

The meeting of the Middlesex County Retirement Board convened at 10:02 A.M. Present at the Board's offices were Chairman Thomas Gibson and Board members Brian Curtin, John Brown, Robert Healy, and Joseph Kearns. Lisa Maloney, Chief Administrative Officer, and Nancy O'Neil, Board Secretary, were also present.

After the Pledge of Allegiance was recited, the Board conducted a hearing regarding the involuntary ordinary disability retirement application filed by the Town of Boxborough on behalf of Robert Bielecki, Police Officer. Appearing before the Board was Robert Bielecki and his attorney, Casey Berkowitz, Esq.

Mr. Gibson reviewed the executive session disclosures and stated today's proceedings would be recorded. Mr. Bielecki and his counsel elected to have the hearing conducted in open session. Mr. Gibson summarized the facts and presented the legal issue of whether the Town's Application meets the requirements to be accepted and to proceed to a medical panel. The Board acknowledged that Mr. Bielecki has also filed a complete application for voluntary accidental/ordinary disability retirement.

After review,

On motion duly made by Mr. Brown, seconded by Mr. Curtin, it was moved to accept both the Town of Boxborough's application for involuntary ordinary disability retirement of Robert Bielecki, and Mr. Bielecki's application for voluntary accidental/ordinary disability retirement, and to petition PERAC to convene one medical panel.

The motion passed.

At this time, the Board reviewed the Consent Agenda. There being no requests to remove items from the Consent Agenda,

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

The motion passed.

At 10:24 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.

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

The motion passed.

At 11:20 A.M.,

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

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

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.

Ms. Maloney reported Form 1099R's were mailed to more than 7,000 benefit recipients on January 20, 2023.

Spring semester student verifications will be mailed next week to approximately 25 benefit recipients.

PERAC has determined that disability retiree Joseph Barrila must refund the System \$7,108.55 in excess earnings in accordance with G.L. c. 32, § 91A. To date, Mr. Barrila has failed to request a show cause hearing and has not paid the amount due.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Kearns, it was moved to reduce the accidental disability retirement benefits of Joseph Barrila to an amount equivalent to his health insurance premiums effective March 31, 2023, and to continue the reduction until such time as the excess earnings have been recovered.

The motion passed.

In accordance with PERAC Memo #8/2023, staff has begun preparing the System's 2022 actuarial files. The files are due March 31st.

Regarding the MCRS Pension Education Series, the Town of Acton has offered to host the Spring program. Billerica and Hopkinton have been asked to host the June and September programs. The final program will be held virtually in November.

With respect to 2022 payrolls, staff are waiting for the final file from Billerica Housing Authority. Once payrolls are posted and variances fully reconciled, inactive member accounts will be transferred to the Pension Reserve Fund, and the 2022 Supplemental Schedule will be prepared and submitted to PERAC. The member annual statement process will begin shortly thereafter.

Next, the Board discussed the possibility of restructuring the appropriation for those units whose assessments increased greater than 9% in FY 2024. The Board will consider the matter in conjunction with the January 1, 2024 System Valuation.

The Section 3(8)(c) invoices for CY 2022 retiree liability were mailed to 89 retirement systems. The total amount billed was \$6,125,791.81. To date, the System has received \$317,661.94 from thirteen of the systems billed.

Ms. Maloney updated the Board on the System's banking activity for the month, including the fact that the System's custodial services contract with State Street Bank will terminate on March 31, 2023. Staff will notify all impacted parties.

With respect to investments, State Street has reported the 2022 calendar year return at -11.59%.

Finally, Ms. Maloney reported that the System will be upgrading its accounting package this spring.

February 8, 2023

8567

At 12:01 P.M.,

On motion duly made by Mr. Brown, seconded by Mr. Curtin, 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 (n) of the Public Records Law (G.L. c. 4, s. 7(26)(n)) exempting records which relate to cyber security or other infrastructure located within the Commonwealth, the disclosure of which is likely to jeopardize cyber security, following which the Board will reconvene in open session.

Roll Call Vote

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

The motion passed.

At 12:22 P.M.,

On motion duly made by Mr. Kearns, seconded by Mr. Curtin, it was moved to come out of Executive Session and recess for lunch.

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

The motion passed.

At 1:15 P.M., the Board members reconvened in open session with Ms. Maloney, and welcomed Kathleen Riley of the Segal Group via videoconference.

