

The Beverly Retirement Board held a teleconference meeting on meet.google.com/fug-gqfe-bfi on Thursday, January 28, 2021 at 6 p.m. Call in number was 1-563-293-1978 with a PIN# 480-029-954#. Board Members present were Richard Pierce, Carol Augulewicz, Bryant Ayles and Kevin Smith.. All the Board members and the administrator are participating remotely. Chairman Pierce stated that the meeting is being recorded by the administrator Barbara Wells. The meeting was called to order at 6:01 p.m.

The Chairman stated the next item on the agenda was the OPEB update and asked Bryant Ayles if he had an update. Bryant's stated as he wasn't at the last meeting he would just like to comment on the Valuation. He said that he noted that the report was distributed on the outstanding liability and that it is a lot to read with lots of numbers and that we have to do this valuation every year. Every time they do that they make different assumptions around discount rates, mortality tables very similar to the pension liability as well as the health liability but year over year the total liability for OPEB is just the health care for the City. The health care went from \$340 million liability to \$398 million and the primary reason for that uptick from my review of the report had to do with the discount rate. They took the discount rate which in the last valuation they used 3.5% and in this valuation they are using a 2.21% which in my view it is more accurate of what we could expect from the economy in the coming years. What that discount rate does is it looks at all the future costs and then discounts the out year costs back to present value. So when you are using a lower discount rate the future dollars are worth more then the current dollar values. Also in the report is that our assets continue to grow through deposits that both the city employees and the city continues to contribute are over a million dollars in this report where 3 years ago the assets were basically nothing so we are pecking away at it. And then the last piece of it related to the OPEB update the City has a policy that upon free cash certification the mayor and the administration will request the City Council to transfer a portion 2% of that free cash certification value into the OPEB trust. So that request hasn't been made yet as we have just got certification but it is forthcoming but the value of that is a going to be about \$200,000.00 so we will make another deposit into the fund maybe next month after the council approves it, which I hope they do, and than that will be the only deposit this year along with the deposit the City makes on behalf of the employees for a sick day which is part of their collective bargaining agreement so we should be seeing the assets growing more the next time we have this conversation next year. Chairman Pierce asked if anyone had any questions.

A motion was made by Carol Augulewicz and seconded by Kevin Smith to accept the minutes of the December 17, 2020 meeting as read. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith – Yes. Vote 4to 0 in favor.

A motion was made by Bryant Ayles and seconded by Carol Augulewicz to approve the Superannuation retirements of Roland Adams – Engineer – 19 years 6 months creditable service – 1/31/2021 – Option C, Brian Long – Police Officer – 32 years creditable service, Option B – January 2, 2021, Kathleen McCullough – Health Secretary – 20 years 10 months creditable service – Option B – February 19, 2021, Monica Richards – Transportation – 22 years 4 months creditable service – 2/6/2021 – Option B. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith - Yes. Vote 4 to 0 in favor.

A motion was made by Bryant Ayles and seconded by Kevin Smith to enter Executive Session at 6:06 p.m. to discuss the Accidental Disability application of Joesph Egan and returning to the regular meeting at the end of the Executive Session at 6.11 p.m. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith – Yes. Vote 4 to 0 in favor.

A motion was made by Kevin Smith and seconded by Carol Augulewicz to send Joseph Egan's Accidental Disability application to Attorney Michael Sacco for review. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith – Yes. Vote 4 to 0 in favor.

A motion was made by Kevin Smith and seconded by Bryant Ayles to approve the refund of Amanda Stefanik – 3 years and 11 months creditable service – Paraprofessional. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith - Yes. Vote 4 to 0 in favor.

The Chairman stated that there were no transfers for this month.

A motion was made by Carol Augulewicz and seconded by Bryant Ayles to approve the Financial Information as presented which includes Trail Balance, Cash Receipts, Cash Disbursements, Adjusting Journal Entries, Cash Reconciliation and Bank Statements for the month of October 2020. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith - Yes. Vote 4 to 0 in favor.

There was no wire transfer need this month.

A motion was made by Kevin Smith and seconded by Carol Augulewicz to approve the monthly warrants of \$1,268,136.21. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith -Yes. Vote 4 to 0 in favor.

The administrator informed the Board members under new business that she has been trained in Docusign and she will be sending the materials that need to be signed to each of them.

The Board Members discussed the Distributed Items: PERAC Memo #34/2020 – Cost of Living Increase for Supplement Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors, PERAC Memo #36/2020 – 2020 Disability Data, PERAC Memo #37/2020 – Mandatory Retirement Board Member Training – 1st Quarter 2021, PERAC Memo #38/2020 – Questions arising in wake of Gomes decision, PERAC Memo #39/2020 - Tobacco Company List, PERAC Memo #1/2021 – 840 CMR 10:10(3) & 10:15(1)(c) – Annual Review of Medical Testing Fee, PERAC Memo #2/2021 – 2021 Limits under Chapter 46 of the Acts of 2002, PERAC Memo #3/2021 – 2021 Limits under Section 23 of Chapter 131 of the Acts of 2010, PERAC Memo #4/2021 – COLA Notice, PERAC Memo #5/2021 – PROSPER SFI Online Submission, PERAC Memo #6/2021 - 2021 Interest Rate set at 0.1%, PERAC Memo #7/2021 – Buyback and Make-up Repayment Worksheets, Beverly Retirement System Actuarial Valuation January 1, 2021 and Office Hours, Letter from Michael Sacco RE: Plymouth Ret. Bd. v. Contributory Ret. Appeal Bd, Supreme Judicial Court, SJC-12711, E-mail from Michael RE: All Client Memo – Vernava Decision, E-mail from Paul Todisco RE: Cybersecurity Reminder, E-mail from PRIM – PRIM Board Quarterly Update Third Quarter 2020,

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PRIM Annual CAFR Report (I have book in my office), E-mail Mass Retirees – Monitoring your retiree health insurance, E-mail Mass Retirees - Happy Holidays, E-mail Mass. Retirees – Retiree town hall today 1 pm, E-mail Mass. Retirees – Reminder: Healthcare Savings 101, Mass. Retirees – GIC recommends no insurance plan changes.

The next Board Meeting will be held on February 25, 2021 at 6 p.m.

As there is no further business to come before the Beverly Retirement Board the meeting was adjourned at 6:26 p.m. on a motion made by Carol Augulewicz and seconded by Kevin Smith. On a Roll Call Vote: Rick Pierce – Yes, Carol Augulewicz – Yes, Bryant Ayles – Yes, Kevin Smith - Yes. Vote 4 to 0 in favor.

Respectfully submitted,

Barbara Wells,
Administrator

Carol Augulewicz, Ex Officio

Bryant Ayles, Appointed Member

Richard Pierce, Elected Member Chairman

Charles E. Kostro, Fifth Member

Kevin Smith, Elected Member