

The Beverly Retirement Board held an in person meeting at City Hall, 191 Cabot Street, Beverly, MA 01915, Conference Room A on the third floor as well as a teleconference meeting on meet.goggle.com/epw-rtft-rhr on Thursday, April 27, 2023 at 6 p.m. Call in number was 1-316-550-0068 with a PIN# 483-716-023#. Board Members present were Bryant Ayles, D. Wesley Slate, Jr., Carol Augulewicz, Kevin Smith, Chuck Kostro and the Administrator Barbara Wells. The meeting was called to order at 6:04 p.m.

Chairman Ayles informed the board members that there was no update other than to say that we received on the city side a bid for actuarial services for the upcoming fiscal year.

Chairman Ayles stated moving on to the approval of the board minutes for March 30, 2023 if everyone has had a chance to read them and will entertain a motion to approve the minutes. A motion was made by D. Wesley Slate, Jr. and seconded by Carol Augulewicz to approve the minutes of March 30, 2023 minutes as read. Vote 4 to 0 in favor with Chuck Kostro abstaining.

Chairman Ayles will entertain a motion for the Executive Session minutes of April 11, 2023. A motion was made by D. Wesley Slate, Jr. and seconded by Kevin Smith to approve the Executive Session minutes of April 11, 2023. Vote 4 to 0 in favor with Carol Augulewicz abstaining.

Chairman Ayles will entertain a motion to approve the superannuation retirements of Kevin Coletti – Patrolman – 36 yrs. 6 mos creditable service – 4/8/2023 – Option C, Michele Corbett – Paraprofessional – 21 yrs 9 mos creditable service – 6/30/2023 – Option C, Cynthia Kersting – Paraprofessional – 23 yrs 7 mos creditable service – 6/30/2023 – Option B, John Nicolo – Paraprofessional – 12 yrs 11 mos creditable service – 6/30/2023 – Option C, Marcene Perry – Paraprofessional – 10 yrs 5 mos creditable service – 6/30/2023 – Option A – and Eileen Simmons – Paraprofessional – 23 yrs 7 mos creditable service – Option B – 6/30/2023. Chairman Ayles asked the administrator if all of the above initialed their creditable service and the administrator confirmed that they had. D. Wesley Slate, Jr asked the administrator if the 6/30/2023 retirement date was because it was the end of the school year and end of the month and the administrator confirmed that it was. A motion was made by D. Wesley State, Jr. and seconded by Kevin Smith to grant the superannuation retirements stated above. Vote 5 to 0 in favor.

There were no refunds.

On a motion made by D. Wesley Slate, Jr and seconded by Carol Augulewicz to approve the rollover of Denise Blanchette – Recreation Clerk with 3 years creditable service. Vote 5 to 0 in favor.

A motion was made D. Wesley Slate, Jr. and seconded by Kevin Smith to approve the transfer of: Angela Fleury – Paraprofessional – 1 year 10 months creditable service to the State Retirement Board. Vote 5 to 0 in favor.

There was no financial information for the board members to review this month.

There was no wire transfer needed this month.

A motion was made by D. Wesley Slate, Jr. and seconded by Carol Augulewicz to approve the monthly warrants of \$1,637,219.08. Chuck Kostro just had one question did the staff salaries go up by 3%? The administrator stated no the staff salaries have not increased but explained that the staff received a 3% increase in January that the board voted on back in December. Chuck question that the board had voted on that and the administrator stated that yes due to the fact that the board switched the staffs increases from anniversary dates to calendar year and I believe it was December's meeting that 3% was voted starting January 2023 for the calendar year. Carol Augulewicz stated to align with the budget. Vote 4 to 0 in favor with Chuck Kostro abstaining.

There were no refund warrants for this month.

