

Notice of Remote Participation

The meeting of the Middlesex County Retirement Board convened at 10:00 A.M. Present at the Board’s offices were Chairman Thomas Gibson and Board members John Brown, and Joseph Kearns. Lisa Maloney, Chief Administrative Officer, and Nancy O’Neil, Board Secretary, were also present. Board Member Brian Curtin was expected shortly. Board Member Robert Healy participated remotely. From his remote location, Mr. Healy stated that for executive session purposes, there were no other persons present other than himself or able to hear the proceedings and discussion.

The Pledge of Allegiance was recited.

At this time, Ms. Maloney reported on an overpayment to Crystal Rider. During a recent review of dependent allowances, staff determined that excess benefits were paid to Ms. Rider on behalf of her son, Zachary Rider, following the death of her former spouse, Daryl Rider in 2002. By letter dated July 13, 2022, Ms. Rider was notified of an order to show cause why her benefits should not be terminated. Ms. Rider sent an email in response indicating that she was unaware of her ineligibility for benefits, and unable to make restitution of overpayments.

After review,

On motion duly made by Mr. Kearns, seconded by Mr. Brown, it was moved to terminate Crystal Rider’s c. 32, §12B benefits effective July 1, 2022, and continue to monitor the likelihood of success of any future collection efforts.

Roll Call Vote

John Brown	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph Kearns	YES

The motion passed.

At 10:14 A.M.,

On motion duly made by Mr. Brown, seconded by Mr. Kearns it was moved to enter into Executive Session under Purpose 7 of the Open Meeting Law: “To comply with, or act under the authority of, any general ... law”, that law being Exemption (c) of the Public Records Law (G.L. c. 4, s. 7(26)(c)) exempting personnel and medical files or

information and other materials or data relating to a specifically named individual, the disclosure of which may constitute an unwarranted invasion of personal privacy, following which the Board will reconvene in open session.

Roll Call Vote

John Brown	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph Kearns	YES

The motion passed.

At 11:30 A.M.,

On motion duly made by Mr. Brown, seconded by Mr. Kearns, it was moved to come out of Executive Session.

Roll Call Vote

John Brown	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph Kearns	YES

The motion passed.

Next, there being no requests to remove items from the Consent Agenda,

On motion duly made by Mr. Brown, seconded by Mr. Kearns, it was moved to approve Consent Agenda items # 3(a) through #3(n).

Roll Call Vote

John Brown	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph Kearns	YES

The motion passed.

Board member Curtin arrived at 11:45 A.M.

Chief Administrative Officer's Report

Ms. Maloney referred the Board members to her written summary of the System's activities since the last Board meeting.

Ms. Maloney discussed the number of superannuation retirement applications to be processed over the course of the next several months, including 61 in July. All benefits calculations will be completed, and payment received by July 29th as planned.

The Cost of Living Adjustment will be paid this month to all eligible retirees. With respect to Section 100 benefit increases, staff have requested the necessary contract information from one employer unit to determine whether adjustments should be made for two benefit recipients.

Ms. Maloney reported that the second cycle of the benefit verification process is complete with a rate of return of 98%. This year, those recipients with email addresses on file have been notified to contact the office regarding their benefits. Final notices will be mailed on July 28, 2022. If the affidavits are not received by August 29, 2022, the recipients' benefits will be terminated. Ms. Maloney shared the list of those retirees receiving final notices with the Board.

PERAC has notified the Board that sixteen disability retirees have not complied with the filing requirements of G.L. c. 32, § 91A regarding the 2021 Annual Statements of Earned Income. To give the retirees an opportunity to explain why their benefits should not be terminated, show cause hearings have been scheduled for August.

In addition, staff completed the income verification of 33 disability retirees identified by PERAC as potential excess earners. PERAC will determine if any of the System's disability retirees have excess earnings that must be refunded to the System in accordance with G.L. c. 32, § 91A.

The total amount billed for the FY 2023 appropriation was \$156,350.175. To date, the System has received \$150,962,170 from 69 units. Next week, second notices will be sent to the three units that have not yet submitted payment.

Recently the employer units were asked to provide the System with a list of all employees who have been called to active military duty between January 1, 2021, and December 31, 2021. To date 64% of the units responded eight of which identified employees who were called to military duty last year. Responses are due August 5, 2022.

Ms. Maloney informed the Board that the Segal Group completed the GASB 67 & 68 reports. They are currently being audited by Powers & Sullivan. The 2022 System Valuation is being prepared now and is expected at the end of the month. Once received, it will be reviewed by Powers & Sullivan before distribution to the member units.

