

Page 995
 Gardner Contributory Retirement Board
June 26, 2018

The regular meeting of the Gardner Contributory Retirement Board was called to order by the Chairperson, Denise Merriam, on Tuesday, June 26, 2018 at 3:35 PM in Room #128, 1st Floor, City Hall, Mayor's Conference Room. .

On a motion by Kevin McInerney, seconded John Richard, the Board unanimously voted to approve the minutes of the regular meeting of May 29, 2018. The Board then signed the permanent minutes of the regular meeting of April 26, 2018.

On a motion by Robert Newton, seconded John Richard, the Board unanimously voted to approve the Trial Balance and the General Ledger History for April 30, 2018 and to accept the City Treasurer's bank reconciliations for April 2018.

On a motion by Kevin McInerney, seconded by John Richard, the Board unanimously voted to approve Warrant #06/18 dated June 29, 2018, totaling \$623,774.82.

Vendor	For	Amount
Jose Soto	Refund of ASF	\$ 1,513.46
City of Gardner	Federal W/H on Refund	\$ 378.36
Robyn S Inniss	Refund of ASF	\$ 7,464.71
City of Gardner	Federal W/H on Refund	\$ 1,866.18
Cliff J Melatti	Exit Meeting With PERAC Auditors	\$ 672.00
WB Mason	Office Supplies	\$ 192.36
Law Offices of Michael Sacco	Invoice #1795 Memo to Clients	\$ 25.00
MACRS	Spring Conference Fee	\$ 40.00
Denise Merriam	Travel Reimbursement	\$ 139.52
Mass State Bd of Retirement	3(8)c Reimbursement Cal YR 2017	\$ 108,077.61
City of Gardner	For FY 2018 Salary of Seasonal Empl	\$ 483.00
Pension Payroll #06/18	Annuity Paid	\$ 78,813.09
	Pension Paid	\$ 417,258.11
	Veteran's Benefits Paid	\$ 258.75
	Dependents Paid	\$ 194.81
	COLA Paid	\$ 6,397.86
TOTAL WARRANT #06/18		\$ 623,774.82

The Board next reviewed the PRIM statement for the Gardner Retirement System for the month of May 2018, noting a \$160,587.53 Net Change in Investment Value for the month.

The Board reviewed an email received May 24, 2018 from PRIM regarding a press release for Mass PRIM Tops All U.S. Public Pension Funds.

The Board also reviewed an email received on June 1, 2018 regarding Thirst for Data Serves Mass PRIM that was released on May 30, 2018.

The Board reviewed an email received June 13, 2018 from PRIM regarding CFA Boston Announces 2018-2019 Board of Directors.

Under “Correspondence” the Board reviewed PERAC Memo #18/2018; and PERAC Memo #19/2018. The Board reviewed PERAC Pension News, No. 49, dated May 2018. The Board then reviewed the Investment Report for 2017 received from PERAC.

The Board reviewed an email received on June 6, 2018 from Attorney Michael Sacco regarding 2017 Investment Return.

The Board then reviewed an email received on June 11, 2018 from Attorney Michael Sacco containing a memo regarding Vernava Post PERAC MACRS Presentation.

The Board reviewed an email received June 14, 2018 from Attorney Michael Sacco regarding PERAC Memo #18/2018.

The Board reviewed an email received June 19, 2018 regarding Mr. St. Pierre v Gardner and State Board of an Order to Show Cause.

The Board then reviewed Middlesex County Retirement System News, Spring 2018.

The Board reviewed The Voice, July 2018. Board members mentioned various retirees that they recognized within the printout for spring area meetings.

Under “Old Business”, the Board discussed the quote received from Melanson and Health for Calendar Year Audits for 2018, 2019 & 2020. Board Administrator, Cheryl Bosse, informed the Board that Request for Proposal (RFP) still needs to be done.

June 26, 2018

Board Administrator, Cheryl Bosse, updated the Board on the current status of the PERAC four year audit. PERAC Auditors Scott and Carol returned on Monday, May 21, 2018. A meeting was held on Thursday, May 31, 2018 between Scott, Carol, Cliff Melatti and Cheryl Bosse to discuss any issues that have been discovered up to this point of the audit.

Board Administrator, Cheryl Bosse, informed the Board that the PERAC Auditors discovered two retirees that need to have their retirements recalculated. The first one is for Theresa Hillman who retired on May 31, 2013. Ms. Hillman received pay twice a year for taking minutes for other boards. This second pay was not considered retirement allowed income and that was incorrect. Ms. Hillman's retirement needs to be recalculated with consideration given to the other income for taking board minutes and the appropriate deductions that should have been withheld during Ms. Hillman time of employment. Cheryl Bosse, Board Administrator, informed the Board that Cliff Melatti has been scheduled to come into the office on July 11, 2018 to assist with the recalculation process.

The second retiree that the PERAC Auditors discovered had an error was Lillian Vienneau who retired on June 23, 2014. Ms. Vienneau was a paraprofessional at the schools. The contract she was under was settled late and she received a retro pay in June of 2011. This retro pay should have been "spread" over the eleven month period of July 2010 to June 2011, but it was not. This retro pay was used in calculating Ms. Vienneau's high three year average, By this retro pay being in that calculation, Ms. Vienneau's high three year average was overstated. This error has gone on for over a year.

On a motion by John Richard, seconded by Kevin McInerney, the Board unanimously voted to waive retiree Lillian Vienneau from having to pay back her overpayment through no fault of her own.

Board Administrator, Cheryl Bosse also updated the Board on the matter of James Boone, current City Councilor and previously a School Committee Member who was looking to make up the time from when he was a member of the School Committee but opted out of being a member of the Gardner Contributory Retirement System. Ms. Bosse informed the Board that during the exit meeting with the PERAC Auditors held on May 31, 2018 a discussion was held regarding Mr. Boone's request for the makeup. Scott Henderson, PERAC Auditor informed Ms. Bosse that Mr. Boone is eligible for the makeup of his time while he was on the School Committee because he is now an active member of the Gardner Retirement Board.

On a motion by Robert Newton, seconded John Richard, the Board unanimously voted to rescind their previous vote on May 29, 2018 that denied Mr. Boone's request to buy back 10 years of creditable service with the Gardner retirement Board.

On a motion by Neil Janssens, seconded by Kevin McInerney, the Board unanimously voted to approve Mr. Boone's request to buy back 9 years and 11 months of creditable service time from when he was on the School Committee as a result of conversations with the PERAC Auditors. The time frame of Mr. Boone's school committee service that is eligible for a makeup is January 2, 2002 to December 31, 2009.

Under "New Business", the Board was informed by Board Administrator, Cheryl Bosse' that they need to discuss and set a Correction of Errors Interest Rate. Ms. Bosse' stated to the board that this interest rate will be used when calculation or recalculating a payment that is prompted by the discovery of an error by the board, including those who were erroneously excluded from membership. Correction of Error under G.L. c. 32, [§] 20(5)(c)(2). The Board discussed the rate that should be set for the Corrections of Errors Interest Rate.

On a motion by Kevin McInerney, seconded by John Richard, the Board unanimously voted to approve and set the Correction of Errors Interest Rate at 3.00%.

The next regular meeting is scheduled for Thursday, July 26, 2018, at 3:00 PM. All meetings are scheduled to be held in City Hall, 1st Floor, Room 128, Mayor's Conference Room.