Old Business: Office Space. Chairman Ayles explained that he was able to go back and forth with the Y and under the authority that the board had granted me to negotiate some terms and we reached out to Michael Sacco for his input on the final version of the lease in which he gave us some constructive feedback which we incorporated that and the Y was very flexible in meeting all of our concerns and suggested edits. The lease was forwarded to all of the board members and in summary it is \$1500.00 per month lease plus meaning if there are other costs that are incurred by our occupancy such as heat, they are working with the Assessors Officer regarding taxes, and they do provide like shoveling the walkways and some small maintenance things. D. Wesley Slate, Jr. asked the Chairman wouldn't the property be non-taxable because the Y is and the City is and the Retirement Board should be. Chairman Ayles states right now it is a commercial space so regardless of the entity that owns the commercial space is taxable or not the commercial space is taxable. So D. Wesley Slate, Jr. stated the Retirement Board will be taxable and Chairman Ayles states he believes it will not be. D. Wesley Slate, Jr. stated that he read through the lease and in terms of securing the building in that the outside door locks but wonders if they would be some kind of provision because it is on a main street for some kind of security lock so that if the administrator and assistant are in there or one or the other are in there particularly when it gets dark early that anyone coming in the door has to be buzzed in and he wondered if that is something the Y would consider or we would have to do. Chairman Ayles feels that anything over and above will ultimately get billed to us. D. Wesley Slate, Jr. states that it is not a high crime area but that people walking by an office that want money for coffee or whatever unless the door was locked and they would have to be let into the building. Carol Augulewicz stated she does not know the layout of the space but is there like a foyer you walk into before entering the general space. Chairman Ayles drew a diagram of the layout of the office space describing it as a big U with a door on one side and also showing a door on the other side of the U stating it is almost like they are two separate office but they are connect in the back but this is like a that goes up and there is an office at the back of the space with also a bathroom back there with a bathroom on the other side as well. Chairman Ayles stated that the Y was suggesting a fair market rate for lease but we were saying we are only occupying 600 – 700 feet so are being charged for just the space we will be occupying. Chairman Ayles stated that they have some IT racks that they may chose to leave or take but with this lease they are being accommodating and we should do the same as we are not using some space and they want to keep some files there we shouldn't have an issue with it and he told the Y that separate from this lease if the City needs to move more people down to Rantoul Street when we vacate City Hall that we could occupy more space the City would pick up that part of a lease and the Chairman clarified that it would not cost this board anymore. D. Wesley Slate, Jr. stated that the front door is the door and everyone agreed that it was. The administrator stated that that door is going to be lock at all times.

Chairman Ayles stated that we could put a Ring up for a couple hundred dollars. All of the board members thought that was a really good idea. Chairman Ayles stated that he does think that these are costs that this board has never had before so we probably should have some revision to the 2023 budget and the Administrator stated that she did not have a chance to revise the 2023 budget for this meeting. Chairman Ayles stated that was fine and informed the board the rents are due the first of every month so starting next week and we will have the keys in hand probably next week to get IT in there and I have talked with the IT department and they said of all the offices Retirement is the easiest to move and basically it is just going to require Comcast coming in and putting a line in and IT has the equipment downstairs and they said within an hour they will have the entire operation up and running over there using the same phone numbers. Chairman Ayles suggested that the board should be authorizing the administrator to make the May rent payment as it is not in the budget at this time and he asked the administrator if she could revise the 2023 budget for next months meeting and the administrator agreed that she will have a revised budget for that meeting including a Comcast bill, electricity bill etc which we will need to put a rough ballpark number on. The administrator informed the board that we would also have a moving expense as the Purchasing Agent has requested quotes and myself and the Purchasing Agent met with the three moving companies. Chairman Ayles stated that Mike Collins, Superintendent of Public Service Department, said that yes that they could move the Retirement Office if we want to do that but with the overtime it might just be easier and you would be surprised the a moving company comes in and for \$2,000 moves the whole office which is cheaper and easier. The administrator stated that the two moving companies she met with with the Purchasing Agent told us that we would need to empty all of the drawers in the file cabinets and pack them in containers and the file cabinets in the basement needs to be packed into containers but the stuff we have in boxes already can be left that way. The assistant met with the third moving company this morning and that company told them that we only had to pack the top two file drawers and could leave the bottom two drawers full. Chairman Ayles stated that we could put some staff to try to help because we will probably be in the office by this time next month he thought. D. Wesley Slate, Jr. asked the Chairman if he needed a vote to authorize the payment of the May 1, 2023 rent as it is on the agenda so we should be able to take a vote. Chairman Ayles stated that at the minimum he would entertain a motion to authorize the administrator to dispense the May 1, 2023 rent payment since we don't have a budget for it. A motion was made by D. Wesley Slate, Jr. and seconded by Carol Augulewicz to authorize the administrator to pay the May 1, 2023 rent on 273 Rantoul Street office space. Vote 5 to 0 in favor. The Chairman asked if there was any further discussion and Kevin Smith asked if the space was going to be cleaned prior to moving into the space and the Chairman stated we could ask for a quote on that as well but if it is not going to be a lot of money so if we don't get authorization to spend that we can just go in and take care of it. Chairman Ayles stated Dave can get some quotes form cleaning companies.

