

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, Robert Healy, and Joseph Kearns. Lisa Maloney, Chief Administrative Officer, and Nancy O'Neil, Board Secretary, were also present. Board Member Brian Curtin was expected shortly.

After the Pledge of Allegiance was recited, the Board welcomed James Powers and Rebecca Gamsby of Marcum LLP, to discuss the 2023 audit of the System's financial statements. Ms. Gamsby joined the meeting, via remote participation. The 2023 audit was completed by Powers & Sullivan prior to its merger with Marcum. Marcum was recently acquired by CBIZ, Inc.

With respect to the 2023 audit, Mr. Powers reported that the System is in good working order, and there were no material findings. He noted contributions have exceeded annual expenses, which has positively impacted the System's unfunded liability.

Mr. Powers informed the Board that he will be retiring at the end of the year. He stated he is proud of all the progress the System has made over the years. He commended Ms. Maloney and the staff for all their efforts. He reported that Ms. Gamsby will continue to oversee the account and assured the Board she will provide exceptional client service without any impact or interruptions.

Board member Curtin arrived at 10:10 A.M

On behalf of the Board, the Chairman expressed his gratitude to Mr. Powers for his long-standing service over the years, especially during difficult periods. The Chairman expressed his opinion that Mr. Powers was an integral part of fairly assisting the Board in improving its operations and communications with all stakeholders. He wished him well in his retirement.

At 10:36 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 11:47 A.M.,

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

The motion passed.

Chief Administrative Officer's Report

Ms. Maloney reported on member operations, noting the number of superannuation retirement applications to be processed over the next few months, as well as the return to a full counseling schedule in September. She also discussed various cross training of staff positions and upcoming member meetings.

All eligible retirees have received the FY 2025 COLA increase. Staff are adjusting the supplemental dependent allowance paid to accidental disability retirees and accidental death survivors. The COLA amount is \$1,125.36 annually effective July 1st, for each eligible child.

Next, Ms. Maloney reported that William McCarthy worked for Chelmsford Water District from July 1, 1976 through September 28, 1979, at a contribution rate of 7%. He received a refund of his accumulated deductions in November of 1979. In

December of 1980, he was rehired by the Chelmsford Water District and re-established membership in the System. He passed away as an active member on June 18, 2024.

While calculating his surviving spouse's Section 12(2)(d) benefits, it was discovered that the 2% additional contribution had not been deducted once Mr. McCarthy started earning more than \$30,000/year in 1994. Accordingly, there was an underpayment of retirement contributions in the amount of \$22,839.64 at the time of his death. The facts allow the Board to consider exercising its discretion when correcting errors in the system.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to grant a waiver of the underpayment of contributions in accordance with M.G.L. c. 32, §20(5)(c).

The motion passed.

Next, Ms. Maloney reported that PERAC has identified 14 disability retirees who have not filed their 2023 Annual Statements of Earned Income, and therefore, are not in compliance with Section 91A. Show cause hearings are scheduled for August 26th and 27th.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Curtin, it was moved to terminate the retirement benefits of those 14 disability retirees who have not yet filed their 2023 Annual Statement of Earned Income should they fail to appear for their show cause hearings on August 26, 2024, and August 27, 2024.

The motion passed.

Further, Ms. Maloney informed the Board that Christopher Brothers' excess earnings hearing pursuant to Section 91A is scheduled for September 3, 2024.

Ms. Maloney next discussed the delays with the Massachusetts Teachers' Retirement System's account transfers. Some have been pending for over a year. The issue has been escalated at MTRS. She will continue to monitor the situation and report back to the Board.

With respect to the FY 2025 unit appropriations, \$172,368,833 of the \$177,336,277 invoiced has been received. Second notices were mailed to five units with outstanding balances.

Mr. Maloney reported that Segal has issued the System's 2023 GASB 67/68 Report as well as the January 1, 2024, System Actuarial Valuation. With respect to the FY 2026 appropriation payments, PERAC has approved the Board's proposal to offer member units the option to equally distribute appropriation increases of 10% or more over two years. Segal's adjusted numbers that reflect this smoothing are still pending.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to accept the GASB 67/ 68 Report and the January 1, 2024, System Actuarial Valuation as prepared by Segal.

The motion passed.

Ms. Maloney next reported on Section 3(8)(c) outstanding account receivables. To date, the total amount due from the three retirement systems totals \$956,398.29. Third requests have been made.

Staff recently surveyed employer units for members called to active military duty during CY 2023. Fifty-four responses have been received to date. With respect to the payments due July 1, 2024, for CY 2022 active duty, only one unit has not submitted payment. A second notice was sent on July 17, 2024.

Ms. Maloney then delivered a PRIM update. She reported that the PRIT Fund's total assets are at \$105.2 billion, and the Core Fund is up 0.74% for the month, gross of fees. The calendar year to date return for the Total Fund is 5.25%.

With respect to Boston Millennia Fund II, Ms. Maloney reported that the fund is now fully liquidated. Globespan Capital V is the System's only remaining illiquid investment.

With regard to the building update, Ms. Maloney reported that the cost proposal from Alpine for the mechanical repairs to the HVAC System has been received and reviewed by the Building Subcommittee in advance of today's meeting. The repairs will be completed on a time and materials basis, with labor costs estimated to be roughly \$5,300.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to accept the proposal by Alpine for the mechanical repairs to the HVAC system.

The motion passed.

With regard to the IT update, Ms. Maloney reported that other Massachusetts public retirement systems that use PTG's Pension Pro program were inadvertently directed to the System's member self-service portal upon login. PTG reported the misdirection was to a test site and a result of human error. There was no security breach or data loss. The problem was addressed immediately. Ms. Maloney will continue to monitor the situation and keep the Board apprised of any further developments.

