

MINUTES

MEETING OF THE PEABODY RETIREMENT BOARD WEDNESDAY, JANUARY 24, 2024

Chairman Yagjian called the meeting to order at 7:01 A.M. Board members participating were Mr. Michael Gingras, Mr. Edward Lomasney, and Mr. Henry Hogan. Ms. Andrea Trefry was unable to attend. 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. There was one unknown call-in attendee at the meeting today.

ACCEPTANCE OF MINUTES:

ON MOTION BY MR. GINGRAS, 2ND BY MR. LOMASNEY, IT WAS VOTED UNANIMOUS TO ACCEPT THE MINUTES OF THE DECEMBER 20, 2023, REGULAR MEETING OF THE PEABODY RETIREMENT BOARD.

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

ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RELEASE TO PUBLIC RECORD, THE MINUTES OF THE EXECUTIVE SESSION OF THE SPECIAL MEETING HELD ON NOVEMBER 6, 2023

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

James Lendall	Firefighter	64 years old	41 years 2 months	02/21/2024
John Bishop	Skating Rink	72 years old	26 years 2 months	03/31/2024

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

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

Kristen Murray	Paraprofessional/School	Group 1	09/26/2023
Loretta Pearson	Bus Driver/School	Group 1	11/27/2023
Adam Finklestein	Paraprofessional/School	Group 1	12/04/2023
Gina Doucette	Paraprofessional/School	Group 1	12/07/2023
Melissa Apkhazava	Receptionist/PHA	Group 1	12/18/2023
Nicholas Arathuzik	IT Support/School	Group 1	12/18/2023
Michael Higgins	City Councilor	Group 1	01/02/2024
Ana Gomes	High School Clerk/School	Group 1	01/02/2024
Paula Harris	Bus Driver/School	Group 1	01/02/2024
Cynthia Lewis	Community Relations/PMLP	Group 1	01/02/2024
Tonya Porcella	Paraprofessional/School	Group 1	01/02/2024
Tracy Valletti	PMLP Commissioner	Group 1	01/02/2024
Janine DeRosa	Special Ed Clerk/School	Group 1	01/04/2024

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

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

LIABILITY:

Pamela Parkinson – Additional Service. Pamela Parkinson is a former employee with 13 years 9 months of creditable service from December 1991 through September 2005 that transferred to the Danvers Retirement System. Prior to her membership with Peabody, she was employed in the summers of 1978 and 1979 totaling 3 months of non-membership service. She requested to purchase the service with the Danvers Retirement System and the Board voted to accept the liability at the December 2023 meeting.

A second search was conducted for 1980 and 1981 revealing an additional 1 month of non-membership service that Ms. Parkinson wishes to purchase with the Danvers Retirement System.

ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO ACCEPT LIABILITY.

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

WARRANTS:

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

#121923 12/19/2023 Thriftco Printing - Envelopes \$685.40

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

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

#122023 12/20/2023 Pension Payroll \$2,055,333.88

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

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

#010424 01/04/2024 Miscellaneous Bills \$ 1,291.28 as follows
 \$1,200.00 – PTG – Records Backup and transfer to BSPS
 \$ 91.28 – W.B. Mason – Office Supply

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

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

#011824 01/18/2024 Miscellaneous Bills \$ 6,977.99 as follows:
 \$ 390.00 - Law Offices of Michael Sacco
 \$6,587.99 – 3-8-(c) – Beverly Retirement System

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

BOARD & STAFF PAYROLL:

ON MOTION BY MR. LOMASNEY, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO APPROVE THE FOLLOWING BOARD AND STAFF PAYROLLS TOTALING \$17,689.24:

12/27/2023 for \$8,984.75, and 1/10/2024 for \$8,704.49.