New Business: Chairman Ayles stated a Vote on Administrator's salary that was taken in December and the administrator stated a vote was not taken in December for her longevity payment. The Chairman asked the administrator to explain what the vote is for. The administrator explained that I receive longevity and December 2022 it was paid out the first week in December each year and Human Resources prepared the payroll change form with a date on the first Friday of December. I had being putting the longevity payment on the A/P warrant and at some point it was decided to pay it at the same time as all the other employees and so when it came time to do the meeting I completely forgot about it being paid earlier in the month so it didn't get on the agenda. Chairman Ayles asked if it was a separate warrant and the administrator stated yes it was a miscellaneous payroll. Carol Augulewicz stated she is remembering that we were talking about that and wondering if that included longevity and I thought that we caught

ourselves and decided that longevity should be a separate item and she would have to look at the budget but I am just remembering that we talked about it. The administrator stated that longevity is talked about every year when we come up for our salary raises. Carol Augulewicz agreed but thought we talked about as we were discussing the budget. D. Wesley Slate, Jr. stated whether or no it was in the December minutes it wasn't on the warrant and the administrator stated yes and Wes stated so you need a vote to put it on a warrant. The administrator stated it was already paid. Chuck Kostro asked the administrator when it was put on a warrant. The administrator stated it wasn't put on a warrant as it was paid through a miscellaneous payroll and for procedural reasons a vote should have been made and a warrant should have been signed. Chairman Ayles stated he is a little confused and Carol Augulewicz agreed as she thought we had already done this as a budgeted item and Chairman Ayles stated that there is the budget piece of it and the Chairman's confusion is around the warrant. The administrator stated it is always budgeted. Carol Augulewicz stated that when we looked at the budget at whatever meeting it was I remember saying "What about longevity" and I don't remember the answer to that. Chairman Ayles stated but your saying that the budget that was approved included the longevity and the administrator confirmed yes it did. Carol Augulewicz asked why would we be voting on it again and the administrator stated you need to vote on the warrant. Chairman Ayles asked if the warrant hit like the City like all the other warrants with all the other payments and is that why it didn't get flagged. Carol Augulewicz stated that any retirement warrant doesn't mix with the city warrant. The administrator stated it was paid on a miscellaneous payroll and the Chairman clarified that it was paid on a city warrant and was most likely charge to the retirement account and the administrator agreed and Carol Augulewicz stated that we need to fix that as she didn't know that. The Chairman stated it is just the mechanism for the check to be cut it is not like it is accounted for incorrectly. Carol Augulewicz stated that the appropriation would have been charged and Chairman Ayles stated it would have hit whatever the coding on the warrant stated. Carol Augulewicz wants to look into that as she is not feeling good about it. The chairman asked the administrator what kind of action she was looking for and the administrator stated that she believes and it assistant treasurer who brought it to my attention because I didn't realize that it had gotten paid at the beginning of the month, and in truth I would have forgotten to give myself the longevity payment.. Carol Augulewicz asked if she could interrupt for a second, asking that human resources made the payment and the administrator answered that human resources does all the payroll change forms for the longevity payments and she just questions why retirement staff get the longevity payment at the end of the month and the administrator informed her that it is because we get paid with the retirees so that was when the administrator receives her longevity. Carol Augulewicz stated that it is messy and shouldn't have been paid out that way. Carol Augulewicz is looking at it as an internal control standpoint the city should never have been able to put in the longevity payment for the administrator and the system should have kick it out because the retirement staff is not a city employee the retirement staff are retirement employees. Carol Augulewicz is confused as to how this even happened without it raising some red flags.

