

**Worcester Regional Retirement Board Meeting
May 24, 2022**

The meeting was called to order at 8:07 a.m. Present at the meeting were Chairman Kevin Blanchette, Board Members Gene Durgin, Rebecca Tuttle, Michael Donoghue and Pauline Lajoie. Also present were Michael Sacco, Chief Executive Officer, Colleen Canty, and Carol Rocco.

APPROVAL - MEETING MINUTES: April 28, 2022.

MOTION: *made by Mr. Durgin and seconded by Mr. Donoghue. All in favor.*

MONTHLY WARRANTS:

Accounts Payable: Warrant #25 \$76,308.97

MOTION: *made by Ms. Lajoie and seconded by Mr. Donoghue. All in favor.*

Staff Salaries: Warrant #28 \$48,951.70

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle. All in favor.*

Board Compensation: Warrant #29 \$2,500.00

MOTION: *made by Mr. Durgin and seconded by Ms. Tuttle. All in favor.*

3(8)(c)'s: Warrant #31 \$404,802.67

MOTION: *made by Ms. Lajoie and seconded by Mr. Donoghue. All in favor.*

Pension Vouchers: \$8,575,523.72

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle. All in favor.*

Prior to and during the meeting, the following items were available for the Board's review: monthly financial statements, current investment statements, invoices, member and retiree files related to items on the agenda.

Refunds & Transfers Warrant #30 \$596,163.47

MOTION: *made by Mr. Durgin and seconded by Ms. Lajoie. All in favor.*

NEW MEMBER APPLICATIONS: (119)

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle. All in favor.*

RETIREMENT APPROVALS: (27)

MOTION: *made by Mr. Donoghue and seconded by Mr. Durgin. All in favor.*

CEO and Board reviewed and discussed FY'23 Budget. After reviewing a motion was made to approve the budget.

MOTION: *made by Mr. Donoghue and seconded by Ms. Lajoie. All in favor. Motion carried by a roll call vote with, Mr. Donoghue, yes; Mr. Durgin, yes; Ms. Lajoie, yes; Ms. Tuttle, yes; Chairman, Blanchette, yes.*

CEO and Board discussed the upcoming MACRS and OPAL Conferences. A motion was made to approve any Board member who wishes to attend either conference.

MOTION: *made by Mr. Donoghue and seconded by Mr. Durgin. All in favor.*

The CEO gave his monthly report. Legal issues – the CEO reported that the Board received two favorable DALA decisions both involving veteran’s buybacks – *Michael Roberts v. WRRB*, and *Brian Cardrant v. WRRB*, both claimed they never received our mailing of the notice to apply for the service. DALA found we correctly denied both claims. The CEO stated he did not take any pleasure in prevailing since these are veterans who are otherwise entitled to receive the service but for the fact that neither applied within 180 days of our mailing, but the law required the denial, which is what we did. The CEO encouraged both Messrs. Roberts and Cardrant to speak to their respective State Representative regarding amending Chapter 32 to delete the 180-day requirement, and he would be happy to speak with the Representative(s) to assist in getting them to understand the issue.

On other legal matters, the CEO stated that PERAC had yet to issue a memorandum on the *Vernava* decision, and that legislation is pending to grandfather in retirees. The CEO has also been handling multiple domestic relations orders involving active and retired members. The CEO also resolved a worker’s compensation settlement in the Kenneth Russell matter, securing a \$9,000 payment to the WRRS.

PRIM / PRIT Update – the fund is still hovering around \$1 billion, but the Dow Jones is down almost 5,000 points this year, and there are significant market concerns and pressures such as the Russia/Ukraine conflict, the price of oil and inflation that are undercutting the markets. The CEO remotely attended the May PRIT meeting, at which time no investment strategy change was adopted – one PRIM Board member suggested it, but no one else endorsed the idea. Mr. Trotsky reiterated his philosophy that (1) we can’t predict the future, so we don’t and (2) we can’t predict the stock market, so we don’t – he stated that the portfolio is diversified such that it should perform well in this challenging market, better than peers in the down market.

Actuarial / Audit Update – Linda Bournival from KMS will be appearing at the June meeting to discuss our next valuation.

