

June 20, 2018

A meeting of the Malden Retirement Board was held this day of June 20th, at 8:30 AM in the 4th floor conference room of 17 Pleasant Street. with the following Board Members being present Warren Atkinson Jr., Charles Ranaghan, Douglas Eisnor, Gregory Lucey, Domenic Fermano, and Retirement Director James M. Ryan.

On motions duly made and seconded, it was voted:

To approve the minutes of the previous meeting, and financial reports of the previous months.

To approve all payrolls and expenditures for the last half of May and first half of June.

Accept Prior Board Meeting Minutes and PERAC Financial Reports

New Members:

Gunha. Thiago-Firefighter

Deceased:

Dunn, Elizabeth - Cafe, (5/21/18 Opt A, NFB)

Pompeo, Joyce – School (5/26/18 Opt A, NFB)

Bennett, Debra (5/23/18, spouse of Paul, Paul receives Pop-up to Opt A)

Retirements:

None

Transfers:

Fallon Murphy to MTRS \$947 (.25yrs)

Withdrawals:

Marie Doucette-School Committee \$2,542 (4 yrs)

Natasha Baptiste-PARA \$1,506 (.75 yrs)

Julianne Valley-Claffey -School \$148 (.2 yrs)

Correspondence:

May 2018 PERAC Financials

PERAC Memo #18 Vernava Follow Up: Compliance with PERAC Memo's

Attorney Michael Sacco-All Client Memo-PERAC Memo #18

Memo to Council President on Ordinary Disability Local Option Approval

Law Offices of Burton Hass-Miguelina Ray Line of Duty Death Benefit

Vote:

James Crowley-ADR Application

Mr. Ryan presented the Board with Attorney Sacco's Opinion letter and the Medical Panel results. A motion to approve the involuntary accidental disability application was made by Mr. Fermano. Mr. Eisnor second the motion. All were in favor of the motion and the vote was unanimous.

Lawrence Melanson-Accidental Death Partition-Vote for medical records

Mr. Ryan handed out to the Board the Accidental Death partition signed by Andrea Melanson, surviving spouse of Lawrence Melanson. He also distributed the death certificate. The Board reviewed the information which documented numerous medical reasons for his May 2018 death. Mr. Ryan emphasized that attorney Sacco has recommended that the Board request five years of medical records up to the date of death. After this is received, Mr. Sacco will review the records and determine if the accidental death partition should move along and be approved. A PERAC appointed single physician medical panel may need to be requested if the reason for his death directly related to his work disability. Mr. Fermano made a motion to table the acceptance of the petition until five years of medical records prior to death have been reviewed. Mr. Eisnor seconded the motion. All were in favor of the motion and the vote was unanimous.

Former Treasurer Mark Good Stipend over payment

Chairman Atkinson presented attorney Sacco’s email information to the Board regarding writing a demand letter to reimburse the Board for overpayment of Stipend. The majority of the Board members believed that an agreement was signed when Mr. Good became treasurer, and all subsequent stipends to him were approved by the Board. They felt it was more than likely that Mr. Good would not pay the Board back for the \$3,000 annual overpayment. Legal costs to retrieve the overpayment would be excessive and more than the cost of the overpayment. Mr. Atkinson emphasized that the Board should send a letter to Mr. Good as an initial step for recovery. A motion was made by Mr. Lucey to have attorney Sacco draft a legal letter to Mr. Good and demand that the overpayment be made to the Malden Retirement Board. Mr. Ranaghan seconded the motion. All were in favor. The vote was unanimous.

Discussion:

James Crowley-Medical Panel Results

Custodial RFP candidates

Board members handed Mr. Ryan the grade sheets for each of the three Custodial RFP candidates. Discussion regarding custodial fees to be charged each quarter resulted in the consensus that State Street Bank and Trust were most cost effective. Mr. Ranaghan noted that Peoples United bank made typographical errors in the formal bid presentation letter. Mr. Ryan also mentioned that Comerica is only used for their services by a few of the 104 retirement Boards. He mentioned that he enjoys the professional relationship he has developed with State Street Bank and Trust. The Board will table the decision until the next Board meeting on July 18th. At this time Mr. Ryan will present the grades for each candidate. After the candidate is chosen, the last step will be for attorney Sacco to review and approve the contract of the chosen candidate.

The deBurlo Group-May 2018 Investment Portfolio Results

Mike Shade of the deBurlo group reported to Mr. Ryan via email the May ROI results were very impressive. Malden stocks were up approximately 13.1% year to date through May. This compares to the S&P 500 which was up 1.7%. PERAC has issued the 2017 investment Report which shows that Malden was the #3 highest ROI out of 104 retirement boards with a 20.20% return for 2017. This beat PRIT by approximately 2.5%. Malden’s 33-year ROI is 9.68%.

Local Options-Ordinary Disability G.L. c.32 §6(1)

Mr. Ranaghan informed the Board that the City Council approved the 10-year ordinary disability local option on June 12th. Mr. Ryan will formerly notify PERAC to certify and approve the local option once he receives a hard copy approval from the Finance Committee.

MACRS Spring Conference Update

Chairman Atkinson gave an update on the June 2018 MACRS spring conference held in Hyannis. He handed out presentation slides of the Vernava SJC ruling which was presented at the conference by PERAC Executive Director Joseph Connarton. The Board and Mr. Ryan discussed the Vernava case and related PERAC memoranda. Mr. Ryan informed the Board that he has presented guidelines regarding supplemental earnings in conjunction with workers compensation pay to the city and school payroll departments. Mr. Ryan will inform Mr. Anthony Chiccuarelli of the Vernava ruling and PERAC guidelines.

