

Belmont Contributory Retirement Board

Minutes of Meeting of February 26, 2024

Meeting Conducted Pursuant to Section 40 of Chapter 2 of the Acts of 2023

Board Members Present: Thomas Gibson, Chair; Walter Wellman; Brian Antonellis; Ross Vona. Donna Tuccinardi was Absent; Staff Present: Ryan Horan; Joseph Martin.

Guests Present: Scott Driscoll, NEPC (Remote); Chris Drinan, Member; Earle Frazier, Member (Remote).

Identified Public Attendees: (Remote Attendees) Cyril Espanol, David Frizzeli, Kyrie Frazier, Matt Taylor, Laura Sagona Wurtz, Chad Onufrechuk, David Hurley, David Frizell, Gar Chung.

Mr. Gibson called the meeting to order at 9:16 am and introduced the Board Members and guests.

Mr. Gibson mentioned a change to the minutes for the February 20, 2024, special board meeting. The minutes did not correctly reflect the fact that Mr. Antonellis participated remotely.

Motion by Ms. Vona, seconded by Mr. Wellman, to approve the minutes of January 22, 2024, and February 20, 2024, Board Meetings with correction.

Mr. Wellman	Yes
Mr. Gibson	Yes
Mr. Antonellis	Yes
Mr. Vona	Yes

The Motion passed.

Review of Investments with NEPC: Mr. Driscoll presented a review of the markets as of 1/31/2024, noting how the different asset classes have performed in 2024 and advising of NEPC's short and long term projections. Next, the System's investment performance was reviewed in detail, noting what drives returns for each of the System's investments. Mr. Driscoll discussed private equity and the private credit investment. Mr. Driscoll reviewed CY2023 investment returns and the System's performance compared with its peers over this past year and extended time frames. With PRIM's returns added, the 2023 performance increased to 11.1%. Long-term, the System is consistently ahead of the assumed rate of return, returning 9.3%, 8.2%, 7.5%, and 9.7% over the trailing 5, 7, 10, and 15 year periods. Net returns for the past 10 years were reviewed showing performance in both up and down markets.

Mr. Gibson noted that despite the long term success of the investment returns, the Board's investment program has been long criticized by some as underperforming when compared to PRIM. This issue was recently revealed to be of significant importance in the Board's fifth member appointment process.

In closing, Mr. Driscoll reminded the Board that a custodial bank RFP will be due later this year, and that NEPC will have a recommendation for private credit at the March meeting.

Future Meeting Dates were established: March 25, 2024; April 29, 2024; May 20, 2024.

Mr. Driscoll exited the meeting at 10:04 AM.

Board Counsel Report: Mr. Quirk was not present at the meeting.

Report of the Executive Director: The office has not received an update on the issue with the IRS. The office has distributed all of the 2023 1099s as of 1/24/2024, and no significant issues have been reported. Staff is working with Donna Tuccinardi to ensure that the office can properly log in and send the 1099 file to the IRS, but are waiting for a new Pin to be issued. PERAC has rescheduled its triennial audit to a later date to be determined. Partial medical panel results have been returned regarding the involuntary accidental disability retirement application filed on behalf of Matthew Stewart. The office had disputed three Section 3(8)(c) calculations for 2023 and has received confirmation from PERAC that all three have been recalculated to a new lower amount.

The Board reviewed a Sample Budget for 2024. Mr. Gibson discussed the budget projections and suggested that staff salaries be reviewed every January with regard to COLA adjustments. Having conducted an informal review of COLA's granted recently in municipalities within the Middlesex County Retirement System, Mr. Gibson suggested that a COLA of 3% would be appropriate for 2024. Mr. Gibson requested that legal expenses be reduced from \$25K to \$20K. Mr. Wellman suggested that the Board look to upgrade its laptops, as the current ones are long outdated. Mr. Gibson reviewed PTG's Pension Software contract and its proposal for a non-refundable pre-payment with a 7% discount. The Board agreed to abide by the existing contract.

Motion by Mr. Vona, seconded by Mr. Wellman, To grant a 3% COLA increase to the Executive Director and Assistant Director effective January 1, 2024.

Mr. Wellman	Yes
Mr. Gibson	Yes
Mr. Antonellis	Yes
Mr. Vona	Yes

The Motion passed.

Motion by Mr. Vona, seconded by Mr. Wellman, To accept the budget presented by Mr. Horan with amendments to staff salary and legal expenses.

Mr. Wellman	Yes
Mr. Gibson	Yes
Mr. Antonellis	Yes
Mr. Vona	Yes

The Motion passed.

Retiree COLA: Mr. Gibson noted receipt of PERAC Memo #6/2024 COLA Notice in January, which triggers the Board's ability to grant an annual Cost of Living Adjustment to qualifying retirees of a maximum of 3% of the Belmont COLA base of \$13,000. Mr. Gibson reviewed the history of COLA payments since 1997, and suggested that the Board initiate a review of the cost of increasing the COLA base, which has been raised but once in over 25 years, from \$12,000 to \$13,000.

Motion by Mr. Vona, seconded by Mr. Antonellis, to grant a 3% COLA on the base of \$13,000.00 for qualifying retirees effective July 1st, 2024.

Mr. Wellman Yes
 Mr. Gibson Yes
 Mr. Antonellis Yes
 Mr. Vona Yes

The Motion passed.

