

**Worcester Regional Retirement Board Meeting
May 23, 2023**

The meeting was called to order at 8:08 a.m. Present at the meeting were Chairman Kevin Blanchette, Board Members Gene Durgin, Michael Donoghue, Pauline Lajoie, and Rebecca Tuttle. Also present were Colleen Cauty, Board Administrator, and Carol Rocco, Board Secretary. All votes were taken by roll call.

APPROVAL - MEETING MINUTES: April 26, 2023 Open Session, April 26, 2023 Executive Session, and May 2, 2023 Special Meeting.

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

MONTHLY WARRANTS:

Accounts Payable: Warrant #27 \$69,342.04

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

Staff Salaries: Warrant #30 \$45,507.36

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

Board Compensation: Warrant #31 \$12,500.00

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle. Chairman Blanchette abstained from the vote. All other members in favor.*

3(8)(c)'s: Warrant #33

MOTION: *made by Ms. Lajoie and seconded by Ms. Tuttle. All in favor. \$797,717.93*

Pension Vouchers: \$9,116,589.34

MOTION: *made by Mr. Durgin and seconded by Mr. Donoghue. 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.

The Board reviewed the Cash Balance and Operating Expenses.

Refunds & Transfers Warrant #32 \$627,128.56

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

NEW MEMBER APPLICATIONS: (69)

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

RETIREMENT APPROVALS: (23)

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

Chairman Blanchette explained that the current Membership Regulation was amended as of July 1, 2021. At that time everyone agreed that this change was a good idea but there are issues. It is difficult for payroll departments to track the 15-month waiting period for employees working part-time. Towns are finding it hard to recruit new employees. Many small towns consider employees who work between 20 and 30 hours to be full-time and the waiting period to join the pension system is not desirable to potential recruits. Another issue is that part-time employees are initially enrolled in OBRA where they contribute 7%, which does not cover the 9% + 2% WRRB make-up figure. Chairman Blanchette stated that it is time to consider changing the regulation. A short discussion took place regarding the hardship this is on towns and the extra work it requires of WRRS staff with numerous make-ups.

MOTION: *made by Mr. Donoghue and seconded by Mr. Durgin to rescind the membership regulation change made in 2021. All in favor.*

A new membership regulation will be drafted and discussed at the June 2023 meeting.

Chairman Blanchette spoke about the annual budget. He would like to hold the discussion and vote until June so Ms. Grimaldi (incoming Executive Director) can make changes if she desires.

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle to table the budget discussion and vote until June 2023. All in favor.*

Chairman Blanchette discussed the Employment Agreement of Rachel Grimaldi, incoming Executive Director. He explained that the agreement was drafted by Murphy, Hesse, Toomey & Lehan and is like past Employment Agreements for WRRS executives. She has requested to move her start date from June 1, 2023 to June 12, 2023 because she has been asked by her former employer to stay on for transition purposes. She agreed to the salary that was offered and her benefits are similar to those she is currently receiving. The contract can be terminated at any time.

MOTION: *made by Mr. Donoghue and seconded by Mr. Durgin to authorize Chairman Blanchette to execute the Employment Agreement with Rachel Grimaldi. All in favor.*

Chairman Blanchette reminded the Board that Michael Sacco has been asked not to contact the staff. He continues to attempt communications with Ms. Canty and Ms. DiStefano and stated to Ms. Canty that he intends to continue to email her. He visited the office recently to drop off a new application for retirement which was required due to an incorrect retirement date on the original application.

At 8:43 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 the reputation, character, physical condition or mental health of members seeking a disability retirement and in accordance with Section 21(a)(3) of Chapter 30A of the General Laws to discuss the most recent correspondence from Michael Sacco. 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 9:42 a.m.

CHAIRMAN'S REPORT:

The Chairman gave his monthly report to the Board.

Legal update – The Chairman stated that Catherine Hesse of Murphy, Hesse, Toomey & Lehane visited the office recently to review urgent files. She took many of the legal case files to her office. The Chairman stated that all difficult disability cases will be handled by our attorneys, but cut and dry cases will be handled in house.

PRIT/PRIM update – the Chairman stated that the fund is up 4.44% for the calendar YTD. The debt ceiling issue in the U.S. is affecting the markets.

Audit update – Chairman Blanchette stated that Clifton, Larson and Allen will be in the office in early June. Anne McNamara and Valerie Farrell will handle most of the audit.

Staff Activities – Chairman Blanchette stated that the mailing of the members' annual statements caused a lot of work and activity in the office. Anne McNamara successfully closed out 2022, and the legal files were organized to gain an understanding of where each case stands. The staff continues to have issues with PTG. A new company offering a pension system was recently started. The staff is considering having them in for a presentation.

Chairman Blanchette recently went to a Board of Selectmen meeting in Westborough to speak about the additional 2% COLA, but they have not submitted a vote as of now. The current tally for this increase is 18 yes and 6 no. All the water districts are voting yes but, unfortunately, their vote does not count. Chairman Blanchette reviewed the current votes town by town. A reminder letter regarding the vote was sent to all towns a few weeks ago.

Chairman Blanchette opened a discussion about awarding a 3% COLA to all retirees for the upcoming year FY24. A brief discussion took place.

MOTION: *made by Mr. Donoghue and seconded by Ms. Tuttle to award a 3% COLA to all WRRS retirees for FY24. All in favor.*

At 9:58 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 9:58 a.m.*