBlanc, yes, to adjourn the meeting at 1:03 p.m.

Lisa J.B. Peterson, Chair

James R. LeBlanc

Robert W. Callahan

Sarah M. Hayes

Matt Veno

Background Materials

- Agenda for August 27, 2025, SCRB Board meeting
- July 30, 2025, Minutes
- August 21, 2024, Executive Meeting Minutes
- July 30, 2025, Executive Meeting Minutes
- August Cash Disbursements
- August Refund, Roll Over and Transfer Warrant
- New Enrollments
- 4(1)(h) SCP C. Donahue
- 4(1)(h) SCP D. White
- 4(1)(h) SCP M. Zirin
- 4(1)(h) SCP R. Arroyo
- 4(1)(h) SCP T. Musumeci
- Benefit Calculation results August 2025
- July Cash Receipts
- July Trial Balance
- July 2025 PRIT statement
- July 2025 PRIM Performance update
- PERAC CY2017-CY2021 Draft Audit Report
- PERAC Audit Cover Letter
- SCRB Legal Services RFP
- Legal Services RFP Notice