

The meeting of the Andover Contributory Retirement Board was called to order on Thursday, July 27, 2023, at 8:40 AM in the second floor conference room located in the Town Offices. Members participating: Hayley Green, Chair, Elena Kothman, Blackwell Taylor, and Eric Teichert. Also present: Office Coordinator Helen Armano, Recording Secretary Susan McKelliget, and Town Treasurer Michael Morse.

Investments:

Statements:

MMDT:

It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the MMDT Statement for 06/30/2023.

MassPRIM/PRIT:

It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the Mass PRIM/PRIT Statements for 06/30/2023.

RhumbLine: It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the following RhumbLine Statements received: Mid Cap 400 & Small Cap 600 for 06/30/2023.

MassPRIM/PRIT:

It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to confirm the wire transfer of \$1,325,000.00 for June operating expenses.

It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the wire transfer of \$1,125,000.00 for July operating expenses.

Town/School Appropriation payment FY2024: Board to discuss/vote where to put the balance of appropriation payment \$5,724,844.00 (total payment= \$7,124,844.00 less \$1.4M for August operating expenses.)

Ms. Green noted that the town appropriation \$7,124,844.00 is due this Friday and she spoke with Greg McNeillie of Dahab Associates for advice as to where to put the funds. Mr. McNeillie recommended holding back the \$1.4M for August expenses with \$1.3M going to real estate and \$2,724,844.00 to go to fixed income.

It was moved by Mr. Taylor, seconded by Ms. Kothman, and voted 4-0 to approve the recommendation of Dahab Associates to invest \$1.3M in real estate and \$2,724,844.00 in fixed income.

Ms. Green said this would place the investment in line with the investment schedule rather than putting it all in PRIT Core.

Minutes:

It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the minutes of June 22, 2023.

Monthly Payroll:

It was moved by Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the June 2023 payroll as follows:

Annuity	315,347.52	
Pension	1,294,279.73	Total 1,609,627.25*

\*includes FY2024 COLA - \$17,228.11

Expenses - July expense warrant #2023-07

Dahab Associates, 2 <sup>nd</sup> qtr fee 2023	11,249.98
KMS Actuaries, 2 <sup>nd</sup> qtr invoice	9,500.00
Konica Minolta Business Solution, BW & Color Copies	93.60
Konica Minolta Premier Finance, monthly fee	168.00
Elena Kothman - ET digital access reimbursement for June	26.99
Elena Kothman - reimbursement for plaque from Henry's Jewelry & Awards	100.00
MTRS - Transfer out: Acct of Sarah M Cranney	3,655.59
Deds = 9% = \$3,643.48, 2% = \$0.00, interest = \$12.11	
Cred Serv = 1.9167 years = 09/20/2018-08/28/2020	
MTRS - Transfer out: Acct of Christine M Gross	18,471.15
Deds = 9% = \$18,178.92, 2% = \$185.41, interest = \$106.82	
Cred Serv = 8.0000 years = 09/01/2012-08/31/2020	
MTRS - Transfer out: Acct of Montserrat M Rovira-Bru	15,687.17
Deds = 9% = \$15,520.14, 2% = \$113.60, interest = \$53.43	
Cred Serv = 6.8333 years = 08/31/2015-06/30/2022	
Refund: Acct of Donna M Martin	9,194.76
Deds = 9% = \$8,824.38, interest = \$370.38	
Cred Serv = 3.7500 years = 08/26/2019-06/16/2023	
Refund: Acct of Anna L Scapicchio	26,748.62
Deds = 9% = \$22,040.26, 2% = \$1,994.16, interest = \$2,714.20	
Cred Serv = 4.7500 years = 11/09/2016-09/03/2021	
RhumbLine Advisers, 2 <sup>nd</sup> qtr invoice	4,219.00
Salem Retirement, 3(8)(c) bill	4,430.93
The Law Offices of Michael Sacco, June 2023	442.00
Town of Andover:	
Elena Kothman	8,604.59
Helen Armano	6,579.79
Vincent Malgeri	1,495.83
Susan McKelliget (06/22/2023)	250.00
	Total Salaries: 16,930.21
Town of Andover:	
Hayley Green	250.00
Michael Morse	250.00
	Total Stipends: 500.00

Total expenses - Warrant #2023-07: 121,418.00

Ms. Green asked about the KMS GASB 67-68 for \$5,500. The town usually pays half of GASB 67/68 bill, so the total invoice for KMS would be \$6,750 rather than \$9,500 (less \$2,750). The total expense warrant would be \$118,668.00.