With respect to the insurance portal rollout, an October implementation is targeted.

Finally, she advised the Board that Alex McCormick, the System's Account Manager, has left RetroFit. She is awaiting further information on his replacement.

At 12:35 P.M. the Board recessed for lunch and reconvened back in regular session at 1:15 P.M.

Chairman's Report

The Chairman reported that the PRIM Advisory Board meeting is scheduled for September. Both he and Ms. Maloney serve as Committee members.

Next, he reported on H 4676: *An Act Relative to Disability Pensions and Critical Incident Stress Management for Violent Crimes*. The bill was enacted on July 31, 2024, with no emergency preamble. The bill provides an enhanced retirement allowance for catastrophic disability caused by a violent act for police, fire and EMT workers. He has contacted PERAC for further clarification and guidance on implementation.

The Chairman next reported on Chapter 141 of the Acts of 2024, *An Act Relative to Salary Range Transparency* which provides an exception to the anti-spiking law for increases to salary resulting from application of the Mass Equity Pay Act and increases resulting from an employer's systemic wage increase program. Further guidance from PERAC will be forthcoming.

Next, he reported that on August 8, 2024, Chapter 178 of the Acts of 2024 (the “Hero Act”) was enacted. The Act provides changes to military service purchases by veterans. PERAC has issued a memorandum explaining the actions retirement boards must undertake to comply.

Next, the Chairman delivered his Litigation Report and provided status updates on new and pending appeals. In the matter of *Thaddeus Rochette vs. MCRB*, a hearing regarding his pension forfeiture has been scheduled for August 29, 2024. In the matter of *Jason Galofaro v. MCRB*, Mr. Galofaro has failed to further appeal CRAB’s decision dismissing the appeal of the recalculation of his call fire fighter service, which is now final.

Next, the Board reviewed the Supplementary Travel Regulation as amended by the Chairman.

After review,

On motion duly made by Mr. Curtin, seconded by Mr. Brown, it was moved to adopt the Supplementary Travel Regulation and forward same to PERAC subject to the revisions discussed.

The motion passed.

Next, Ms. Maloney stated that an application was made through Enterprise Bank for a credit card to comply with PERAC’s regulation, 840 CMR 15.05. All the required documentation was submitted, and the application was approved on August 9, 2024. Before the Board is the Supplementary Regulation authorizing use of the credit card.

After review,

On motion duly made by Mr. Healy, seconded by Mr. Brown, it was moved to adopt the Supplementary Credit Card Regulation and forward same to PERAC subject to the revisions discussed.

The motion passed.

The Board set the schedule for upcoming meetings as follows:

- 10:00 A.M. October 23, 2024: Regular Board Meeting
- 9:30 A.M. November 20, 2024: Subcommittee Meeting on Investments and Assessments
- 11:00 A.M. November 20, 2024: Regular Board Meeting
- 9:30 A.M. December 19, 2024: Advisory Council Meeting

- 11:00 A.M. December 19, 2024: Regular Board Meeting

The Chairman resumed his report and discussed the overpayment of benefits to deceased retiree Carl Heller. Written notice for recoupment of the excess retirement benefits has been made to Mr. Heller's next of kin. To date, no response has been received. The Chairman will reach out to the Town of Carlisle and report back to the Board.

Finally, the Chairman discussed the implications associated with Temporary Promotion Pay/Working out of class involving an employee of the Town of Weston. Both PERAC and DALA have ruled that same is not regular compensation. The Chairman has drafted a supplemental regulation for the Board's review and input. No action was taken.

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

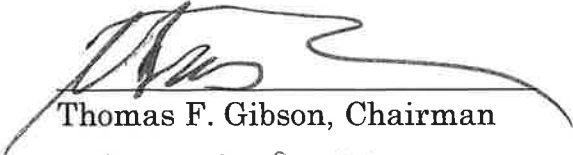
4(a) The Board voted to accept the medical panel certifications and approve Paul Nicosia's application for accidental disability retirement.

4(b) The Board voted to accept the medical panel certifications and approve Joseph Gervais' application for accidental disability retirement.


4(c) The Board voted to accept the medical panel certifications and approve Daniel Harris' application for accidental disability retirement.

4(d) The Board voted to accept the medical panel certifications and approve the Town of Littleton's application to involuntarily retire Robert Connor for ordinary disability. The Board voted to defer action on Mr. Connor's application for accidental disability retirement pending receipt of further information.

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 2:20 P.M.



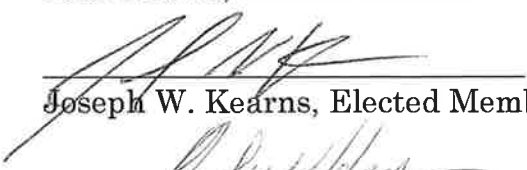
Thomas F. Gibson, Chairman



Brian P. Curtin, Vice Chairman



John Brown, Elected Member



Joseph W. Kearns, Elected Member



Robert W. Healy, Appointed Member

Regular Session Documents

1. Consent Agenda – Items #3(a) - #3(p)
2. Chief Administrative Officer's Report
3. PRIM Performance Report
4. January 1, 2024, Actuarial Valuation and Unit Results
5. December 31, 2023, GASB 67 and 68 Report
6. Litigation Report
7. 2024 Disposed Appeals
8. H. 4676: *Ac Act Relative to Disability Pensions and Critical Incident Stress Management of Violent Crimes*
9. Chapter 41 of the Acts of 2024 – *An Act Relative to Salary Range Transparency*
10. Chapter 178 of the Acts of 2024-*Hero Act, Military Service Purchases Sections*
11. Draft Supplemental Regulation – Credit Card
12. Draft Supplemental Travel Regulations