Powers & Sullivan is also working on the 2021 audit of the System's financial statements. They have requested the System's most recent investment report. If it is significant, they are considering the need to disclose the decline in the market value of the System's assets since year end.

Ms. Maloney reported that PERAC is evaluating the System's 2021 Annual Statement of Financial Condition. Staff has responded to a number of inquiries and provided supporting documentation for some of the figures pertaining to makeups, excess earnings, and military contributions, among others.

Ms. Maloney next reported that the total amount billed, with adjustments, for CY 2022 Section 3(8)(c) invoices was \$5,424,523.57. To date the System has received \$4,913,846.62 from 85 of the 89 retirement systems billed.

Ms. Maloney informed the Board that RetroFit's support service agreement expires this month. They have provided a Managed Services proposal which reflects a 5% increase over last year's agreement. The agreement is currently under review.

At 12:00 P.M. the Board recessed for lunch and reconvened in regular session at 1:00 P.M.

At this time, Ms. Maloney reported that she continues to work with K&M Communications on upgrading the building's security system..

Next, she reported on the various capital improvements on the exterior of the building as well as the HVAC repairs. In addition, bids are currently being solicited for the elevator replacement project.

Despite repeated attempts, 3Phase, the System's current elevator maintenance provider, has not yet addressed the deficiencies in the elevator rooms. They have, however, submitted their monthly invoices for payment.

After review,

On motion duly made by Mr. Kearns, seconded by Mr. Healy, it was moved to withhold July and August payments to 3Phase.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

Finally, Ms. Maloney reported on the staff's FY 2022 vacation buybacks, upcoming staff performance evaluations and the staff's 2.25% FY 2023 COLA effective July, 1, 2022.

Education

After review,

On motion duly made by Mr. Brown, seconded by Mr. Curtin, it was moved to approve the attendance of Board members and the Chief Administrative Officer at the NCPERS Public Pension Forum in Los Angeles, California from August 21-23, 2022, and that expenses for attendance at said conference be reimbursed in accordance with the Board's policies and PERAC's Travel Regulations.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

After review,

On motion duly made by Mr. Brown, seconded by Mr. Curtin, it was moved to approve the attendance of Board members and the Chief Administrative Officer at the NCPERS Public Safety Conference in Nashville, Tennessee from October 23-26, 2022, and that expenses for attendance at said conference be reimbursed in accordance with the Board's policies and PERAC's Travel Regulations.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

The Chairman reported that three responses to the Board's request for proposals to provide legal services have been received from Bulkley Richardson & Gelinias, Murphy, Heese, Toomey & Lehane, and Robinson Cole jointly with Morgan, Brown & Joy. Board members were provided with the proposals in advance of today's meeting as well as evaluation forms. After compilation of the Board member's individual evaluation scores, Murphy, Hesse, Toomey & Lehane's proposal was determined to have achieved the highest rating.

After review,

Following an extended discussion with respect to the three proposals submitted, and following review of the Board members' written evaluations, on motion duly made by Mr. Brown, seconded by Mr. Curtin, it was moved to retain Murphy, Hesse, Toomey & Lehane to provide legal services under the terms and conditions of their proposal.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

The Chairman noted the quality of all the firms that responded, and he will communicate the Board's determination to each.

Chairman's Report

The Chairman reviewed PERAC Memo #20. advising retirement systems of reinstatement of service calculations under G.L. c. 32, s. 105, and PERAC Memo

#19, which formally notified retirement boards of the Legislature’s enactment of extension of the open meeting law waiver to March 31, 2023.

Next, The Chairman discussed the PRIT fund investment performance, noting the fund was down over 10% for June. PRIM is in the process of establishing an ESG (Environmental, Social and Governance) investment committee. He will keep the Board updated on this process.

With respect to legislative matters, the Chairman reported that an outside section of the state budget would allow for the Governor’s public safety appointee on PRIM to be chosen from three candidates provided by MACRS. In addition, the House budget includes a 5% one-time FY23 cost of living increase for State and State Teachers retirees, and a local option for municipal, county, and regional retirement systems. If the Governor signs the legislation, the Board will consult with Kathy Riley of the Segal Company to prepare a cost analysis to present to the Advisory Council. Finally, another section of the state budget bill provides that the Vernava SJC decision shall not apply to any member who retired prior to July 1, 2022.

Next, the Chairman provided a status update of appeals pending before the Division of Administrative Law Appeals and the Contributory Retirement Appeal Board. In the matter of *Mary Stilwell vs. MCRB*, DALA reversed the Board’s accidental disability retirement denial and an appeal was filed to protect the Board’s rights within the time allotted.