Update of cash books: Mr. Horan advised that the Cash Books for December have been submitted. Bank reconciliation has been done internally through January 2024. The Town has also completed all bank reconciliations through January.

Approval of Expense and Payroll Warrants

Motion by Mr. Vona, seconded by Mr. Antonellis, To approve the January Expense Warrant and December Payroll Warrant.

Mr. Wellman Yes
 Mr. Gibson Yes
 Mr. Antonellis Yes
 Mr. Vona Yes

The Motion passed.

Correspondence Received: None.

Public Records Requests: FOIA Requests received from PEI satisfied within 10 days. Request from with.intelligence was sent to Robert in December but forwarded to me this month that has been satisfied within 10 days. A Pitchbook request came in over the weekend addressed to Ms. Tuccinardi which she forwarded for response.

PERAC Memos: PERAC Memo #9: Requesting submission of updated Actuarial Data for the past year. PERAC Memo #7: Updated PERAC Buyback and Make-Up Repayment Worksheets. PERAC Memo #8: COLA Submission through the PROSPER system.

Enrollment of New Members

<u>Name</u>	<u>Mem Date</u>	<u>Position</u>	<u>Department</u>	<u>Group</u>
Courtney Ogg-Mancuso	1/16/2024	Customer Service Rep	Electric Light	1
Pepa Dimitrov	1/17/2024	Cafeteria Worker	School	1
Amy Nguyen	1/22/2024	Professional Aide	School	1
Christopher Smiley	2/7/2024	Custodian	Facilities	1
Delia Ferguson	2/12/2024	Planner	Community Development	1

Motion by Mr. Wellman seconded by Mr. Antonellis, to approve new members and purchases of service.

Mr. Wellman Yes
 Mr. Gibson Yes
 Mr. Antonellis Yes
 Mr. Vona Yes

The Motion passed.

The Board acknowledged the passing of members of the system:

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>
William Kevin Looney Sr.	2/11/2024	A	19.25	06/10/2015	\$3,937.82

Chair’s Report: Mr. Gibson advised that a new Executive Director that has been appointed by PERAC, William Keefe. Mr. Gibson discussed the 2024 Actuarial Valuation which will be performed by Segal this year. Mr. Gibson reminded all board members of their responsibility to ensure that they have enough credits done through PROSPER. Mr. Gibson discussed the upcoming 2024 MACRS and NCEPRS conferences.

Motion by Mr. Wellman seconded by Mr. Vona, to approve attendance and travel of Staff and Board Members for Spring MACRS Conference.

Mr. Wellman Yes
 Mr. Gibson Yes
 Mr. Antonellis Yes
 Mr. Vona Yes

The Motion passed.

Motion by Mr. Vona seconded by Mr. Wellman, to approve attendance and travel for the 2024 NCEPRS Conference.

Mr. Wellman Yes
 Mr. Gibson Yes
 Mr. Antonellis Yes
 Mr. Vona Yes

The Motion passed.

Mr. Gibson reported on the composition of the Board. In the absence of an appointment of the Fifth Member by the Board within 30 days of the expiration of the term, or by March 6, 2024, the appointment will default to the Select Board effective March 7, 2024.

Motion by Mr. Wellman seconded by Mr. Vona, to reconsider the appointment of the Fifth Member.

Mr. Wellman	Yes
Mr. Gibson	Present
Mr. Antonellis	No
Mr. Vona	Yes

The Motion passed.

Motion by Mr. Wellman seconded by Mr. Vona, to appoint Mr. Gibson as the fifth member of the board.

Mr. Wellman	Yes
Mr. Gibson	Did not Participate.
Mr. Antonellis	No
Mr. Vona	Yes

The Motion passed.

Motion by Mr. Vona, seconded by Mr. Wellman, to enter Executive Session under Purpose 7 of Open Meeting Law, and to reopen in open session thereafter.

Roll Call:

Mr. Wellman	Yes
Mr. Gibson	Yes
Mr. Antonellis	Yes
Mr. Vona	Yes

The Motion passed.

In the executive session the Board voted to accept the Medical Panel Certifications and to grant an Accidental Disability Retirement allowance to Christopher Drinan and Earle Frazier.

Motion by Mr. Vona, seconded by Mr. Wellman, to adjourn the Meeting.

Mr. Wellman	Yes
Mr. Gibson	Yes
Mr. Antonellis	Yes
Mr. Vona	Yes

The Motion passed.

The meeting adjourns at 11:56 AM.

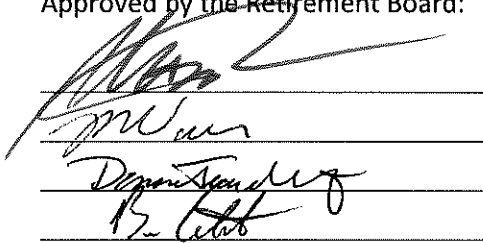
Documents Distributed:

- February 26, 2024, Agenda
- NEPC February 2024 Presentation
- PERAC Memos #7-9
- NCEPRS Conference Agenda
- MACRS Spring Conference Information

Respectfully Submitted,

Ryan Horan
Executive Director

Approved by the Retirement Board:



Handwritten signatures of board members on four horizontal lines. The signatures are: 1. A large, stylized signature. 2. A signature that appears to be 'M. W. ...'. 3. A signature that appears to be 'Deborah ...'. 4. A signature that appears to be 'B. ...'.

March 25, 2024