

**Worcester Regional Retirement Board Meeting
September 27, 2022**

The meeting was called to order at 8:09 a.m. Present at the meeting were Chairman Kevin Blanchette, Board Members Gene Durgin (via Zoom), Rebecca Tuttle, Michael Donoghue, and Pauline Lajoie. Also present were Michael Sacco, Chief Executive Officer, Colleen Canty, and Carol Rocco. All votes were taken by roll call.

APPROVAL - MEETING MINUTES: August 30, 2022

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

APPROVAL - MEETING MINUTES: September 14, 2022

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

MONTHLY WARRANTS:

Accounts Payable: Warrant #52 \$24,901.54

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

Staff Salaries: Warrant #55 \$69,549.10

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

Board Compensation: Warrant #56 \$2,500.00

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

3(8)(c)'s: Warrant #58 \$64,392.90

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

Pension Vouchers: \$8,980,429.90

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

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

The Board reviewed the Cash Balances and the PRIT Fund balance.

Cash Balance: \$ 1,904,814.67

PRIT Fund balance: \$1,000,303,196.98

Refunds and Transfers: Warrant #57 \$1,055,823.06

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

NEW MEMBER APPLICATIONS: (311)

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

RETIREMENT APPROVALS: (17)

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

A brief discussion took place regarding the Due Diligence item on the agenda relating to the upcoming MACRS Fall 2022 Conference. None of the Board members can attend so a vote was not taken.

CHIEF EXECUTIVE OFFICER'S REPORT:

The CEO gave his monthly report. On the legal side, the CEO attended a DALA hearing on September 26, 2022, which involves the Board's denial of former Rutland Animal Control Officer Laura Pease's accidental disability claim. Ms. Pease was employed between 2011 and 2017, and she suffered a series of back and knee injuries during her employment. The medical panel that evaluated her was split on causation, and the Board found the panel's negative causation opinion more persuasive and it denied the claim, and this appeal followed. The CEO gave a brief overview of the DALA hearing, with Ms. Pease testifying as well as her counsel's paralegal testifying regarding the medical panel examinations, all in an attempt to undermine the medical panel's negative response, as well as to suggest that the medical panel may have not been provided with all the medical records, simply because they did not reference all of them in the report, and whether they asked about all her prior injuries. The CEO felt the hearing went well, but with medical panel cases in which a question is raised whether the medical panel had all the documents or the pertinent facts, DALA will often remand those cases for further evaluation. Post-hearing memoranda of law will be filed within the next 60 days.

PRIT Fund/PRIM Board activities and performance - the CEO deferred to PRIM Board Executive Director Michael Trotsky who is appearing at the meeting.

Actuarial and Audit Update – the CEO informed the Board that Linda Bournival at KMS has provided all requested information and documentation to Clifton Larson Allen for the audit, and we are waiting to hear back from CLA, and Linda will continue work with CLA to assist them in finalizing the 2021 audit. The CEO also informed the Board that PERAC has contacted the Board about conducting an audit, presumably for the January 1, 2016 to December 31, 2018 period, although PERAC's last audit was for a 4-year period since they have been so far behind.

Staff Activities – the CEO informed the Board that he is working on a frequently asked questions memorandum to distribute to staff to ensure consistency in our responses for information, particularly with more complicated topics. The CEO and the staff are going to work on developing a "Thinking of Retirement" pamphlet that would be available for distribution and/or on the website. The CEO notified the Board that he contacted his four working groups – Treasurers, Town Administrators/Executives, Fire Chiefs and Police Chiefs – to schedule benefit seminars this Fall, and thus far 10 have been scheduled through year's end. We also have about 650 outstanding pension recipient forms and we are sending a final notice – for those who don't respond, we will need to hold their checks until we have compliance. Colleen has been working with PTG on uploading the payrolls to the system to streamline that process, and we hope to have that task completed shortly. Retirements continue at a brisk clip – we processed 23 since the last Board meeting. The CEO is also working with our Light Plants on group classification issues, as there have been questions raised as to which positions are entitled to a Group 4 classification, and whether certain positions have been properly classified in Group 4. The CEO also informed the Board that we processed our first claim under our new Section 4(2)(b) call firefighter regulation, which actually credited the firefighter with more service than we had originally credited beyond the statutory 5-year period, and since the firefighter had already purchased the service, there was no additional cost.

PRIM Board Executive Director Michael Trotsky Director of Client Services Francesco Danielle were welcomed into the meeting to discuss both the PRIM Board's investment strategy during these trying economic times and as well as the Board's investment performance. Executive Director Trotsky gave an excellent and extremely detailed explanation regarding the PRIM Board's strategy, and he reiterated as he has in the past that the PRIT Fund is positioned to participate in the bull markets – reminding the Board that its performance for

FY 20 (ending June 30, 2021) was a robust 30.1% return, the highest in PRIT's history. While Executive Director Trotsky acknowledged that some funds that were overweight in more risky asset classes performed slightly better, the PRIT Fund has outperformed most of its peers in the challenging current market climate, which is a testament to the diversification and goal to perform better in the down markets. Executive Director Trotsky discussed some staffing changes and the return to the office during the pandemic, and that he and his staff have embraced and welcomed returning to work from a remote-working environment. Executive Director Trotsky went over the Board's investment performance, which has essentially been the PRIT Fund's performance, as the Board's legacy investments have all but wound down. The Board and Executive Director Trotsky engaged in a Q&A regarding investment strategy and market outlook, and the Board thanked Executive Director Trotsky and Mr. Danielle for coming to the meeting and providing such an informative presentation.

Business session ended at 9:47a.m. in accordance with Section 21(a)(1) of Chapter 30A of the General Laws, Chairman Blanchette suggested a short break, before entering Executive Session to discuss disability applications and transmittal votes. Break ended at 9:52a.m. and Chairman Blanchette reconvened the open session asked to a motion to enter Executive Session as noted, and to only return to open session for the purpose of adjournment. Motion made by Ms. Tuttle, seconded by Ms. Lajoie. The motion carried by a roll call vote with, Mr. Donoghue, yes; Mr. Durgin, yes; Ms. Lajoie, yes; Ms. Tuttle, yes; and Chairman, Blanchette, yes.

The Board returned to open session at 10:06 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. Donoghue, seconded by Ms. Tuttle, non-debatable motion. All in favor. The motion carried by a roll call vote with Mr. Donoghue, yes; Mr. Durgin, yes; Ms. Lajoie, yes; Ms. Tuttle, yes; Chairman Blanchette, yes. Meeting adjourned at 10:07a.m.*