Disability updates-James Crowley Medical Panel Certificate complete

APPROVE THE FOLLOWING EXPENSES AND INVESTMENTS

Michael Sacco-May 2018 Legal Services	2,710.00
deBurlo Group-May 2018 Investment Mgmt Fee	56,880.00
James Ryan-CPA license renewal	164.70
James Ryan-Postage cost for Custodial RFP mailings to Bd	23.62
Warren Atkinson-MACRS Spring Conference Travel expenses	623.36
Micro Support Group Inc. (July 2018 data backup)	94.00
Ready Refresh-Bottled water	58.88
Medical Records Associates LLC (J. Crowley Records)	118.00
State Street Bank & Trust (1 st qtr. 2018 custodial fees)	17,277.44

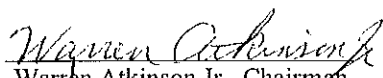
Haverhill Retirement Board (2017 38© payable)
 State Board of Retirement (2017 38© payable)

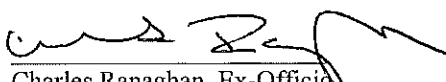
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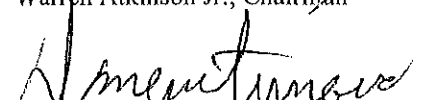
SECURITY DESCRIPTION	QUANTITY (UNITS)	PROCEEDS/ COST
ABIBB 3.65 2/1/26	675,000	662,850
BBT 2.85 10/26/24	500,000	478,015
ORCL 3.25% 11/15/27	2,700,000	2,598,561
AMXCA 2017-3 A 4/15/2020	2,700,000	2,646,527
PEP 3% 10/15/27	2,250,000	2,134,395
MS 5.75% 1/25/21	2,700,000	2,855,412
BABA 3.4 12/6/2027	900,000	841,977
JPM 2.95 10/1/26	1,250,000	1,160,613
US TSY 2 1/4 12/31/24	1,500,000	1,451,016
US TSY T2 5/8 06/15/21	2,700,000	2,700,844
ALIGN TECHNOLOGY	1,500	501,159
ABIOMED INC	4,000	1,624,752
ARISTA NETWORKS	3,000	836,329
MASTERCARD INC.	2,000	404,925
MICROSOFT CORP	7,000	715,812
PROOFPOINT INC	4,000	494,258
VISA INC	3,500	475,477
APPFOLIO INC	4,500	274,342
LIGAND PHARMACEUTICALS INC	1,500	289,229
PENUMBRA INC	1,500	244,810
SUPERNUS PHARMACEUTICALS INC	5,000	273,136
APPFOLIO INC	4,500	281,385
LIGAND PHARMACEUTICALS INC	1,500	290,741
PENUMBRA INC	1,500	242,524
SUPERNUS PHARMACEUTICALS INC	5,000	272,455
APPFOLIO INC	4,500	283,247
LIGAND PHARMACEUTICALS INC	1,500	284,453
PENUMBRA INC	1,500	239,495
SUPERNUS PHARMACEUTICALS INC	5,000	270,572
AMEDISYS INC	6,000	501,283
AMAZON.COM INC	400	686,820
APPFOLIO INC	3,500	232,180
ETSY INC	4,000	175,389
HEALTH EQUITY INC	4,000	319,317
NETFLIX	1,500	584,598
PENUMBRA INC	1,500	235,328
QUALYS INC	6,000	580,839


APPFOLIO INC	3,000	194,667
PENUMBRA INC	1,000	154,661
ALIGN TECHNOLOGY	1,000	365,625
NETFLIX	1,000	396,278
QUALYS INC	3,000	288,667
LIGAND PHARMACEUTICALS INC	2,500	518,822

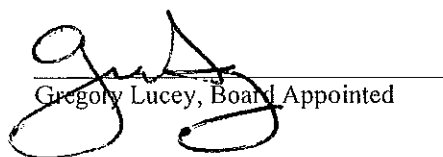
A motion was made by Mr. Eisnor to adjourn the meeting at 10:00AM and seconded by Mr. Lucey. All were in favor to adjourn the June 20, 2018 meeting.

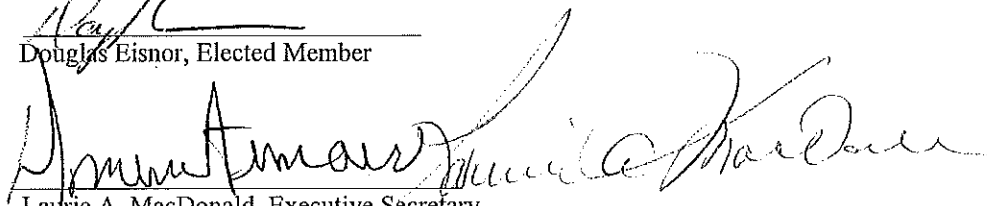

Warren Atkinson Jr., Chairman


Charles Ranaghan, Ex-Officio


Domenic Fermano, Appointed Member


Douglas Eisnor, Elected Member


Gregory Lucey, Board Appointed


Laurie A. MacDonald, Executive-Secretary