

Belmont Contributory Retirement Board

Minutes of Meeting of January 30, 2023

Meeting Conducted Pursuant to Section 4 of Chapter 107 of the Acts of 2022

Board Members Present: Thomas Gibson, Chair; Ross Vona; Donna Tuccinardi (remote); Walter Wellman (remote); Floyd Carman (remote).

Staff Present: Robert Soohoo; Ryan Horan.

Guests: Doug Moseley, NEPC (remote); James H. Quirk, Jr., Esq., Board Counsel (remote), Ronald Mathis, James Gavell.

Identified Public Attendees: Ted Pendergast (remote), Kevin Balaod (remote), Elizabeth Dionne (remote), Gar Chung (remote), Madeline Katz (remote), James Riccio.

Mr. Gibson called the meeting to order at 9:15 a.m. and introduced the Board members and guests.

Motion by Mr. Vona, seconded by Mr. Wellman, to approve the December 19, 2022, Board Meeting Minutes and Executive Session Minutes.

Roll Call:

Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Present
Mrs. Tuccinardi	Present

The Motion passed.

Review of Investments with NEPC: Mr. Moseley reviewed the 2022 investment performance and January's preliminary results. It was noted that despite 2022 being a down year, the System's investment performance was in the top decile of public funds, and outperformed on a relative basis the 2022 investment performance of PRIM (-8.3% to -10.8%). A further analysis will be presented at the February meeting.

Future Meeting Dates: February 27, 2023; March 20, 2023; April 24, 2023.

Doug Moseley exited the meeting at 9:49 am.

Chapter 406 of the Acts of 2022: Mr. Gibson announced that with the support the Board, the Select Board and Town Meeting, Chapter 406 of the Acts of 2022 was enacted and signed by the Governor on his last day in office. The special act maintains the Group 2 classification of Belmont Emergency Communications employees who were hired prior to January 1, 2022. Mr. Gibson publicly acknowledged the Board's gratitude to Representative David Rogers and Senator Will Brownsberger for their efforts with the Legislature. Staff will inform PERAC.

Review of the MA Retirees COLA Legislative Initiative: Mr. Carman discussed how the COLA and the defined benefit pension plan are important factors in recruiting and retaining qualified employees to work for the Town of Belmont. He noted that retired Belmont teachers will be receiving the one-time FY 2023 COLA increase granted by the Legislature, and he believes all Belmont retirees should be treated equally. Mr. Gibson reviewed the Social Security COLA increases granted in 2022 and 2023 which total 14.6%. The Belmont retiree COLA base has been raised once in the past two decades, increasing from \$12,000 in 1998 to \$13,000 in 2017. Board members cited conversations with Belmont retirees about hardships with the current inflationary environment.

Board Counsel Report: Mr. Quirk updated the Board on litigation involving the System’s retirement software vendor PTG, and the emergence of a new company providing this service.

Chapter 269 of the Act of 2022: This law allows for a one-time increase in the FY 23 COLA percentage from 3% to 5%. Mr. Gibson reviewed SEGAL’s cost impact report, which cited a 1.27% increase in the unfunded liability if approved. Kathy Riley further explained the impact and reviewed two funding options with the Board, one increasing annual appropriations from FY24 to FY29, and one increasing the appropriation in FY30. Board members weighed in on both scenarios.

Motion by Mr. Vona, seconded by Mr. Wellman, to accept Chapter 269 of the Acts of 2022 and to request approval by the Select Board.

Roll Call:

Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Yes
Mrs. Tuccinardi	Present

The Motion passed.

Motion by Mr. Vona, seconded by Mr. Wellman, to recommend option two of Segal’s Funding Schedule to be presented to the Select Board, which would commence the funding in FY24.

Roll Call:

Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Yes
Mrs. Tuccinardi	Present

The Motion passed.

Motion by Mr. Vona, seconded by Mr. Carman, to accept and send the draft letter to the Select Board for approval of Chapter 269 of the Acts of 2022.

Roll Call:

Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Yes
Mrs. Tuccinardi	Yes

The Motion passed.

Kathy Riley exited meeting at 10:31 AM.

Chair's Report: Mr. Gibson reviewed a letter from the Town Administrator discussing employment issues within the Town. There are currently 23 vacancies which are impacting departments' abilities to get things done in a timely manner. The Town Administrator is asking for understanding and cooperation from the residents and town departments. Mr. Gibson requested staff to continue to cooperate with the Town on payroll and other issues. Mr. Gibson discussed the expiration of the waiver on post-retirement restrictions for employment in the public sector effective December 31, 2022. The waiver for open meeting laws will also end on March 31, 2023 which would require a minimum of 3 board members be physically present at all future meetings. Mr. Gibson reviewed discussed the military service purchase legislation, which has been resubmitted for the current legislative session. The bill will extend the time frame where a new employee can choose to purchase their service, also for existing members who missed the initial opportunity. Mr. Gibson also noted that as today was the first meeting of 2023, whether the Board members believed a reorganization of the Board was warranted. Mr. Gibson will address the recent *Pensionomics* 2023 report next month.

