

December 14, 2022

The meeting of the Middlesex County Retirement Board convened at 11:35 A.M. Present at the Board's offices were Chairman Thomas Gibson and Board members Brian Curtin, John Brown, Joseph Kearns, and Robert Healy. Lisa Maloney, Chief Administrative Officer, and Nancy O'Neil, Board Secretary, were also present.

Following the Pledge of Allegiance, the Board observed a moment of silence in memory of retired Watertown Fire Captain Robert McCarthy who passed away last week. For many years, Mr. McCarthy served as President of the Professional Firefighters of Massachusetts and was a former PERAC Commissioner. The Chairman noted that Mr. McCarthy was a staunch supporter of the public pension system and was instrumental in many areas of pension reform.

At 11:40 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
Joseph Kearns	YES
Robert W. Healy	YES
Brian Curtin	YES
Thomas Gibson	YES

The motion passed.

At 12:28 P.M.,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to come out of Executive Session, recess for lunch and reconvene in regular session at 1:00 P.M.

Roll Call Vote

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

The motion passed.

The Board reconvened back into regular session at 1:05 P.M.

At this time, the Board reviewed the Consent Agenda.

After review,

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

The motion passed.

At this time, Ms. Maloney provided an information technology update and reviewed the final draft of the IT Acceptable Use Policy with the Board.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Brown, it was moved to approve the IT Acceptable Use Policy.

The motion passed.

Chief Administrative Officer's Report

Ms. Maloney delivered the Chief Administrative Officer's report and referred the Board members to her written summary of the System's activities since the last Board meeting.

According to PERAC, two disability retirees, Joseph Barrila and Jonathan Byrne, have not complied with the filing requirements of G.L. c. 32, §91A regarding their 2021 Annual Statement of Earned income. Mr. Barrila failed to appear for his show cause hearing scheduled for December 5, 2022, and Mr. Byrne's show cause hearing was postponed until January.

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After review,

On motion duly made by Mr. Brown, seconded by Mr. Healy, it was moved to terminate the accidental disability retirement benefits of Joseph Barrila, effective December 31, 2022.

The motion passed.

Ms. Maloney stated that PERAC has determined that disability retiree Paul Lemieux must refund the System \$12,434.04 in excess earnings in accordance with G.L. c. 32, § 91A. To date, Mr. Lemieux has failed to request a show cause hearing and has not paid the amount due.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Curtin, it was moved to reduce the accidental disability retirement benefits of Paul Lemieux to an amount equivalent to his health insurance premiums effective December 31, 2022, and to continue the reduction until such time as the excess earnings have been recovered.

The motion passed.

Next, Ms. Maloney reported favorably on the ongoing reconciliation between benefits paid in 2022 and 1099R reporting. To date, there are no discrepancies and staff have begun finalizing the 1099R data.

The System has received \$172,900 of the \$1,241,418.50 due in outstanding FY 23 appropriations due January 1st. In addition, the units have made \$2,454,866.00 in extra payments this calendar year, bringing the total funds received to \$154,890,778.50.

Jeff Ziplow of CliftonLarsenAllen and Ms. Maloney are working with Intuit/Quickbooks to upgrade the System's financial accounting package. Desk and online versions are currently being considered.

Ms. Maloney reported the Chairman has reviewed and signed the Statement of Work for PTG's Employer Self-Service Insurance Portal. The module will provide the units with the ability and the responsibility to update their own retiree insurance premiums. PTG anticipates development will be completed in the spring.

Next, Ms. Maloney provided an update on building matters and noted the System has come to an agreement with Cleary Elevator on the elevator modernization project. Replacement of the passenger elevator is expected in the summer of 2023.

Chairman's Report

On December 7, 2022, Mr. Gibson and Mr. Brown attended the PERAC Commission meeting. Topics discussed included PERAC's legislative filings and a recent Superior Court decision regarding anti-spiking. Outgoing State Auditor Suzanne Bump attended the meeting and was acknowledged for her work as Vice Chair on the PERAC Commission. It is expected that several new Commissioners will soon be appointed.

Next, the Chairman referred the Board to his litigation and legislative reports presented earlier today at the Advisory Council meeting.

