

SALEM RETIREMENT BOARD
OPEN SESSION MEETING MINUTES
MAY 30, 2018
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), Laurie Giardella, Sarah M. Hayes, Robert T. Lutts, and Marcia A. Pelletier. Also in attendance were Board Treasurer Kathleen McMahon, Barbara Smith and her attorney Susan McDonald, and Executive Director Paul Findlen.

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

Meeting Minutes

The minutes of the previous Board meeting, held on April 25, 2018, were reviewed and, on a motion made by Ms. Giardella and seconded by Mr. Lutts, the Board voted 4-0 (Ms. Hayes abstained due to absence) to approve the April meeting minutes as submitted.

Monthly Warrants

The warrants for the month of May were reviewed. Mr. Findlen noted a charge from the United States Treasury for a penalty assessed on the SCRB’s 2017 federal tax filing. Mr. Findlen reported that the penalty is under appeal and will keep the Board apprised of the results of that appeal. On a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 5-0 to approve the May warrants as submitted.

Benefit Calculations

All benefit calculations for the month of May were reviewed and, on a motion made by Mr. Lutts and seconded by Ms. Hayes, the Board voted 5-0 to approve the May 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 Ms. Pelletier and seconded by Mr. Lutts the Board voted 5-0 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. The Board reviewed the reconciliation report for the month of April. Ms. McMahon noted the additional PRIT Fund cash transfer of \$575,000, in the month of April, used to cover the unusually large 3(8)(c) bill sent from MTRS. On a motion made by Mr. Lutts and seconded by Ms. Pelletier, the Board voted 5-0 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 April, as well as a trial balance for the month of April for the Board's review. Mr. Findlen also presented the Board with a monthly expenditure report for the month of April, a monthly report on the traffic experienced by the Board's website, and a monthly report of the Employee Self-Service portal usage. The Board reviewed a monthly statement of the SCRB's investment in the PRIT Core Fund, prepared by the MA PRIM Board. The PRIT Core Fund grew by approximately 0.23% in the month of March, resulting in net positive growth of 0.83% for the calendar year. The Board also reviewed the PRIM Board Quarterly Update for the first quarter of 2018, as well as a press release and Boston Globe article, which detailed the recognition recently bestowed upon PRIM by the American Investment Council. The American Investment council ranked PRIM's private equity portfolio #1 among U.S. public pension funds, based on investment performance. Mr. Findlen presented the Board with a decision handed down in the case of *Richard Stafford v. Massachusetts Teachers' Retirement System and Salem Retirement Board*. Mr. Stafford had initially petitioned to the Board to purchase prior school committee service, pursuant to M.G.L. c. 32 § 4(1)(o) (which was repealed as of July 1, 2009), on the basis that he believed he had made prior applications to purchase the service while the provision was still in effect. The DALA magistrate found that Mr. Stafford did not definitively make an application to purchase the service and affirmed the Board's denial of Mr. Stafford's request. Mr. Findlen will notify the Board if the decision is appealed. On a motion made by Ms. Pelletier and seconded by Mr. Lutts, the Board voted 5-0 to acknowledge the Executive Director's Report.

IV. PERAC Memos

The Board reviewed and briefly discussed PERAC Pension News #49.

V. Executive Session

A motion was made by Mr. Lutts and seconded by Ms. Giardella 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:	Laurie Giardella	Yes
	Sarah M. Hayes	Yes
	Robert T. Lutts	Yes
	Marcia Pelletier	Yes
	Chair Dominick Pangallo	Yes

At approximately 12:38 p.m. the Board went into Executive Session. The Chair stated that the Board would return to Open Session.

At approximately 12:59 p.m. the Board reconvened in Open Session and the Chair announced the Board's actions during Executive Session on the following items:

INVOLUNTARY ACCIDENTAL DISABILITY RETIREMENT

1. Barbara A. Smith

The Board reviewed the member's application, a treating physician's statement, and the employer's statement pertaining to Ms. Smith's accidental disability application. On a motion to accept the application submitted on behalf of Barbara A. Smith, Farm Worker for the Essex North Shore and Agricultural School District, and to request the appointment of a regional medical panel, made by Mr. Lutts and seconded by Ms. Pelletier, the roll call vote was as follows:

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

VOTED: The application submitted on behalf of Barbara A. Smith for accidental disability retirement benefits was accepted and the Board will petition PERAC to convene a regional medical panel.

Ms. Smith and her attorney, Susan McDonald, excused themselves from the meeting at 1:00 p.m.

VI. Old Business

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

VII. New Business

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

On a motion made by Ms. Giardella and seconded by Mr. Lutts, the Board voted 5-0 to adjourn the meeting at 1:03 p.m.

Next meeting of the Board scheduled for Wednesday, June 27, 2018, at 12:00 p.m.

Dominick Pangallo, Chair

Laurie Giardella

Sarah M. Hayes

Marcia A. Pelletier

Robert T. Lutts

Documents used in SCRB Board meeting of May 30, 2018

- Agenda for May 30, 2018 SCRB Board meeting
- Open Session minutes of April 25, 2018 SCRB Board meeting
- May Warrants
- New Member Enrollment Report
- April Treasurer's Report
- April Cash Receipts
- April Trial Balance
- April monthly expenditure report
- PRIT Fund April Statement
- PRIM Quarterly Update Q1 2018
- PRIM Press Release
- Boston Globe Article about PRIM
- Monthly Website Traffic Report
- Monthly ESS Usage Report
- Decision in *Richard Stafford v. Massachusetts Teachers' Retirement System and Salem Retirement Board*
- PERAC Pension News #49