

Belmont Contributory Retirement Board

Minutes of Meeting of March 22, 2021

Conducted Pursuant to the March 12, 2020 Order of the Governor
Suspending Certain Provisions of the Open Meeting Law

Board Members Present: Thomas Gibson; Glen Castro (remote); Floyd Carman (remote); Ross Vona; Walter Wellman (remote).

Staff Present: Robert Soohoo; Ryan Horan.

Guests (Remote): Scott Driscoll, NEPC; James Quirk, Board Attorney.

Identified Public Participants: None Identified.

Mr. Gibson called the meeting to order at 9:16 am.

Motion by Mr. Vona, seconded by Mr. Carman, to approve February 22, 2021 Board Meeting Minutes.

Roll Call:

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

The Motion passed.

Review of Investments with NEPC. Scott Driscoll reviewed the System's investment performance as of February 2021. Scott will prepare the fixed income manager RFP for the April Board meeting. Atlanta Capital has missed the benchmark as they focus on high quality, small-mid capitalization companies which have struggled in 2021. Scott reviewed again in detail the 2020 year end investment performance, and the year-to-date 2021 performances of all investments managers. Mr. Gibson noted, for the benefit of those who believe such comparisons are relevant, that over the trailing 12-month period the investment performance of the Belmont system is now slightly ahead of PRIM's performance.

Mr. Gibson referenced PERAC's most recent *List of Retirement Boards by Funded Ratio*, pointing out the importance of the assumed rate of return and its impact on the unfunded liability of a retirement system. In PERAC's recently adopted 2021 valuation of the Commonwealth's retirement systems, State, Teachers and Boston Teachers, the assumed rate of investment return was lowered from 7.25% to 7.00%, thereby increasing the unfunded liability of the Commonwealth by \$1.6 billion. Mr. Gibson pointed out that unlike Belmont, many municipal retirement systems have not reduced the assumed rate of investment return to the levels recommended by PERAC, thereby artificially appearing to be better funded.

Future Meeting Dates: April 26, 2021; May 24, 2021; June 28, 2021; July 26, 2021. Scott Driscoll will not be available until 10:00 am for the June 28, 2021 Board Meeting

The Board discussed the request of the Warrant Committee's Subcommittee on Pensions, OPEB and Debt for Mr. Driscoll to attend its next meeting. Scott agreed that he would be willing to attend a future POD meeting. Mr. Gibson requested again that Mr. Soohoo obtain a list of questions the Subcommittee has for Scott in advance of the meeting so as to ensure that the proper responses can be presented, as was done last year when the System's actuary, Kathy Riley, was requested to appear.

Scott Driscoll exited meeting at 10:08 am.

Election of COLA 2021: Mr. Gibson discussed the legislative history of the cost of living adjustment, and how it is set each year, referencing the CPI and Social Security. Board members discussed their interactions with retirees and the impact of rising costs for housing, fuel and especially medical expenses. Currently, the Belmont COLA is set at not more than 3% of the first \$13,000 of benefits, or \$390 per year. The 2021 Social Security COLA is set at 1.3% of the recipient's total benefit.

Motion by Mr. Wellman seconded by Mr. Vona, that pursuant to General Laws, Chapter 32, sections 103(c) and 103(i), the Belmont Retirement Board grant a cost of living increase to qualifying retirees and beneficiaries of the Belmont Retirement System, effective July 1, 2021, in the amount of 3% of the first \$13,000 of benefits, prior due notice of the Board's election having been given to the Belmont

Roll Call:

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

The Motion passed.

Presentation from Board Attorney James Quirk: Mr. Quirk discussed the contracts for fire fighters and police. He has reported what payments should qualify as regular compensation. Mr. Gibson asked that discussion be moved to the April meeting to give board members time to review the regular compensation findings. Attorney Quirk reviewed the PERAC audit findings regarding the Hampden County Retirement Board. Mr. Quirk gave an update on DALA's recent staffing issues.

Report of the Executive Director: PERAC's waiver of review of retirement calculations has been extended. Reviewed the website upgrade. Mr. Wellman will invite the Civics Plus administrator to the April Board Meeting. Mr. Carmen requested that Dave Petto, the Town's IT person, be invited as well. NCG is obtaining Adobe as requested. Reviewed MIIA cyber security insurance.

Review of Time Sheets and Discussion of Performance Evaluation: Staff will undergo a performance evaluation. The Board intends to grant a COLA/Merit raise at the next meeting. Mr. Vona shared his experience talking with employees and retirees and rave review for staff.

Motion by Mr. Vona, seconded by Mr. Carman, to approve Expense Report.

Roll Call:

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

The motion passed.

Motion by Mr. Vona, seconded by Mr. Carman, to approve March Expense Warrant and the February Payroll Warrant.

Roll Call:

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

The motion passed.