At this time, a discussion ensued regarding the Legislature's recent enactment of the one-time increase from 3% to 5% on the COLA base for retirees for FY 2023. Kathy Riley of the Segal Group earlier presented a cost analysis at the Advisory Council meeting. Before implementation, the COLA percentage increase must be approved by the Board and 2/3rds of the towns in the retirement system.

After review,

On motion duly made by Mr. Brown, seconded by Mr. Healy, it was moved to accept Chapter 269 of the Acts of 2022 and convey the Board's acceptance to the municipalities.

The motion passed.

At this time, the Chairman provided a status report on the pending DALA appeal involving the mandatory sell backs of vacation time of Michael Kent. PERAC recently opined that Mr. Kent's sellbacks of vacation time come within the provisions of the newly enacted Section 106 of Chapter 32.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to bill Mr. Kent for the retirement contributions that would have been withheld from the sellbacks of his vacation and recalculate his retirement allowance retroactive to his date of retirement, and submit to PERAC for approval.

The motion passed.

Next, the Board reviewed the System's Cash Reserves Policy and noted same is obsolete as the System currently does not have any cash investment vehicles.

Further discussion ensued regarding the need for custodial bank services considering that all of the System's investable assets are in the PRIT Fund. In 2017, PERAC approved a supplementary regulation that exempts the System from the requirements of custodial bank services.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Brown, it was moved to terminate the System's custodial bank agreement with State Street Bank.

The motion passed.

Further,

On motion duly made by Mr. Healy, seconded by Mr. Brown, it was moved to rescind the System's Cash Reserve Policy.

The motion passed.

At this time, the Board set the following Board meeting dates:

January 11, 2023
February 8, 2023
March 15, 2023

Next, the Board reviewed correspondence from the Worcester Regional Retirement Board requesting that the System reconsider its decision to deny liability for non-membership reserve police service rendered by John Foster in the Town of Ashby.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Curtin, it was moved to seek a technical advisory from PERAC on the issue raised by the Worcester Regional Retirement Board in their letter dated November 9, 2022, and to deny Worcester Regional Retirement Board's request for reconsideration.

The motion passed.

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Education

After review,

On motion duly made by Mr. Brown, seconded by Mr. Kearns, it was moved to approve the attendance of Board members and the Chief Administrative Officer at the following conferences and that the expenses for attendance at said conferences be reimbursed in accordance with the Board's policies and PERAC's travel regulations:

- **NCPERS Legislative Conference, January 22-24, Washington, DC**
- **NCPERS Annual Conference, May 21-24, New Orleans, LA**

The motion passed.

Finally, Mr. Kearns informed the Board that D&G Landscaping has contacted him regarding the potential for them to lease or buy the upper parking lot to store their equipment. The Chairman and Chief Administrative Officer will review the existing lease with Valley Collaborative as well as any other legal considerations and will discuss the matter further at the next meeting.

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

4(b.) The Board voted to accept the medical panel reports of disability retirement applicant Robert Cossette, waive investigation and conduct an application review on January 11, 2023.

4(d.) The Board voted to accept the medical panel reports of Shaun Shanahan and to approve his accidental disability retirement.

4(c.) The Board voted to accept the medical panel reports of disability retirement applicant Jarrod Kullich, waive investigation and conduct an application review on January 11, 2023.

There being no further business to come before the Board, on motion duly made by Mr. Curtin, seconded by Mr. Healy, it was moved to adjourn at 2:27 P.M.


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The motion passed.



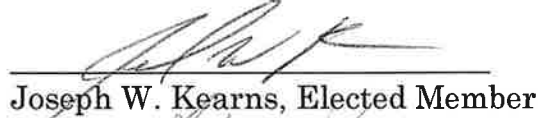
Thomas F. Gibson, Chairman



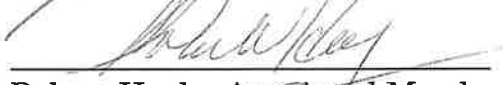
Brian P. Curtin, Vice Chairman



John Brown, Elected Member



Joseph W. Kearns, Elected Member



Robert Healy, Appointed Member

Regular Session Documents

1. Consent Agenda – Items #3(a) - #3(o)
2. Chief Administrative Officer's Report
3. State Street Performance Summary
4. PRIM Performance Report
5. Litigation Report
6. MCRS Cash Reserve Policy
7. State Street Back Custodial Services Contract
8. PERAC Supplemental Investment Regulation
9. Correspondence from Worcester Regional Retirement Board