

MINUTES

MEETING OF THE PEABODY RETIREMENT BOARD **WEDNESDAY, APRIL 24, 2024**

Chairman Yagjian called the meeting to order at 7:00 A.M. Board members participating were Mr. Michael Gingras, Mr. Edward Lomasney, Mr. Henry Hogan, and Ms. Andrea Trefry. As authorized with the passage of Chapter 2 of the Acts of 2023 signed by Governor Healey on March 29, 2023, extending the Open Meeting Law Waiver until March 31, 2025, this meeting of the Peabody Retirement Board was held by remote participation with all Board Members remote. Every effort was made to ensure that the public could adequately access the proceedings in real time via technological means. Alternative public access to this meeting was made via Zoom virtual meeting software for remote access. A notice of the meeting was posted at City Hall, the Peabody Police Department, the City of Peabody webpage under City Calendar of Meetings, and Peabody Access Telecommunications television. Mayor Bettencourt was in attendance. There were no public attendees at the meeting today.

ACCEPTANCE OF MINUTES:

ON MOTION BY MR. HOGAN, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO ACCEPT THE MINUTES OF THE MARCH 27, 2024, REGULAR MEETING OF THE PEABODY RETIREMENT BOARD. ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

CITY HALL UPDATES FROM MAYOR BETTENCOURT:

Mayor Bettencourt met with the Board in follow up to correspondence from the Board regarding removing the current practice of health insurance administration and maintenance of those records for retired city employees and the need to relocate the retirement office to another space within the building or a relocation outside of the premises. Mayor Bettencourt informed the Board the relocation of the retirement spaces within city hall will involve the relocation of several departments currently spaces on the ground floor of the building, but the plan is in progress starting with the relocation of water billing to the DPS facility. This will free up the first space which will ultimately lead to retirement moving into the space now occupied by the purchasing department which is a much larger space and will accommodate the hiring of an additional person in the retirement office. The plan for the relocation will be in the summer. In regard to hiring a part time employee that the administrator has been asking for quite some time and the request to remove the retired employee health benefits administration and records maintenance out of the retirement office, Mayor Bettencourt made a recommendation that we instead hire a full time employee that would be split funded between the city and retirement and retain the work of health maintenance and administration of retired employees in the retirement office. The administrator reminded the Board and Mayor Bettencourt that while having a full-time employee would be added relief, the impacts of a full-time position on the retirement system, benefits, liability, etc., and also raised the question of what would be the outcome if the potential funding for this plan from the city ceased. He also reminded all while the work could be done in the retirement office by this potential future employee, this does not make the function a responsibility of the Peabody Retirement System. These functions are not on our PERAC audit and are spelled out in Chapter 32B. Post employment benefits are a function and responsibility of the city and not the retirement system. After a pleasant exchange of ideas, recommendations, questions and answers, and discussion of the two issues at hand, the mayor informed the board of his recommendation to split the cost of the salary and benefits. The inclusion of the position would be in his FY25 budget recommendation to the City Council. Mayor Bettencourt thanked the Board for the opportunity to share his plan and the Chair on behalf of the board and staff thanked the mayor for his time attending the meeting today.

ON MOTION BY MS. TREFRY, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO RECEIVE MAYOR BETTENCOURT'S BRIEFING AND RECOMMENDATIONS.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

SUPERANNUATION RETIREMENT:

The Board reviewed the Application for Voluntary Superannuation Retirement Form and Choice of Retirement Option Form at Retirement submitted by the following members:

Barbara Stevens	PMLP Engineering Aide	67 years old	34 years 7 months	5/3/2024
William Santos	Firefighter	55 years old	29 years	5/11/2024
Patricia Terry-Bua	PMLP Clerk Operator	64 years old	14 years 10 months	5/20/2024
Robert Langley	City Engineer	65 years old	18 years 5 months	7/9/2024

ON MOTION BY MR. GINGRAS, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

SECTION 101 SURVIVOR BENEFIT:

Mrs. Barbara Kowalski has filed a Section 101 Survivor Benefit Application. Mr. Theodore Kowalski passed away on April 12, 2024. At the time of Mr. Kowalski's Accidental Disability Retirement, there was no option to provide for a surviving spouse, therefore Mrs. Kowalski is entitled to Section 101 benefit at the rate of \$12,000.00 annually. The Board reviewed the written request and Affidavit by Spouse Seeking Survivor Benefits Application submitted and **ON MOTION BY MR. GINGRAS, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO APPROVE.**

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY-YES, MR. YAGJIAN-YES.

NEW MEMBERS:

The following candidates for membership have completed the New Member Enrollment Form, Beneficiary Selection Form(s), been physically cleared, and provided birth certificate for themselves and applicable beneficiaries:

Leticia Correia-Barreira	PMLP Cashier	Group 1	2/12/2024
Olivia Caldwell	PMLP Operator	Group 1	3/04/2024
Dianne Valente	School Bus Monitor	Group 1	3/6/2024
Cameiny Vargas	School Paraprofessional	Group 1	3/18/2024
Amy Giammarco-Moquin	School Paraprofessional	Group 1	3/18/2024
Brian McCormack	Police IT Specialist	Group 1	3/18/2024
Brian Gomes	PMLP Meter Tech II	Group 1	3/18/2024
Kimberly Jalbert	Auditing Principal Clerk	Group 1	4/8/2024
Cameron White	Recreation Manager	Group 1	4/8/2024

