

February 21, 2024

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, Brian Curtin, and Joseph Kearns. Lisa Maloney, Chief Administrative Officer, and Nancy O'Neil, Board Secretary, were also present. Board member Robert Healy was expected to join the meeting shortly, via remote participation.

Following the Pledge of Allegiance,

At 10:00 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
Joseph W. Kearns	YES

The motion passed.

At 10:30 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
Joseph W. Kearns	YES

The motion passed.

At this time, the Board welcomed James Powers and Rebecca Gamsby of Marcum LLP, formerly Powers & Sullivan, LLC. Ms. Gamsby joined the meeting via remote participation.

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Mr. Powers discussed the need for his company to integrate with a larger firm, Marcum, LLP. In 2022, the Board engaged Powers & Sullivan to conduct audits and report on the System's financial statements through December 2024. He assured the Board they will continue to perform the work that was assigned on behalf of the System, at the agreed upon fees, without any impact or interruptions.

Board Member Healy joined the meeting, via remote participation, at 10:46 A.M.

After considerable review and discussion,

On motion duly made by Mr. Kearns, seconded by Mr. Curtin, it was moved to authorize the consent to transfer the System's data from Powers & Sullivan to Marcum, LLP.

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

The motion passed.

At 11:05 A.M.,

On motion duly made by Mr. Kearns, seconded by Mr. Brown, 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 11:25 A.M.,

On motion duly made by Mr. Brown, 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.

Next, the Board reviewed the Consent Agenda. There being no requests to remove items from the Consent Agenda,

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

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

Ms. Maloney reported that PERAC has determined that disability retiree Joseph Barrila must refund the System \$38,667.76 in excess earnings in accordance with G.L. c. 32 § 91A. 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. Healy, seconded by Mr. Brown, it was moved to reduce the accidental disability retirement benefits of Joseph Barrila to an amount equivalent to his health insurance

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premiums effective March 31, 2024, and to continue the reduction until such time as the excess earnings have been recovered if payment is not received by February 29, 2024.

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

The motion passed.

Ms. Maloney reported that spring semester student verifications were mailed February 2, 2024, to seventeen benefit recipients. Responses are due February 29, 2024.

Form 1099Rs were mailed to more than 7,000 benefit recipients on January 29, 2024. The electronic file will be submitted to the IRS in March.

Planning for the 2024 Pension Education Series is currently underway. Three in-person regional training sessions are expected to be held in April, June, and September. The fourth program will be a fall webinar. Beginning in May, smaller onsite member sessions will be offered on the last Tuesday in months when there are no regional meetings scheduled.

With respect to employer reporting, all payroll files have been posted for 2023. Staff continue to reconcile cash variances. Next week, ten-year inactive members will be transferred to the Pension Reserve Fund and the 2023 Supplemental Schedule will be prepared and submitted to PERAC. It is expected that the member annual statement process will begin shortly thereafter.

The CY2024 Section 3(8)(c) invoices for 2023 retiree liability were mailed to 90 retirement systems. The total amount billed, after adjustment, was \$6,668,141.11. To date, the System has received \$1,748,404.67.

With respect to the outstanding CY 2023 invoice, the State Retirement System has reported that payment in the amount of \$851,297.87, due January 1, 2024, is scheduled for their March warrant.

Ms. Maloney noted that staff are preparing the 2023 assets and liabilities file for Segal's review. This, along with PERAC's actuarial files, should be delivered by March 1st.

With respect to investment performance, Ms. Maloney noted the 2023 calendar year to date return for the total fund is 11.42%, exceeding the System's assumed investment rate of return of 7.15%.

Next, Ms. Maloney delivered a building update.

The Billerica Board of Health and Department of Public Works issued a Notice of Violation and Order for Correction to the System. Specifically, it states that the building is discharging water to the Town's drainage system that contains pollutants. The System has been ordered to correct the situation.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to proceed with the investigation of the Town of Billerica's complaint and enlist aid from Vertex regarding obtaining a vendor to perform the services for same.

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

The motion passed.

Next, Ms. Maloney reported that the HVAC contract with Alpine is up for renewal.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Healy, it was moved to renew the HVAC contract with Alpine in accordance with the terms proposed.