Ms. Riley reviewed the System's funding schedule and how it could be impacted by the adoption of Chapter 269 of the Acts of 2022, the local option that would provide a one-time 5% COLA adjustment to eligible benefit recipients in FY 2023.

February 8, 2023

8568

After review,

On motion duly made by Mr. Kearns, seconded by Mr. Healy, it was moved to begin funding the one-time 5% COLA increase in FY 2026 should Chapter 269 of the Acts of 2022 be approved by the requisite number of Select Boards.

The motion passed.

Next the Board discussed the 2024 System Valuation and whether the assessment increases can be more evenly structured over FY 2026 and FY 2027 to avoid sharp increases in FY 2026 and smaller payments in FY 2027. Ms. Riley indicated this discussion should begin with the Subcommittee on Investments and Assessments and the Advisory Council in the fall of 2023.

Ms. Riley departed the meeting at 1:40 P.M.

At this time, Ms. Maloney presented a staff re-organization plan and draft of the FY 2024 Operating Budget. Guidance was provided on personnel matters and costs, professional services, and building expenses, among other areas. Ms. Maloney will incorporate the directives and present a second draft to the Board at its March meeting.

Further,

On motion duly made by Mr. Brown, seconded by Mr. Kearns, it was moved to offer an early retirement incentive to staff with a minimum of ten years of service with the retirement office and who are eligible for a superannuation retirement allowance, that is equal to \$1,000/year for each full year of creditable service, provided they retire on or before June 30, 2023.

The motion passed.

Chairman's Report

The Chairman noted that the PERAC Commission meeting is being held today. He reviewed PERAC Memo #4/2023 – COLA Notice with the Board and indicated the FY 2024 COLA will be considered at the Board's April meeting.

With respect to investments, the Chairman directed the Board members to the returns provided by Ms. Maloney in her written report.

With respect to legislative matters, the Chairman reported on various veteran's legislation and the gender pay bill.

He reviewed his litigation report and highlighted the new appeal filed by Worcester Regional Retirement System regarding the appropriate retirement system to accept liability for non-membership service.

Next, the Chairman shared *Pensionomics 2023* which is posted on the System's website and will be featured in the spring newsletter.

Finally, the Board set the upcoming meeting schedule:

- 9:30 a.m. on April 19, 2023: Subcommittee on Assessments and Investments
- 11:00 a.m. on April 19, 2023: Regular Board Meeting
- 9:30 a.m. on May 17, 2023: Advisory Council Meeting
- 11:00 a.m. on May 17, 2023: Regular Board Meeting
- 10:00 a.m. on June 21, 2023: Regular Board Meeting

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

4(g) The Board voted to approve the application for accidental death benefits of Stacy Rigopoulos, surviving spouse of Edward O'Brien.

4(b) The Board voted to approve the Town of Wilmington's application for the involuntary accidental disability retirement of Thomas Casella.

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

4(d) The Board voted to conduct a review of the Town of Dracut's application for the involuntary accidental disability retirement of William Dubois, Jr., on March 15, 2023.

4(f) The Board voted to conduct a review of the application of Thomas Romeo for accidental disability retirement on March 15, 2023.

4(e) The Board voted to conduct a review of the Town of Dracut's application for the involuntary accidental disability retirement of Greg Gaetano on March 15, 2023.

4(h) Disability Report – The Board voted to deny Charles Taylor's application for accidental disability retirement, and to advise him of his right of appeal.


There being no further business to come before the Board, on motion duly made by Mr. Healy seconded by Mr. Curtin, it was moved to adjourn at 3:00 P.M.

February 8, 2023


The motion passed.

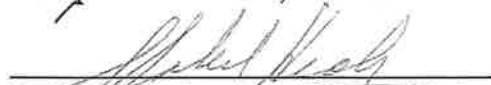
8570


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(p)
2. Chief Administrative Officer's Report
3. State Street Performance Summary
4. PRIM Performance Report
5. Litigation Report
6. Draft Memo to Select Boards on one time COLA adjustment for retirees.
7. Cost of Increasing COLA from 3% - 5% as prepared by The Segal Group
8. *Pensionomics 2023: Measuring the Economic Impact of DB Pension Expenditures*
9. MCRS Policy/Procedures Overview and Enhancing Good Cyber Practices