Staff Activities – the CEO notified the Board that Annie Hicks left our employ – she was having some challenges and it was mutually decided that this was not a good fit for her, so she resigned shortly after the last monthly meeting – we will be interviewing to replace her in the next 30 days. In the meantime – Colleen and the CEO have been training Carol and Andy on the disability process, and the staff has been pitching in to help the CEO with his letters and legal filings. The CEO commended Anne McNamara and her team that worked on the annual statement, which is now completed and once approved and signed will be forwarded to PERAC.

MOTION: *made by Mr. Donoghue and seconded by Ms. Lajoie to approve the annual statement. All in favor.*

The CEO informed the Board that he attended Health Fair in Northborough on May 10th – he spoke with a handful of people – he spoke to some who were aware of a glitch in the member’s annual statements not showing buybacks or transferred service. The CEO said staff will work on those as they come to our attention – hope to resolve so that next year the information is captured in the statement.

The CEO informed the Board that the Town of Douglas voted to accept Section 4(2)(b ½), which as the Board is aware allows members who worked in Douglas and who were call firefighters in Douglas to receive up to 5 years credit even if they did not become permanent member of Douglas Fire Department.

The CEO informed the Board that the upcoming MACRS conference would provide educational credit opportunities on all three days, so to let us know if anyone wants to attend so that we can register them. Unfortunately, the conference will not be simulcast so only those who physically attend can receive the credits.

We have an election at year end – the CEO reminded the Board that we need to give 90 days’ notice prior to the election, which will be mid-December, so we will need to mail out the notice sometime late August, early September – alert the membership that nomination papers available, any candidate needs 5 signatures from active/retired members, and then if we have an election, we need to mail out the ballots 45 days in advance, and the members have 20 days from the mailing to have them postmarked and returned.

The CEO informed the Board that he is working on 2 briefs that need to be filed with CRAB on or before May 31st – the 3(8)(c) case with MTRS in which DALA has found that the MTRS can only bill for 6 years’ worth of retroactive payments since they failed to timely send us the reimbursement requests and Jeffrey Briggs, which is the first call firefighters case that has been decided by DALA – DALA found based on *MacAloney* that we had to allow call firefighters to purchase more than 5 years of service even if the municipality has not adopted Section 4(2)(b)’s local option provision.

Finally, the CEO and the Board discussed the FY 23 Budget – a couple of highlights – **salary** – slight increase, that takes into account replacing Annie and some summer help, as well as salary increases we anticipate on July 1st; **health insurance premium** is going down based on retirements and departures – both were on family plans; **subscriptions**, going up because of paying a license to Microsoft for Office 365; **printing** went down as we are printing more in-house; **postage** a slight increase, we pre-bought in anticipation of a price increase; and last but not least, if we have to have an election this year, we are budgeting \$35,000. The CEO asked if there were any questions, and whether the Board wanted to review further and vote in June or if they were prepared to vote now. Board Member Donoghue asked the CEO if he was satisfied with the budget, and he said he was. The Chairman asked what the Board’s pleasure was.

MOTION: *made by Mr. Donoghue and seconded by Ms. Lajoie to approve the budget. All in favor.*

The CEO thanked the Board and indicated he would coordinate and schedule a meeting of the advisory council following the June Board meeting to certify the budget.

At 9:19 a.m. in accordance with Section 21(a)(1) of Chapter 30A of the General Laws, a motion was made to recess the open meeting and go into Executive Session to discuss the physical and/or mental status of a retirement system member who is seeking an accidental disability retirement and take action on the application related thereto, and to return to open session only for the purpose of adjournment.

MOTION: *made by Mr. Donoghue and seconded by Ms. Lajoie to move into executive session. Motion carried by a roll call vote with, Mr. Donoghue, yes; Mr. Durgin, yes; Ms. Lajoie, yes; Ms. Tuttle, yes; Chairman, Blanchette, yes.*

The Board returned to open session and adjourned the meeting at 9:30 a.m.

MOTION: *made by Mr. Donoghue and seconded by Ms. Lajoie to adjourn the meeting. Non-debatable motion. All in favor.*