ON MOTION BY MR. GINGRAS, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO APPROVE.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

WARRANTS:

ON MOTION BY MR. GINGRAS, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:

#032624PP	03/26/2024	Pension Payroll	\$2,051,644.53
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ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

ON MOTION BY MR. GINGRAS, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:

#032824B	03/28/2024	Miscellaneous Bills	\$ 1,369.41 as follows:
\$ 104.14	- W.B. Mason - Office Supply		
\$1,265.27	- 3-8-C - Malden Retirement System		

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

ON MOTION BY MR. GINGRAS, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING WARRANT:

#041124B	04/11/2024	Miscellaneous Bills	\$ 60,894.55 as follows:
\$ 247.50	- Sacco and Collins - Legal Services		
\$ 442.53	- Govconnection - Office Equipment		
\$ 576.00	- Thomson Reuters-West - MGL Chapter 32 updates		

\$18,047.85 - 3-8-C - Melrose Retirement System
 \$41,580.67 - 3-8-C - Danvers Retirement System

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

BOARD & STAFF PAYROLL:

ON MOTION BY MR. LOMASNEY, 2ND BY MS. TREFRY, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING BOARD AND STAFF PAYROLLS TOTALING \$18,476.75:

4/3/2024 for \$9,184.65 and 4/17/2024 for \$9,292.10

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

PERAC CORRESPONDENCE:

Memo 11-2024. Mandatory Retirement Board Member Training - 2nd Quarter 2024

PERAC Email Correspondence:

1. Fraud Alert to all Boards, Staff, and Vendors *
2. 2024 Commonwealth Investment Return Assumption

* *NOTE:* The Board was reminded of our Vendor and Customer Call Back Procedure in order to avoid malicious fraud attempts. We do not accept any banking information changes over the phone or email and have removed our direct deposit authorization form from the website. Any banking changes that are not personally delivered to the office initiate a call to the retiree/survivor at the phone number in our system to authenticate the customer has initiated the change.

ON MOTION BY MR. GINGRAS, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO RECEIVE THE LISTED PERAC CORRESPONDENCE.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

PRIM CORRESPONDENCE:

PRIM Value Report for February 2024

Performance Update – February 2024

PRIM 2023 GASB 67 and 68 Information

ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RECEIVE THE LISTED PRIM CORRESPONDENCE.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

2023 ANNUAL FINANCIAL STATEMENT:

The Annual Statement of the Financial Condition of the Peabody Retirement System for the period ending December 31, 2023, and required Schedules (1, 5, 6, and 7) was submitted for the Board's review and approval. The closing assets for 2023 are \$207,241,920.45.

ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RECEIVE AND APPROVE THE 2023 ANNUAL FINANCIAL STATEMENT.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY-YES, MR. YAGJIAN-YES.

MISCELLANEOUS

Massachusetts Inspector General Report on Post Retirement Earnings Limits for Massachusetts Public Employees: A Review of a Flawed System.

The IG reports there is no single tracking mechanism or state agency responsible or accountable for the enforcement of tracking post-retirement earnings limitations and identifies numerous areas for abuse and lack of accountability and closes the lengthy report with several recommendations to the legislature. The Pension Administrator briefed the Board on the practice within the office to track post-employment earnings. We only know if any of our retired employees are employed by a self-reporting annotation on their annual affidavit, which is sworn to under pains and penalties of perjury. Once we are made aware, we work with the employing city or town to obtain the annual earnings and ensure the retired employee has not exceeded the earnings limit from the year before. Additionally, we have a good number of retired employees that self-report throughout the year in order to obtain their maximum earnings figure to avoid exceeding the allowable cap.

We have maintained a separate spreadsheet (in excess of twenty years) on all known retired employees working, track their earnings at retirement, their current retirement allowance, and what amount they are allowed to earn. Once they are retired for a full calendar year, an additional \$15,000.00 is added to the earnings limit. PERAC advised during COVID, (Memo 21/2020) the limitation was waived by the Massachusetts Legislature, and we ceased tracking the data for the duration. Once the waiver expired on December 31, 2022, we resumed tracking the data for accountability and enforcement.

ON MOTION BY MR. LOMASNEY, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RECEIVE.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

NEW BUSINESS:

In follow up to the March 2024 meeting regarding Section 9 Survivor Benefit, Mrs. Grant has provided the last 5 years of medical history. As the Board voted to obtain the last 5 years of Mr. Grant's medical records and then to request PERAC convene a medical panel to determine if there is the possibility that Mr. Grant's heart disease caused or impeded with his treatment or played a prominent role in his death. The Administrator reported all information needed has been obtained and he has forwarded to PERAC via PROSPER requesting the medical panel be convened.

ADJOURN:

The next regular meeting of the Peabody Retirement Board will be Wednesday, May 22, 2024. The Board will convene at 7:00 a.m. by remote participation.

ON MOTION BY MR. LOMASNEY, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO ADJOURN THE MEETING AT 7:40 A.M.

ON ROLL CALL: MR. GINGRAS-YES, MR. HOGAN-YES, MR. LOMASNEY-YES, MS. TREFRY -YES, MR. YAGJIAN-YES.

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



Henry Hogan, First Elected Member



Andrea Trefry, Second Elected Member