Review of Correspondence Received: Mr. Gibson received questions from the editor of the Belmont Herald-Citizen who had been provided a copy of Elizabeth Dionne's letter to the Board in conjunction with Ms. Dionne's unsuccessful application for the fifth member's position. Mr. Gibson responded on his own behalf in writing in a three-page letter which he has shared with the Board.

Mr. Carman suggested that Robert send Mr. Gibson's response to the Town Clerk to add as a public record.

Motion by Mr. Vona, seconded by Mr. Carman, to adopt Mr. Gibson's response as the Board's response and to send it to the Town Clerk's office as public record.

Roll Call:

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

The motion passed.

The Board discussed two letters received from Chris Doyle, one regarding NEPC's appearance at the Subcommittee, referenced above, and the second regarding access to the Board meetings. The latter will be discussed under Mr. Gibson's report.

The Board reviewed PERAC Memos #11 and #12 of 2021.

The meeting recessed at 11:11 am and resumed at 11:16 am.

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>
Geoffrey Harvey	04/03/2021	Lieutenant	60	32 Years, 1 Month	SA, Option C	Fire	4
Delores Keefe	02/03/2021	Town Clerk	86	26 Years, 9 Months	SA, Option A Pop-up	GVT	1
Delores Keefe	02/03/2021	Town Clerk	86	28 Years, 0 Months	Option C, Survivor benefit	ELD	4

Motion by Mr. Vona, seconded by Mr. Carman, to approve the new retirement benefits for March.

Roll Call:

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

The motion passed.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Position</u>	<u>Department</u>	<u>Group</u>
Robin Morrow	09/28/2010	Professional Aide	School	1
Benjamin Quat	11/23/2020	Professional Aide	School	1
Cheryl DiRocco	02/1/2021	Administrative Assistant	School	1
Subha Othayoth	09/01/2019	Professional Aide	School	1
Julia Samuelian	01/21/2021	Professional Aide	School	1
David Destefano	03/15/2021	Chief	Fire	4

Motion by Mr. Vona, seconded by Mr. Carman, to approve New Members Enrollment and a member buyback of previous non-contributory employment.

Roll Call:

Mr. Castro	Yes
Mr. Vona	Yes

Mr. Carman Yes
 Mr. Gibson Yes
 Mr. Wellman Yes

The Motion passed.

Chairman’s Report: Mr. Gibson reviewed the Division of Open Government’s pandemic related meeting guidance, most recently regarding hybrid meetings being held by boards. When meeting remotely or hybrid, the notice must clearly state that members of the public are able to only access the meetings remotely, and the notice must provide the correct information to access the meeting. For today’s meeting, and because the Board must anticipate access by Town meeting for the COLA vote, the Board is using the Town’s zoom webinar, which the Chairman acknowledges and appreciates. Board members expressed their views on public participation versus public access at meetings going forward. If the zoom technology allows for smoother and better transparency and equal access for all, the Board may continue to request use of the Town’s remote platform.

The Chairman reviewed the American Rescue Plan Act, and the provision that no funds can be used for pension purposes. The Town will be receiving financial assistance with restrictions on use from the federal government.

Mr. Gibson and staff will meet remotely with PERAC auditors on March 23, 2021 to review the audit findings for the period 2012-2016. Mr. Gibson expects that there will be some findings and corrections. Paul Todisco is retiring from PRIM. A bill has been introduced to provide 3 years of service or age for employees who were required to report to work in person during the pandemic. There are many issues with the wording of the bill at this point in the drafting.

The Board needs to commence the RFP process for actuarial services. Mr. Gibson has presented a draft RFP and PERAC Posting Notice.

Motion by Mr. Vona, seconded by Mr. Carman, to issue the RFP for actuarial services pursuant to G.L. c. 32, § 23B.

Roll Call:

Mr. Castro Yes
 Mr. Vona Yes
 Mr. Carman Yes
 Mr. Gibson Yes
 Mr. Wellman 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 Ehler	03/12/2021	Active	35 Years, 6 Months	NA	NA

The Board acknowledged the recent passing of members of the system.

Motion by Mr. Vona, seconded by Mr. Carman, to Adjourn Meeting.

Roll Call:

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

The Motion passed.

Meeting adjourns at 11:50 PM.

Documents Distributed:


March 22, 2021 Agenda
NEPC March 2021 Presentation
PERAC Memos #11-12 2021
Chairman letter to local reporter
DLS PERAC report
Pension Provision in American Rescue Plan Act
Guidance Spotlight – Hybrid Meetings
Notice of Meeting for COLA 2021

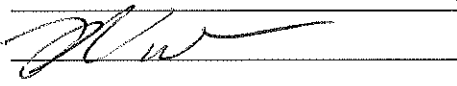
Draft Public Notice RFP for Actuarial Services
Draft RFP instructions for Actuarial Services

Respectfully Submitted,

Robert Soohoo
Executive Director

Approved by the Retirement Board:





April 26, 2021