Chairman Ayles asked the board members and the administrator if it makes sense to table this and figure out what action needs to be taken, what happened and stated to Carol to do her internal control and everything and than come back with recommended action if one is needed for the next meeting. D. Wesley Slate, Jr. asked could we take a vote tonight to do that if needed and the Chairman stated we don't know what the vote is, is it an approval of a warrant or is it and Carol stated she thinks it is important in the minutes that we say what happened. Kevin Smith states that he thinks it just needs to be officially approved and it wasn't because it was paid out prior to the board meeting in which we would have approved it. Chuck Kostro stated that if it came from city funds and not retirement funds then we would have a surplus in our budget of \$1100 and the city should have a deficit of \$1100. Carol Augulewicz agrees and that is her second piece so there is something hanging out there somewhere. A motion was made by Chuck Kostro and seconded by D. Wesley Slate, Jr. to table this and bring it up at the next meeting pending a review of what votes were taken regarding salaries and longevity and when they were approved and what if any votes are need to be taken to correct any issues that maybe discovered. Vote 5 to 0 in favor.

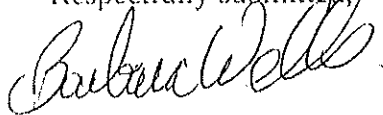
DISTRIBUTED: PERAC #11/2023 – Extension of Open Meeting Law Waivers, PERAC #12/2023 – Forfeiture of Retirement Allowance for Dereliction of Duty of Members, 2023 MACRS Annual Conference, MACRS DB Changing to Bay State Pension Solutions, Mass. Retirees – May 2023 Elections & Appointments & FY 24 COLA Approvals, Mass. Retirees – GIC Open Enrollment & Annual PAC Drive Begins, Mass. Retirees – COLA Updates, Mass. Retirees – COLA improvements & GIC open enrollment, Mass. Retirees – GIC Open Enrollment Q&A Thursday 11 AM, Mass. Retirees – Increasing the COLA base, Mass. Retirees – COLA amendment 808, Lease Agreement for office space at 272 Rantoul Street, PTG – Digital Certificates and MACRS DB is now Bay State Pension Solutions.

The next Board Meeting will be held on May 24, 2023 at 6 p.m. in City Hall.

As there is no further business to come before the Beverly Retirement Board the meeting was adjourned at 6:19 p.m. on a motion made by D. Wesley Slate, Jr. and seconded by Kevin Smith. Vote 3 to 0 in favor.

April 27, 2023

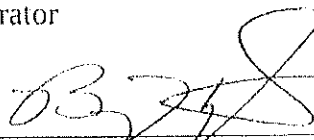
Respectfully submitted,



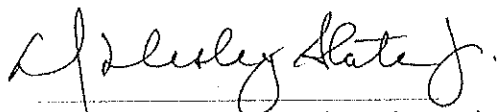
Barbara Wells,
Administrator



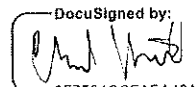
Carol Augulewicz, Ex Officio



Bryant Ayles, Appointed, Chairman



D. Wesley Slate, Jr., Elected Member

DocuSigned by:


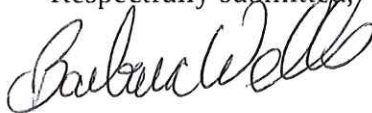
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Charles E. Kostro, Fifth Member



Kevin Smith, Elected Member

April 27, 2023

Respectfully submitted,



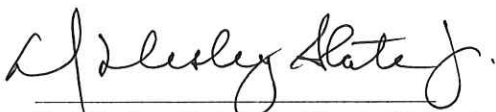
Barbara Wells,
Administrator



Carol Augulewicz, Ex Officio



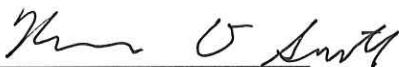
Bryant Ayles, Appointed, Chairman



D. Wesley Slate, Jr., Elected Member

See Below

Charles E. Kostro, Fifth Member



Kevin Smith, Elected Member