After review,

On motion duly made by Mr. Brown, seconded by Mr. Kearns, it was moved withdraw the Board’s appeal and grant accidental disability retirement to Mary Stilwell.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

At this time, the Board reviewed its existing supplemental travel policy to determine whether updates were advisable.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Kearns, it was moved not to make any amendments to the Board's supplemental travel policy at this time.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

The Chairman presented a draft policy on Section 3(8)(c) Reimbursements. Following further discussion, the Chairman and Ms. Maloney will work collaboratively on revising the language and report back to the Board.

Next, the Chairman presented a draft policy on Third Party Recovery. Following further discussion, the Chairman will make final revisions and report back to the Board.

Finally, the Chairman presented a draft policy on Economic Hardship Withdrawals.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to adopt the policy as amended.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	NO

The motion passed.

Next, the Board reviewed the proposed election schedule of the Third Elected Member and set the Election Board meeting for Wednesday, November 9, 2022.

Ballots are scheduled to be tabulated by the Election Board on Wednesday, December 14, 2022

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to approve the election schedule of the Third Elected Member.

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

Finally, the Board set meetings for:

September 21st, October 19th, November 9th (Subcommittee and Regular Board Meeting), and December 14th (Advisory Council and Regular Board Meeting).

There being no further business to come before the Board, on motion duly made by Mr. Healy, seconded by Mr. Brown, it was moved to adjourn at 2:07 P.M

Roll Call Vote

John Brown	YES
Brian P. Curtin	YES
Thomas F. Gibson	YES
Robert W. Healy	YES
Joseph W. Kearns	YES

The motion passed.

The Board announced the following votes which were taken in Executive Session:

4(a.) The Board voted to approve the application for involuntary accidental disability retirement filed by the Town of Wilmington on behalf of Michael Rideout.

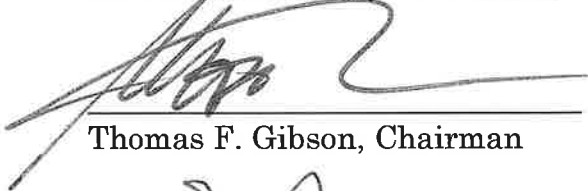
4(b.) The Board voted to approve Paul Bowles' application for accidental disability retirement.

4(c.) The Board voted to approve Frederick Baker's application for accidental disability retirement.

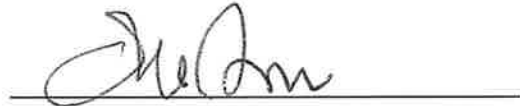
4(e.) The Board voted to waive investigation and to conduct an application review on August 17, 2022 in the matter of Marc Annese's application for voluntary accidental disability retirement and the application for involuntary accidental/ordinary disability retirement filed by the Town of Billerica on behalf of Marc Annese.

4(f.) The Board voted to waive investigation and to conduct an application review on August 17, 2022 in the matter of Scott Barnes' application for accidental disability retirement.

4(d.) The Board voted to conduct further review of Steven Zarba's application for accidental disability retirement.



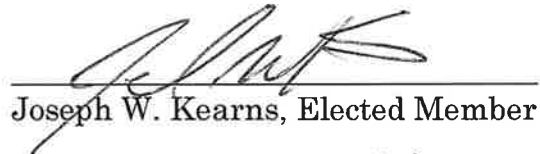
Thomas F. Gibson, Chairman



John Brown, Elected Member



Brian P. Curtin, Vice Chairman



Joseph W. Kearns, Elected Member



Robert W. Healy, Appointed Member

Regular Session Documents

1. Consent Agenda – Items #3(a) - #3(n)
2. Chief Administrative Officer's Report
3. Crystal Rider Order to Show Cause
4. State Street Performance Summary
5. PRIM Performance Report
6. 91 A Termination Show Cause Hearings
7. Affidavit Final Notices before Suspension
8. Legal Services RFP – Buckley Richardson & Gelinas
9. Legal Services RFP – Murphy, Hesse, Toomey & Lehane
10. Legal Services RFP – Robinson Cole with Morgan, Brown & Joy
11. RFP Evaluation for Legal Services
12. Litigation Report
13. 2020 PERAC Approved Travel Regulation
14. Draft Policy of Section 3(8)(c) Reimbursements
15. Draft Policy on Economic Hardship Withdrawals
16. Draft Policy on Third Party Recovery
17. Draft Third Member Election Schedule