

MARBLEHEAD CONTRIBUTORY RETIREMENT BOARD MEETING
09/22/2016 at 3:30 PM

Present (constituting a quorum): Chairman, Robert Peck, Jr., Alison Nieto, Charles Gessner, Paul Jalbert and Jason Gilliland
 Administrator: Linda Gifford
 Others in attendance: James Lamenzo and Samantha MacMillan, PERAC

Active and inactive members as of January 1, 2016 (141 inactive)	589
New members since first of year	47
Refunds, rollovers, transfers & 10 year inactive since first of year	-22
Death of active members since first of year	0
New retirees since first of year	-11
Current active and inactive members (141 inactive)	603
Current retirees and survivors	351
Current membership	954

PRIT Balance as of August 31, 2016: \$91,480,228.

Approval of previous month's expenses, cash reconciliation, bank statements, investments and trial balance.

Approval of the following new members:

1. Kimberly Adams	School/Guidance Admin	08/22/2016
2. Lauren Calabrese	School/Paraprofessional	08/31/2016
3. Whitney Gillett	School/Paraprofessional	08/31/2016
4. Denise Duffin	School/Tutor	08/31/2016
5. Eric Knight	School/PT Assistant	08/31/2016
6. Nicole Magnet	School/TIDES Paraprofessional	08/31/2016
7. Kathryn Maloney	School Paraprofessional	08/31/2016
8. Rachael Shepard	School/Inclusion Para	08/31/2016
9. Ryan Healy	School/Tutor	08/31/2016
10. Peter Campbell	School/Custodian	08/15/2016
11. James Wheeler	School/Tutor	08/31/2016
12. Bethany Cook	School/Tutor	08/31/2016
13. Courtney Soule	School/Teacher	08/29/2016
14. Estevao Bida	School/Teacher	09/06/2016
15. Karen Doherty	School/LT Sub Nurse	09/06/2016
16. Evan Derosby	School/Paraprofessional	09/06/2016
17. Maria Martin	School/Paraprofessional	09/06/2016
18. Charles Quigley	Engineering/Town Engineer	09/06/2016
19. Sofan Som	School/Paraprofessional	09/06/2016
20. Christine Dombkowski	School/Paraprofessional	09/12/2016

Approval of the following refunds and rollovers:

1. Jodie Kimball	School/Secretary	09/15/2016
2. Jacklyn Jackson	School/Cafeteria	09/15/2016

Approval of the following transfers:

1. Cyndi St. George	School/Tutor	09/15/2016
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Approval of the following retirements, new beneficiaries & "C" Pop-ups:

1. Mary Starrett	Library/Sr. Clerk	08/27/2016
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Changes on retirement (deaths):

1. Eleanor Brown	Finance/Treasurer/Collector	08/31/2016
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Changes on active members (deaths):

Disability Applications Pending:

1. Received an ADR application for Frank T. Monahan, Jr., a Lead HEO for the Highway Department. The evidentiary hearing was held on July 28th at 3 pm. Received PCP's records 9/16, request to PERAC for Regional Medical Panel 9/20. Revision to 7/28/2016 executive session minutes to reflect vote was taken to request Regional Medical Panel.
2. David Perry's ADR was denied by the Board at their October 9, 2014 meeting. DALA appeal was filed on October 29, 2014. The hearing took place on March 3, 2016. Attorney Sacco provided a Post-Hearing Memo of Law with attachments to DALA. The Board will be notified as soon as a decision is made.

Regular Business:

Meeting called to order at 3:30 PM, Mary Alley Municipal Building, Lower Level Conf. Room

Minutes:

Motion made and seconded to approve the minutes of the August 30, 2016 meeting. **All in favor.**

Supplemental Regulation – Correction of Errors

Consistent with M.G. L. c. 32 §20(5)(c) the Board discussed methodologies for calculating interest due as a result of any payment error. Motion made and seconded to utilize the interest rate established by the Public Employee Retirement Administration Commission in consultation with the Commissioner of Banks on an annual basis and referred to as "regular interest". A supplemental regulation detailing this rate and formula will be composed and submitted to PERAC. **All in favor.**

Actuarial Valuation at 1/1/2016

Jim Lamenzo and Samantha MacMillan of the PERAC Actuarial Unit presented a detailed explanation on plan liabilities, plan assets and revised actuarial assumptions from the previous valuation. In addition, Mr. Lamenzo included 5 funding schedules with 7.5% and 7.75% investment return assumptions as follows: Alternatives 1 and 2 amortize the unfunded liability on a 4% increasing basis after a large investment increase in FY 18. A suggested 61% or 43.5% increase in the appropriation for FY 18. Alternative 3 is an 8.0% total increase in appropriation each year until FY 37 with a final amortization payment in FY 38. This alternative is the most consistent with the funding schedule approved in July 2014. Alternative 4 and 5 amortized the unfunded liability on an 8% increasing basis with an initial increase in the FY 18 appropriation of 15% and 20% respectively.

Moved and seconded to adopt alternative 3 with a reduction in the investment return assumption to 7.5% and annual 8% appropriation increases to FY 37 with a final amortization payment in FY 38. **All in favor.**

Motion made and seconded to adjourn at 4:43 pm. **All in favor**

Next regular meeting:

Date: Thursday, October 27, 2016

Time: 4:00 PM

Place: Mary Alley Municipal Building, Lower Level Conference Room, 7 Widger Road, Marblehead, MA.

Board Member Signatures:

Charles H. Gessner, Selectmen Appointee:

Alison Nieto, Ex-Officio:

Paul E Jalbert, Elected Member:

Jason R. Gilliland, Elected Member:

Robert F. Peck, Jr., Chairman/5th Member:
