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 Gardner Contributory Retirement Board  
**September 25, 2018**

The regular meeting of the Gardner Contributory Retirement Board was called to order by the Chairperson, Denise Merriam, on Tuesday, September 25, 2018 at 10:01 AM in Room #17, Basement Level, Retirement Office, City Hall.

On a motion by John Richard, seconded by Robert Newton, the Board unanimously voted to approve the minutes of the regular meeting of August 28, 2018. The Board then signed the permanent minutes of the regular meeting of July 26, 2018.

On a motion by Kevin McInerney, seconded Neil Janssens, the Board unanimously voted to approve the Trial Balance and the General Ledger History for July 31, 2018 and to accept the City Treasurer's bank reconciliations for July 2018.

On a motion by Robert Newton, seconded by John Richard, the Board unanimously voted to approve Warrant #09/18 dated September 28, 2018, totaling \$530,124.34

Vendor	For	Amount
W.B. Mason	Office Supplies	\$ 301.90
Stone Consulting, Inc	Actuarial Valuation Progress	\$ 1,000.00
Middlesex County Ret Bd	Transfer ASF Mary Jean Davis	\$ 5,241.27
MACRS	Fall Conference Fee	\$ 320.00
Sheraton, Springfield	Fall Conference Room	\$ 515.43
John Richard	Travel reimbursement, Emerging Issues	\$ 42.73
Cheryl Bosse	Travel reimbursement, Emerging Issues	\$ 42.73
Pamela M Wells	Refund of ASF	\$ 10,068.78
City of Gardner	Federal W/H on Refund	\$ 2,517.20
Pension Payroll #09/18	Annuity Paid	\$ 78,754.72
	Pension Paid	\$ 424,071.17
	Veteran's Benefits Paid	\$ 248.75
	Dependents Paid	\$ 197.05
	COLA Paid	\$ 6,802.61
TOTAL WARRANT #09/18		<u>\$ 530,124.34</u>

The Board next reviewed the PRIM statement for the Gardner Retirement System for the month of August 2018, noting a \$235,102.96 Net Change in Investment Value for the month.

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Under “Correspondence” the Board reviewed PERAC Memo #25/2018; PERAC Memo #26/2018; PERAC Memo #27/2018 and PERAC Memo #28/2018.

The Board also reviewed a copy of the Audit Exit Conference that was held on Wednesday, September 19, 2018 with Scott and Carole from PERAC and Denise, John & Cheryl from the Retirement Board. There were no findings for the audit of 1/1/2013 to 12/31/2016. Board Chairperson, Denise Merriam informed the Board members of the six recommendations that were made by the PERAC auditors.

The Board reviewed an email received on September 7, 2018 from Attorney Michael Sacco regarding O’Leary and vacation buyback/cash-in issue. Attorney Sacco recommend that payroll departments be instructed to stop withholding these deductions. The City of Gardner does not withhold on these deductions.

The Board reviewed an email received on September 18, 2018 from Attorney Michael Sacco regarding PERAC Memo #26/2018, Regular Compensation Status of Payments Made in Lieu of Unused Leave Time.

The Board reviewed an email received September 10, 2018 from George McKenna informing the Board that he has sold his practice effective 10/01/2018 and will not be working past 9/30/2018. Mr. McKenna will be unable to process the audit of the Retirement Board for 2017.

Under “Old Business”, the Board discussed the quote received from Melanson and Health for Calendar Year Audits for 2017, 2018, 2019 & 2020. Board Administrator, Cheryl Bosse, informed the Board that the Retirement Board is allowed to “piggy back” off of the contract that the city has with their current audit firm for the audits of the Retirement Board. The City of Gardner currently has a contract with Melanson and Health to perform their audits. The Board reviewed an engagement letter received by Melanson and Health for their firm to audit the retirement board for the years of 2017, 2018, 2019 & 2020. The fees for each year are: 2017 for \$8,500.00, 2018 for \$9,000.00, 2019 for \$9,500.00 and 2020 for \$9,500.00

On a motion by Neil Janssens, seconded by John Richard, the Board unanimously voted to approve the four year engagement letter from Melanson and Heath dated September 19, 2018 for audits for the periods of December 31 2017, 2018, 2019 and 2020.

Under “Old Business”, City Auditor and Ex-Officio Member, John Richard briefly reviewed the meeting he had with Mayor Hawke regarding the FY 2020 appropriation that will be required by the City of Gardner to meet the scheduled contribution as dictated by the Board approved Funding Schedule that will be incorporated in the January 1, 2018 Actuarial Valuation Report. John Richard also informed the Mayor that the Board is looking to reduce the current discount rate from 7.75% to 7.50%. The Mayor indicated to the members that keeping the same number of years to the funding schedule, but changing the increase from 4.50% increase to 4.85% increase is doable.

On a motion by Kevin McInerney seconded by John Richard, the Board unanimously voted to utilize a funding schedule with a 13 year duration, reaching a full funding position in 2033, using a 4.85% contribution increase on the prior year’s contribution amount and increasing 4.85% thereafter, and changing the discount rate to 7.50%.

The Board Administrator will notify the Actuary of the Board’s decision.

Under “New Business, Board Administrator, Cheryl Bosse, informed the Board that the Request for Proposals for Legal Services has been posted on the Retirement Boards page on the Cities website, a public notice posted with PERAC and an ad that will run for one week will be published in Lawyers Weekly starting Monday, October 1, 2018. The Request for Proposal for Legal Services is available until the deadline of Thursday, October 11, 2018 at 4:00 PM. All Board members agreed that they will schedule an additional meeting if needed to review all the proposals for legal services received.

The Board then recognized the death of Stanley T. Koczan, Retired Call Firefighter.

The next regular meeting is scheduled for Monday, October 29, 2018, at 3:35 PM. All meetings are scheduled to be held in City Hall, 1<sup>st</sup> Floor, Room 128, Mayor’s Conference Room.

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The meeting adjourned at 10:33 A.M.

APPROVED:

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John Richard, Ex-Officio

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Kevin McInerney, Appointed

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Denise M. Merriam, Elected (Ends 6/30/20)  
Chairperson

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Robert W. Newton, Elected (Ends 6/30/20)

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Neil W. Janssens, Appointed (Ends 1/1/19)