It was moved by Mr. Teichert, seconded by Ms. Kothman, and voted 4-0 to approve the total expenses of \$118,668.00 as amended. Ms. Green abstained from voting on her stipend and Ms. Kothman abstained from voting on her salary, her ET digital access reimbursement, and her reimbursement for Tom Hartwell's plaque.

The Board noted the following receipts:

Receipts:

Employee Contributions - June 2023:

Town	321,290.25
School	165,115.45
AHA	5,345.47
	Total employee contributions: 491,751.17

Misc Receipts:

AHA FY2024 Appropriation, paid in full	172,784.00
Rollover makeup check rec'd from Mission Square for Cynthia Distefano	594.78
Town of Andover - reimbursement of health ins deds taken - V. Giuliano	1,000.60
Worcester Retirement 3(8)(c ) payment rec'd	1,191.73

Total Receipts:

667,322.38

Intent to Retire:

It was moved by Ms. Kothman, seconded by Mr. Teichert, and voted 4-0 to approve the following intents to retire:

David Van Dooren, Town/DPW, DOR 08/12/2023, Cred Serv = 36y, Superannuation  
 Mary O'Neil, School, DOR 09/01/2023, Cred Serv = 14y, Superannuation

Retirement Allowance Calculations approved by PERAC:

Patricia Carpentier, School, DOR 06/21/2023, Cred Serv = 15y, 7m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	12,932.64	1,077.72

Kim Dowell, School, DOR 06/21/2023, Cred Serv = 22y, 7m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	21,657.00	1,804.75

Janet Hamilton, School, DOR 06/21/2023, Cred Serv = 21y, 3m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	20,331.00	1,694.25

Jessica Newcomb, School, DOR 06/21/2023, Cred Serv = 19y, 5m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	17,404.20	1,450.35

Colin Radford, Town/Police, DOR 06/24/2023, Cred Serv = 34y, 9m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	74,412.72	6,201.06

Maureen Belbin, School, DOR 06/27/2023, Cred Serv = 22y, 9m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	20,663.88	1,721.99

Linda Lawrence, School, DOR 06/30/2023, Cred Serv = 23y, 7m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	18,871.92	1,572.66

Kim Buxton, School, DOR 07/01/2023, Cred Serv = 20y, 2m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	23,078.76	1,923.23

Barbara Lyle, School, DOR 07/06/2023, Cred Serv = 22y, 8m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	21,942.48	1,828.54

Lori Ann Burke, Town, DOR 07/09/2023, Cred Serv = 21y, 5m, Superannuation

	<u>Annual</u>	<u>Monthly</u>
Allowance	14,224.32	1,185.36

#### Deaths:

The Board was informed of the following deaths and Ms. Green expressed her condolences:

Deborah Nowell, survivor of Peter, DOD 05/22/2023

Nancy Munn, School, DOD 07/05/2023, DOE 09/01/1969, DOR 06/30/1986

Nancy Richards, Town, DOD 07/16/2023, DOE 05/14/1973, DOR 06/30/2015

#### Report from the Executive Director:

PERAC memos: 15 - 17/2023: Memo 15 disability retirees' statement of earned income - Ms. Kothman stated all disability retirees are in compliance; Memo 16 informs Board of training opportunities; Memo 17 covers Reinstatement of service FY 24.

PERAC Email re Emerging Issues Forum 9/21/2023 9 AM - 3 PM, Holy Cross - 3 credits

DALA Memo re: updated information for appealable decisions July 14, 2023

FY2024 COLA reports - eligible & ineligible (In July, payroll 3% on \$14K base)

Notice from Eagle Tribune re: increase in monthly rate for digital access eff 8/1/23 - \$29.99 per month.

Mass Retirees *The Voice* July 2023 (No COLA base increase for State retirees and teachers, there may be tax relief for retirees, GPO/WEP ongoing issue in Congress, GIC, and other related issues.)

#### Evaluation of Executive Director:

Board evaluations of Executive Director 1/1/2022-06/30/2023

Ms. Green noted she received a self-evaluation from Ms. Kothman and also received Board evaluations which she tabulated to get ranking results. The scoring was from 1-5 with 5 being the highest score. The categories/scores are as follows: Interaction with Board: 4.33; Membership: 4.07; Outside Organizations: 4.7; Daily administration in office: 3.79 and an overall score of 4.05 out of 5.

Mr. Teichert added that the Retirement Office includes Ms. Armano and Mr. Malgeri, who are important parts of the Retirement Office's overall success.