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

CASHBOOKS:

November 2023

Pooled fund worksheet and PRIT General Allocation Account Market Value of \$192,502,342.98

Cash Receipts Report for the period 1-30 November totaling \$1,914,777.26

Cash Disbursements Report for the period 1-30 November totaling \$4,122,893.48

Adjusting Journal Entries for the period 1-30 November totaling \$9,102,022.77

Trial Balance Report for the period ending 30 November

General Ledger for the period ending 30 November

Budget Report for the period ending 30 November

Treasurer Bank Reconciliation Report - Eastern Bank 30 November

Eastern Bank Statements (Checking & Payroll) 30 November

Budget to Actual Expense through 30 November

Cash Flow Forecast through December 2023

ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED UNANIMOUS TO RECEIVE AND APPROVE.

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

PERAC CORRESPONDENCE:

Memo 29-2023 – Tobacco Company List

Memo 30-2023 – Mandatory Retirement Board Member Training – 1st Quarter 2024

Memo 01-2024 – 840 CMR 10:10(3) and 10:15(1)(c) – Annual Review of Medical Testing Fee.

Memo 02-2024 – 2024 Interest Rate set at 0.1%

Memo 03-2024 – Required Minimum Distribution: Now Age 73 for this Year's Notifications

Memo 03-2024 Attachment: Sample Notification Letter

Memo 04-2024 – 2024 Limits under Chapter 46 of the Acts of 2002

Memo 05-2024 – 2024 Limits under Section 23 of Chapter 131 of the Acts of 2010

Memo 06-2024 – COLA Notice. COLA limit for 2024 is 3%

PERAC Pension News. Issue 64

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

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

PRIM CORRESPONDENCE:

PRIM Value Report for November 2023

Performance Update - November 2023

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, MR. YAGJIAN-YES.

NEW BUSINESS:

The administrator provided the Board with an update on the transition from Pension Technology Group (PTG) to Bay State Pension Solutions (BSPS). All pre-close 2023 accounting in PTG are in balance with BSPS as well as the supplemental schedule with the parallel reports of BSPS for the months of November 2023 and December 2023. As we do not yet have the year end PRIT statements, we are unable to close out the year 2023 with PTG and will use the accounting procedures for BSPS for the yearend closing and filings with PERAC.

All tax filing documents for retirees and survivors were processed and IRS tax filing report was completed with PTG software prior to our separation on January 1, 2024. Additionally, the 2023 annual statements for active employees were also processed in PTG for yearend.

Through the 3-8-C reimbursement process with the State Retirement System (SRS) we were made aware that three of our retired employees were given too much creditable service history on the liability to the SRS. These employees retired from Peabody in 2002, 2011 and 2012. A review of the service history indicated that each of them had fragmented service history with SRS but when the software was converted from TACT to PTG, all were awarded full service with, and the error was not seen years ago at the point of retirement. We must now recalculate the retirements and submit to PERAC to have the actual service and liability corrected and likely a reduced retirement benefit. The administrator will keep the Board apprised as we move forward.

The administrator also informed the Board of an issue that was presented at a recent Administrator's Training hosted by PERAC on audit findings. Nearly half of the audit findings fall under the membership category and there is a very high percentage of error rate with more than 3 years of longevity being applied to the highest average earnings for retirement calculation. As Peabody pays proportional longevity at the point of retirement, the proportional longevity has been included (and reported to PERAC) in the final calculation of some retiring employees. As PERAC reports only 3 years of longevity can be included in the retirement allowance calculation, the administrator has been going back through retirement calculations to determine which of them must be recalculated by

removing any excess longevity of more than three years. Once the audit is complete, he will report the findings to the Board for corrective action.

ON MOTION BY MR. GINGRAS, 2ND BY MR. HOGAN, IT WAS VOTED BY MAJORITY TO RECEIVE THE ADMINISTRATOR'S REPORT.

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

ADJOURN:

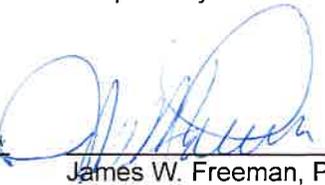
The next regular meeting of the Peabody Retirement Board will be Wednesday, February 21, 2024. The Board will convene at 7:00 a.m. by remote participation.

ON MOTION BY MR. LOMASNEY, 2ND BY MR. GINGRAS, IT WAS VOTED UNANIMOUS TO ADJOURN THE MEETING AT 7:25A.M.

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