

**Worcester Regional Retirement Board Meeting
February 28, 2023**

The meeting was called to order at 8:01 a.m. Due to COVID 19 regulations, social distancing considerations and Governor Baker's March 12, 2020 Executive Order permitting remote participation for public meetings, the meeting took place by Zoom Conferencing. Present at the meeting were Chairman Kevin Blanchette, Board Members Gene Durgin, Michael Donoghue, Pauline Lajoie, Rebecca Tuttle. Also present were Michael Sacco, Chief Executive Officer, Colleen Canty, and Anne McNamara. All votes were taken by roll call.

MONTHLY WARRANTS:

Accounts Payable:	Warrant #7	\$22,823.50
MOTION: <i>made by Ms. Lajoie and seconded by Mr. Durgin. All in favor.</i>		
Staff Salaries:	Warrant #10	\$61,859.12
MOTION: <i>made by Mr. Donoghue and seconded by Ms. Tuttle. All in favor.</i>		
Board Compensation:	Warrant #11	\$2,500.00
MOTION: <i>made by Mr. Durgin and seconded by Mr. Donoghue. All in favor.</i>		
Pension Vouchers:		\$8,941,280.96
MOTION: <i>made by Mr. Donoghue and seconded by Ms. Lajoie. All in favor.</i>		

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.

The Board reviewed the Cash Balance and Operating Expenses.

Refunds & Transfers	Warrant #12	\$285,066.28
MOTION: <i>made by Mr. Donoghue and seconded by Ms. Lajoie. All in favor.</i>		

NEW MEMBER APPLICATIONS: (37)

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

RETIREMENT APPROVALS: (7)

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

CHIEF EXECUTIVE OFFICER'S REPORT:

The CEO gave his monthly report to the Board. Legal update – since the meeting earlier this month, the CEO reported he has been working on matter that have deadlines that occur prior to his March 30, 2023 retirement. The CEO noted that at the March 2023 meeting, he will have a memorandum prepared for the Board and successor counsel on the status of ongoing litigation and any filing deadlines that occur after his retirement. Regarding the current matters that required attention, the CEO finished drafting the Pre-Hearing Memorandum on the Kevin Kaddy matter and submitted it to DALA with the agreed upon exhibits; in the Joshua McCrillis matter, Mr. McCrillis missed his filing deadline and since he is pro se, DALA gave him an extension to serve on the Board his Pre-Hearing Memorandum, and given his pro se status, the CEO volunteered to submit the exhibits to DALA, as to do otherwise would likely be very time consuming; in the Brian Sanders matter, the CEO drafted and filed the memorandum of law in support of objections to the DALA decision with CRAB; in the Robert Kane matter, the memorandum of law to be filed with CRAB is due on March 14, 2023, and he will be working on that next; and the last legal matter involved the Kevin Sanko CRAB decision which will be discussed in executive session under the litigation strategy exemption. The CEO also wanted to acknowledge staff member Cheryl Zalauskas' assistance in performing much of the document redaction and actual filing with the administrative agencies.

PRIT / PRIM update – the CEO referenced the PRIM Board materials that were provided which noted that the PRIT fund's performance for year ending December 31, 2022 was down -10.8%, (-11.2% net), underperforming the total core benchmark of -7.0% by 382 basis points (422 bps net). The CEO noted that PRIT's asset allocation model remained static, with the exception of a 1% increase in the Private Equity target range (12%- 18% to 13%-19%) and a corresponding 1% decrease in the Global Equities target range (33%-43% to 32%-42%) – no other allocation changes. Finally, the PRIM Board added one new investment to the PRIT fund, Biopharma Credit Investments V - The PRIM Board approved a commitment of up to \$150 million to Biopharma Credit Investments V (the "Fund") as part of the Other Credit Opportunities ("OCO") allocation. The Fund is an evergreen strategy, managed by Pharmakon, that invests in life sciences companies. The strategy focuses on senior secured loans backed by one or more FDA-approved product.

Audit update – the CEO reported that PERAC auditors have been in the office since February 7th conducting an audit for the period of January 1, 2016 to December 31, 2020, and it is anticipated that they should complete their in-office work by the week-ending March 10th. Thus far, there have been no material issues, and the staff has been very cooperative in providing any documentation requested. The Chairman asked the CEO if he had any further information regarding the retention of an audit firm, or expanding the scope of the Clifton Larsen Allen audit such that these audits would take the place of the PERAC triennial audits. The CEO reported that he had yet to have a discussion with Chief Auditor Caryn Shea but he expected to do so next week and he would report back to the Board with a status at the March 28, 2023 meeting.

Staff Activities – the CEO reiterated that his focus has been on making sure that his primary CEO responsibilities, including the work he performs on the disabilities and the legal work, are all as current as possible heading towards his March 30, 2023 retirement. The CEO anticipated providing memoranda to the Board on those issues for the March 28, 2023 meeting to assist in the transition to a new Executive Director and successor legal counsel. The staff finished closing the retirees last month, and we finally recently received the delinquent payrolls for 2022 and closed on the active members. Linda has reached out to us as she does every year with a list of information/documentation she needs to complete the GASB 67 and 68 reports for calendar year ending December 31, 2022, and we generally provide that information to her in May after we complete the annual statement. The CEO reported that to date, only eleven (11) municipalities have reported to us that they have voted on the 2% COLA increase, and he has been responding to various emails from Town Administrators and Town Treasurers/Collectors who have additional questions. The CEO was scheduled to appear this evening at the Millbury Board of Selectmen's meeting, but due to the weather that was pushed back

to March 14th. The CEO informed that Board that he has notified our computer software provider, Tech Pro Services, of his March 30th departure so that all necessary steps will be taken to deactivate his email on that date and to securely put in place a process so that any emails sent to the CEO will be properly redirected. The CEO noted that he and Board Administrator Colleen Canty will be working with the Board's remaining vendors (KMS, Webster Bank, PRIM Board) to alert them to his departure and to make sure his name is removed as an authorized signatory effective that date. Lastly, the CEO had previously committed to conducting a benefit seminar in April in the Town of Hopedale, however due to his March 30th departure he contacted Town Treasurer Stephanie L'Etalien to notify her that he would be unable to do so, but the Board is actively searching for a new Chief Executive and hopefully will have someone in place to conduct a seminar in May or June.

Business session ended at 8:24 a.m. in accordance with Section 21(a)(1) of Chapter 30A of the General Laws, Chairman Blanchette requested a motion to enter Executive Session to discuss disability applications, transmittal votes, and litigation strategy. Motion made by Ms. Tuttle, seconded by Mr. Durgin. The motion carried by a roll call vote with, Mr. Donoghue, yes; Ms. Lajoie, yes; Mr. Durgin, yes; Ms. Tuttle, yes; and Chairman, Blanchette, yes.

The Board returned to open session at 9:38 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, 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 9:38 a.m.*