#### Office Assistant Position Status:

Ms. Green noted that at the last meeting the Board discussed the Retirement Office Assistant position, which is currently a temporary position. Ms. Kothman has since reached out to the Human Resources Office and learned the main difference between a permanent and temporary position in this case would be greater protection from job separation. Ms. Green said she is in favor of making the Office Assistant position permanent. Ms. Kothman said she was informed by HR that the Board could grant additional benefits and asked the Board to consider granting 19 hours of vacation time a year and paid holidays that fall on a scheduled workday. The Board agreed to these requests. Ms. Green then asked for a motion.

It was moved by Mr. Taylor, seconded by Mr. Teichert, and voted 3-0-1 to make the Retirement Office Assistant position a permanent position, with 19 hours of paid vacation time per year and paid holidays that fall on a regularly scheduled workday. (Ms. Kothman abstained).

Executive Session minutes review:

Ms. Green said that periodically the Board reviews Executive Session minutes to determine which will be released as public and which will remain private. The Board reviewed the 2022 Executive Session Minutes and with the Board's Attorney's approval proposed to treat the minutes as follows:

1/27/2022 - remain private  
3/24/2022 - remain private  
5/26/2022 - remain private  
8/25/2022 - remain private  
09/22/2022 - remain private  
10/27/2022 - 1<sup>st</sup> executive session - remain private  
10/27/2022 - 2<sup>nd</sup> executive session - release as public  
11/17/2022 - remain private

It was moved by Ms. Kothman, seconded by Mr. Taylor, and voted 4-0 to release Executive Session (2nd session) minutes from 10/27/2022 as public and to keep the aforementioned remaining minutes private.

Ms. Green noted the minutes deemed to be private typically involve disability matters.

MGL, Ch 32, §20A - Retirement Board member indemnification:

Ms. Green explained that this law would indemnify the Board against lawsuits. If approved, it would be included in a warrant for Town Meeting approval. Ms. Kothman said she asked the Board's attorney for his advice on whether to seek this statutory indemnification and he suggested approving this coverage. The Board currently has a fiduciary insurance policy with a deductible that must be covered by Board members. Attorney Sacco opined that future appointees to the Board might be reluctant to join the Board if this indemnification is not approved. Ms. Kothman noted that about half of the State's retirement systems have this coverage. Further, Ms. Kothman said the indemnification doesn't cost anything. Ms. Kothman said she is in favor of putting this indemnification proposal in a warrant article and Ms. Green noted that warrants are usually put together in January. Mr. Teichert questioned whether this might fail at Town Meeting again and asked if there was a Bond available to cover the deductible pertaining to the current insurance. Ms. Kothman will find out whether it makes sense to get a bond to cover the fiduciary deductible and get back to the Board on this matter.

It was moved by Mr. Teichert, seconded by Ms. Kothman, and voted 4-0 to approve indemnification for the Board under MGL, C. 32 s. 20A and this recommendation be inserted in a Town Meeting Warrant for a vote at the next Town Meeting.

Cash/Accounting:Cash Books:April 2023:

It was moved by Mr. Teichert seconded Mr. Taylor, and voted 4-0 to approve the trial balance, cash receipts, cash disbursements, adjusting journal entries, and bank reconciliation.

May 2023:

The Board conducted a first reading of the Trial balance, cash receipts, cash disbursements, adjusting journal entries, and bank reconciliation. Vote to be taken next meeting.

Cash balance: as of July 27, 2023:

It was moved Mr. Teichert, seconded by Mr. Taylor, and voted 4-0 to approve the cash balance as of July 27, 2023, in Bank of America for \$34,884.09.

Ms. Green noted receipt of the Cash Flow Forecast for July 2023.

Next Meeting date:

Thursday, August 24, 2023, at 8:30 AM

Adjourn:

It was moved by Ms. Kothman, seconded by Mr. Teichert, and voted 4-0 to adjourn the regular session at 9:03 A.M.



Hayley S. Green



Elena M. Kothman



Blackwell O.J. Taylor



Eric J. Teichert

Documents:

MMDT Statement  
PRIT Statement  
RhumbLine Statements  
Wire transfer confirmations  
Town/School Appropriation FY2024  
Unofficial Minutes 05/26/23  
Monthly Payroll  
Expenses  
Receipts  
Deaths  
PERAC Memos  
FY2024 COLA reports  
Mass Retirees The Voice July 2023  
Executive Director Evaluation  
Office Assistant Position Status  
Executive Session Minutes Review  
Retirement Board Indemnification  
Cash books - April & May 2023  
Cash flow forecast June 2023