

APPROVAL - MEETING MINUTES: July 25, 2023 Open Session
July 25, 2023 Executive Session

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

NEW MEMBER APPLICATIONS: (93)

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

RETIREMENT APPROVALS: (9)

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

Ms. Grimaldi opened a discussion on Bay State Pension Solutions (BSPS). She stated that they have good controls, audits and financials, and good references and reviews. Wellesley Retirement is very happy with the company. There is no downside to making this change. Chairman Blanchette added that Attorney Hesse reviewed the documents and felt that everything looked good as well. He stated that Wellesley likes working with BSPS to set up a system specific to their needs. Ms. Grimaldi stated that after the contract with BSPS is signed the system will go through a few months of testing then go live. The PTG contract will stay in place until it expires in late 2024. She also stated that BSPS is anxious to win our business. Chairman Blanchette added that the two systems will run parallel during the system's close so BSPS can see the complexities. Ms. Canty stated that BSPS may be able to begin running parallel in October or November depending on when the contract is finalized.

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle to move forward with the Bay State Pension Solutions Contract. All in favor.*

Chairman Blanchette gave an update on the status of Mr. Sacco. He informed the Board that Mr. Sacco appealed the denial of a retroactive waiving of his pension from his date of retirement. The Board did not decide on this request but, instead, asked for guidance from PERAC. Mr. Sacco also requested an opinion from PERAC on his request and was given a negative response. Mr. Sacco is appealing the decision from PERAC to DALA and Worcester Regional Retirement is not currently named as a party. Chairman Blanchette suggested that the request be tabled at this time given the PERAC decision.

MOTION: *made by Mr. Donoghue and seconded by Mr. Durgin to table the request from Mr. Sacco to waive his pension retroactively. All in favor.*

Executive Director's Report:

The Executive Director provided her monthly report as follows:

Legal Update: The Executive Director reported that there is no Legal update for this month. She informed the Board that she will be meeting with Attorney Katherine Hesse regularly to discuss ongoing cases.

PRIM/PRIT update: The Executive Director informed the Board that \$72,0000.00 was deposited into the PRIT fund in August 2023, which increased the Board's net asset value by \$62,150,327.19, for a net loss of \$9,849,672.81. The Executive Director noted that despite this loss, the Board's net asset value is still over a billion dollars.

Actuarial/Audit Update: The Executive Director informed the Board that Clifton, Larsen and Allen sent a draft of the scope of the upcoming audit and the contracts were signed last week.

Staff Activities:

The Executive Director discussed the Town of Harvard's request to make additional payments of approximately \$20,000.00 - \$100,000.00 annually in order to pay down their unfunded liability.

She consulted with Linda Bournival from KMS Actuaries, LLC (KMS) and learned that the process to allow these additional payments would involve several calculation steps to determine their actuarial value, which may increase or decrease dependent upon market performance. The Board would be required to select a new funding schedule based on the actuary's recalculation. Based on the amount of the town's unfunded liability determined in 2022, their proposed payments would have little impact on their unfunded liability.

The Executive Director will inform the town that the Board took their request under advisement and determined that it was not feasible to offer this option, as the entire funding schedule would have to be recalculated yearly by actuaries, the cost of which would be the town's responsibility, and the value of the payments would be subject to market changes.

The Executive Director told the Board that the mid-month September pension payroll was executed successfully.

The Executive Director notified the Board that she and the staff are currently working on a newsletter for retirees. The newsletter will highlight the passing of the additional 2% COLA in July, the COLA approved by the Board effective 7/1/2023, the Windfall Elimination Provision fact sheet provided by Social Security, and the new policy to calculate the earnings limit on post-retirement Massachusetts public sector employment.

The Executive Director informed the Board that the Ready, Set, Retirement presented on September 14, 2023 was successful and well received. She will be scheduling an additional presentation at the Elks Club in Auburn for mid-November-early December. She will also contact Sabrina Feliciano, Public Affairs Specialist for Social Security, to determine if she is able attend and provide an additional presentation. The Executive Director reported that she has also inquired as to whether Ms. Feliciano would be able to present at remote seminars in the winter of 2024.

The Executive Director reported that she, Board staff, Chairman Blanchette and Board Member Michael Donoghue attended the PERAC Emerging Issues forum on September 21, 2023. Topics discussed at the forum included state fiscal climate and economic outlook and retirement issues currently before the Public Service Committee. She informed that Board that all speakers gave excellent presentations.

At 8:52a.m. in accordance with Section 21(a)(1) of Chapter 30A and Section 21(a)(3) of Chapter 30A of the General Laws, Chairman Blanchette requested a motion to enter Executive Session to discuss the reputation, character, physical condition or mental health of members seeking a disability retirement and to discuss strategy with respect to litigation. The motion carried by a roll call vote with Mr. Durgin, yes; Ms. Lajoie, yes; Mr. Durgin, yes; Ms. Tuttle, yes; and Chairman, Blanchette, yes.

The Board returned to open session at 9:23 a.m.

At 9:23 a.m. the Chairman asked if there was any other business before the Board, and hearing none, the Chairman called for a motion to adjourn.

MOTION: *made by Mr. Durgin and seconded by Ms. Tuttle to close the meeting and adjourn. Non-debatable motion. All in favor. The motion carried by a roll call vote with Mr. Donoghue, yes; Ms. Lajoie, yes; Mr. Durgin, yes; Ms. Tuttle, yes; Chairman Blanchette, yes. Meeting adjourned at 9:24 a.m.*