

SALEM RETIREMENT BOARD
OPEN SESSION MEETING MINUTES
DECEMBER 20, 2017
12:00 P.M.

I. Regular Matters of Business

In attendance at this regular meeting of the Salem Retirement Board (“the Board”) were Dominick Pangallo (Chair), Sarah M. Hayes, Robert T. Lutts, and Marcia A. Pelletier
Also in attendance were Board Treasurer Kathleen McMahon and Executive Director Paul Findlen
Absent: Laurie Giardella

The meeting was called to order at approximately 12:00 p.m.

Meeting Minutes

The minutes of the previous Board meeting, held on November 29, 2017, were reviewed and, on a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 4-0 to approve the November meeting minutes as submitted.

Monthly Warrants

Mr. Findlen noted that, due to the timing of the meeting, the December Board and staff payroll was not included in the December warrant. The warrants for the month of December were reviewed and, on a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 4-0 to approve the December warrants as submitted.

Benefit Calculations

All benefit calculations for the month of December were reviewed and, on a motion made by Ms. Hayes and seconded by Mr. Lutts, the Board voted 4-0 to approve the December benefit calculations as submitted.

Applications to Purchase Service

There were no new applications to purchase service credit that required the Board’s attention.

Recent Enrollments

All recent new enrollments were reviewed. On a motion made by Mr. Lutts and seconded by Ms. Pelletier the Board voted 4-0 to acknowledge the new enrollments as submitted.

II. Treasurer’s Report

Board Treasurer, Kathleen McMahon, presented a comprehensive report on the monthly reconciliation performed by the Board Treasurer on behalf of the Board. Ms. McMahon reported that Salem Five’s new online banking application is still unable to provide an outstanding check list, but that “bugs” in the system are being addressed. Ms. McMahon also noted the recent receipt of a payment from State Street Bank, which, according to Mr. Findlen, represented the Board’s share of a recently settled class action suit. The Board reviewed the reconciliation report for the month of November. On a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 4-0 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 November, as well as a trial balance for the month of November for the Board's review. Mr. Findlen also presented the Board with a monthly expenditure report for the month of November, a monthly report on the traffic experienced by the Board's website, and a monthly report of the Employee Self-Service portal usage. As of the time of the meeting, the monthly statement of the SCRB's investment in the PRIT Core Fund, prepared by the PRIM Board, was not yet available. Mr. Findlen proposed a budget for the year 2018. The Board reviewed the budget proposal submitted by Mr. Findlen, who took questions on specific line items as well as the methodology used to compose the budget. Mr. Findlen noted that the amount budgeted for Pension Technology group would need to be increased from the listed \$60,000, to \$66,100, based on an updated quote received from Pension Technology Group. On a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 4-0 to approve the proposed CY2018 budget as amended. On a motion made by Ms. Pelletier and seconded by Mr. Lutts, the Board voted 4-0 to acknowledge the Executive Director's Report.

IV. PERAC Memos

The Board reviewed and briefly discussed PERAC memo #36/2017, as well as other recent relevant PERAC memos.

V. Legal Update

Mr. Findlen briefly updated the Board on relevant legal matters, and presented the Board with a recent decision handed down by DALA in the case of *Kathleen Deschene v. Salem Retirement Board & PERAC*, as well as a CRAB Order to Show Cause, which was filed in response to Ms. Deschene's appeal (which was filed untimely) of DALA's decision. The DALA magistrate affirmed the Board's decision to compel Ms. Deschene to repay her retirement overearnings, but noted in her decision that she urged the parties to resolve certain matters amongst themselves – namely, the restitution of the portion of Ms. Deschene's benefit that she waived voluntarily, in an effort to allow for the post retirement earnings. The Board's attorney, Tom Gibson, had petitioned PERAC to advise the Board as to what avenues are available for resolution. On a motion made by Ms. Pelletier and seconded by Mr. Lutts, the Board voted 4-0 to await PERAC's response to Mr. Gibson's request, before taking further action in this matter.

VI. Executive Session

A motion was made by Mr. Lutts and seconded by Ms. Pelletier to enter into Executive Session under Purpose 7 of the Open Meeting Law and in compliance with exemption (c) of the Public Records Law (G.L. c. 4, s. 7(26)(c)) exempting personnel and medical files or information and other materials or data relating to a specifically named individual, the disclosure of which may constitute an unwarranted invasion of personal privacy. On roll call, the vote was as follows:

VOTED:	Sarah M. Hayes	Yes
	Robert T. Lutts	Yes
	Marcia Pelletier	Yes
	Chair Dominick Pangallo	Yes

At approximately 12:34 p.m. the Board went into Executive Session. The Chair stated that the Board would return to Open Session.

At approximately 12:44 p.m. the Board reconvened in Open Session and the Chair announced the Board's actions during Executive Session on the following items:

“SECTION 9” BENEFITS

1. Cecile Driscoll

The application of Cecile Driscoll, widow of the late James M. Driscoll, for “Section 9” benefits was reviewed, together with the medical panel reports and the deceased member's death certificate. On a motion to approve the application for “Section 9” benefits, made by Ms. Pelletier and seconded by Mr. Lutts, the roll call vote was as follows:

VOTED:	Sarah M. Hayes	Yes
	Robert T. Lutts	Yes
	Marcia Pelletier	Yes
	Chair Dominick Pangallo	Yes

VOTED: The application of Cecile Driscoll for “Section 9” benefits was approved and will be transmitted to PERAC

VII. Old Business

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

VIII. New Business

Ms. Pelletier asked that, at its next meeting, the Board review a comprehensive cross-section list of all COLA's being granted by contributory retirement boards, throughout the state. The Board asked Mr. Findlen to prepare the list for review at its January meeting of the Board. The Board reviewed the notice of Board Election Results, which were mailed to Mayor Kimberley Driscoll, with copies sent to the City of Salem City Clerk, as well as to PERAC, and indicated that Marcia Pelletier had been elected to serve a full term as the second elected member of the Salem Contributory Retirement Board, commencing as of December 3, 2017, and set to expire on December 2, 2020. The Board reviewed the election tallies, which indicated Marcia Pelletier had received 54.9% of the eligible votes cast in the election. On a motion made by Ms. Hayes and seconded by Mr. Lutts, the Board voted 4-0 to accept the election results, as presented by the election officer, Paul Findlen.

On a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 4-0 to adjourn the meeting at 12:52 p.m.

Next meeting of the Board scheduled for Wednesday, January 24, 2018, at 12:00 p.m.

Dominick Pangallo, Chair

Sarah M. Hayes

Marcia A. Pelletier

Robert T. Lutts

Documents used in SCRB Board meeting of December 20, 2017

- Agenda for December 20, 2017 SCRB Board meeting
- Open Session minutes of November 29, 2017 SCRB Board meeting
- December Warrants
- New Member Enrollment Report
- November Treasurer's Report
- November Cash Receipts
- November Trial Balance
- November monthly expenditure report
- Monthly Website Traffic Report
- Monthly ESS Usage Report
- PERAC Memo #36/2017
- DALA Decision *Deschene v. Salem Retirement Bd. And PERAC*
- CRAB Order to Show Cause *Deschene v. Salem Retirement Bd. And PERAC*
- Election Results
- Election Tally Sheets