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 that the System's landscaping contract with D&L Landscaping is up for renewal.

After review,

On motion duly made by Mr. Brown, seconded by Mr. Kearns, it was moved to renew the landscaping contract with D&L Landscaping for one year.

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

The motion passed.

Chairman's Report

The Chairman reported that Bill Keefe, PERAC Assistant Executive Director, has been appointed as PERAC's Executive Director. He expects the positive working relationship the Board has had with Mr. Parsons and PERAC over the years will continue with Mr. Keefe.

The Chairman reviewed PERAC Memo #6/2024, COLA Notice, which will be considered at the Board's March meeting. Discussion of increasing the COLA base will also be held. Since the Social Security COLA exceeds 3%, the 30-day statutory notice of such election to the Advisory Council is not required this year. Nevertheless, the Board will provide such notice to the Advisory Council as a matter of public policy.

Next, the Chairman discussed legislation that was reported out favorably to change the composition of the PRIM Board to include a MACRS representative. Additionally, he reported on legislation to change the default mechanism of municipal retirement boards' appointment of the fifth member.

Finally, the Chairman provided a status update of appeals pending before the Division of Administrative Law Appeals and the Contributory Retirement Appeal Board, noting only one new appeal this year. He will update his litigation report for the Board's next meeting.

Lastly, in accordance with the provisions of G.L. c. 32, § 15, the Board discussed correspondence from the Middlesex County District Attorney's Office and PERAC regarding *Commonwealth v. Thaddeus G. Rochette*. In August of 2023, Mr.

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Rochette, a retired Townsend Police Officer, was found guilty of impersonating a police officer.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Brown, it was moved to schedule a show cause hearing for Thaddeus G. Rochette at the Board's April meeting to consider pension forfeiture and whether said criminal offense bears a factual or legal link to the member's position.

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

The motion passed.

At 12:15 the Board recessed for lunch and reconvened in open session at 1:00 P.M. The Board Secretary was excused.

The Board set the schedule for upcoming meetings as follows:

- 9:30 A.M. April 17, 2024: Subcommittee Meeting on Investments and Assessments
- 11:00 A.M. April 17, 2024: Regular Board Meeting
- 9:30 A.M. May 22, 2024: Advisory Council Meeting
- 11:00 A.M. May 22, 2024: Regular Board Meeting
- 10:00 A.M. June 20, 2024: Regular Board Meeting

At this time, Ms. Maloney presented an update on personnel matters and a draft of the FY 2025 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.

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

4(a) The Board voted to approve James Ruggiero's application for accidental disability retirement.

4(b) The Board voted to approve the involuntary application for ordinary disability retirement filed by the Town of Billerica on behalf of David Mahoney.

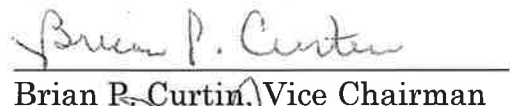
4 (c) The Board voted to approve Michael Cassella's application for accidental disability retirement.

4(d) The Board voted to have the Chairman seek clarification from the medical panel regarding Walter Jop III's application for accidental disability retirement.

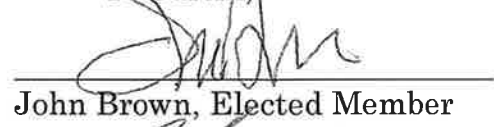
There being no further business to come before the Board, on motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to adjourn at 1:40 P.M.



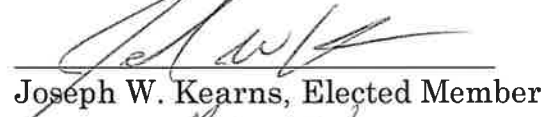
Thomas F. Gibson, Chairman



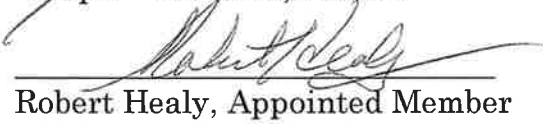
Brian P. Curtin, Vice Chairman



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. PRIM Performance Report
4. Litigation Report
5. Middlesex DA and PERAC Letter - *Commonwealth v. Thaddeus G. Rochette*
6. Billerica Department of Public Health Drainage Notice of Violation