Report of the Executive Director: Mr. Soohoo reported that the interest rates for 2023 for the members' annuity savings fund has been released by PERAC at 0.1%. Mr. Soohoo discussed the FY 24 COLA PERAC Memo. Notice will be provided of the Board's intent to elect the COLA at the April 2023 meeting. Mr. Soohoo reported that the MIAA workers' compensation insurance policy is being renewed for the year. Mr. Soohoo discussed a member of the school system who is presently on workers' compensation and the Town may be filing an involuntary disability retirement application. Mr. Gibson reviewed the requirements and process for involuntary disability applications.

Update of cash books: Cash books have been submitted through November and December will be sent shortly. Reconciliations with the Town have been completed through November.

Motion by Mr. Vona, seconded by Mr. Wellman, to approve the December 2022 and January 2023 Payroll Warrant as well as the January 2023 Expense Warrant.

Roll Call:

Mrs. Tuccinardi	Yes
Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Yes

The Motion passed.

Correspondence Received: Five members have requested to continue to receive their monthly Notices of Deposit statements. The Board will allow same for any member that requests this in writing.

Public Records Requests: All requests have been satisfied.

PERAC Memos: These need to be updated for January 2023.

New Retirement Applications

<u>Name</u>	<u>Ret Date</u>	<u>Position</u>	<u>Age</u>	<u>Service</u>	<u>Type</u>	<u>Dept</u>	<u>Group</u>
Franz Strassmann	01/02/2023	Police Officer	64	23 Years, 9 Months	Super, Option A	Police	4

Motion by Mr. Vona, seconded by Mr. Wellman, to approve retirements as listed.

Roll Call:

Mrs. Tuccinardi	Yes
Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Yes

The Motion passed.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Position</u>	<u>Department</u>	<u>Group</u>
Nicholas Volante	01/13/2023	Firefighter	Fire	4
Lorenzo Finch	01/13/2023	Building Substitute	School	1
Jose Batista	2/6/2023	Custodian	School	1
Rifat Ahmed	2/1/2023	Financial Generalist	School	1

Motion by Mr. Vona, seconded by Mr. Carman, to approve New Member Enrollment and Purchases of Service.

Roll Call:

Mrs. Tuccinardi	Yes
Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes

Mr. Carman Yes

The Motion passed.

Member Deaths

<u>Name</u>	<u>Death Date</u>	<u>Option</u>	<u>Years of Service</u>	<u>Retirement Date</u>	<u>Gross Monthly Benefit</u>
Mary Hall	12/31/2022	SuperAnn, Option B	39 Years, 11 Month	02/22/2008	\$3,132.58

Discussion of Topics not reasonably anticipated 48 hours in advance of meeting: Mr. Gibson presented a draft report to be submitted to the Town for inclusion in the Town’s Annual Report. Board members suggested changes.

Motion by Mr. Vona, seconded by Mr. Carman, to approve and send the Annual Report letter to the Town.

Roll Call:

Mrs. Tuccinardi Yes
Mr. Vona Yes
Mr. Gibson Yes
Mr. Wellman Yes
Mr. Carman Yes

The Motion passed.

Motion by Mr. Vona, seconded by Mr. Carman, to enter into Executive Session under purpose 7 of the Open Meeting Law with respect to the Board’s review of accidental disability retirement to comply with the provisions of the public records law preventing disclosure of a member’s personal and medical information; and under purpose 3 of Open Meeting Law, to discuss litigation strategy in the matter of *Mary Peterson v. MTRS and Belmont*, the Chair declaring that discussion in open session would have a detrimental effect on the Board’s litigation position. The Board will reconvene in open session for the purpose of announcing votes taken and will then adjourn.

Roll Call:

Mr. Vona Yes
Mr. Carman Yes
Mr. Gibson Yes
Mr. Castro Yes
Mr. Wellman Yes

The Motion passed.

Board went into Executive Session at 11:00 AM

Executive Session Review: The board voted to grant Disability Retirement to James Gavell, and to ratify the vote to grant accidental disability retirement to Ronald Mathis. The board voted to ratify the service and liability for Rosemary Peterson and to propose a settlement of her claim.

Motion by Mr. Vona, seconded by Mr. Carman, to adjourn.

Roll Call:

Mrs. Tuccinardi	Yes
Mr. Vona	Yes
Mr. Gibson	Yes
Mr. Wellman	Yes
Mr. Carman	Yes

The Motion passed.

Meeting adjourns at 11:44 AM.

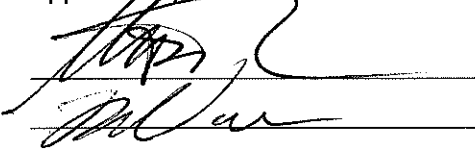
Documents Distributed:

- January 30, 2023 Agenda
- NEPC January 2023 Presentation
- PERAC memos #33 -34 of 2022 & #1-6 of 2023
- Draft Letter to Select Board
- BCRS – Town Annual Report 2022

Respectfully Submitted,

Robert Soohoo
Executive Director

Approved by the Retirement Board:



February 27, 2023