

Minutes of the meeting held on July 1, 2024

Present: Francis Murphy, Joseph McCann, James Monagle, Chris Burns, James Quirk, and Christopher McLaughlin.

Absent: Michael Gardner, Nadia Chamblin-Foster

The meeting was called to order at 11:00 AM. The meeting was digitally recorded. This was a hybrid meeting, held in-person in the Sheila Tobin Conference Room at 125 CambridgePark Drive, with some participants joining via Zoom videoconference.

Agenda Item #1 – William Keefe, PERAC Executive Director

William Keefe and Ken Hill appeared before the Board.

Keefe stated that he was attempting to meet with all the local Boards. He reviewed his work history, noting that he has been with PERAC for five years and previously spent twenty-three years in the State Auditor's office. He stated that PERAC's budget will allow for the hiring of four new auditors. He also stated that he was attempting to streamline the audit process in an effort to clear the current backlog. Keefe stated that the Emerging Issues Forum will be held at the Doubletree Hotel in Westborough. He stated that PERAC had been unable to agree to terms with Holy Cross to continue holding the conference there.

Keefe described the new legislation on veteran's buyback, which should be signed into law soon. Boards will need to send a mailing to all active members to inform them of their right to purchase service if they are a veteran. The law will eliminate the requirement that veterans buy service within 180 days of hire. It makes no change to the definition of a veteran for buyback purposes.

Keefe noted that PERAC has filed legislation to attempt to create a new exception to the antispiking regulation where an employee has their salary increased to correct a gender disparity in wages. Hill reviewed the arguments before the SJC in the Hartnett case. A ruling in Hartnett's favor would almost certainly mean that the antispiking rule would be inapplicable to any employee hired prior to 2012. Hill stated that he expected a ruling to be issued in September.

Hill reviewed a recent case at MWRA in which a member retired under Option C and then died a month later. The widow would have been entitled to a larger benefit had her husband deferred retirement and died as a member in service. He noted that PERAC was considering changing the superannuation form to ask retirees if they knew themselves to be terminally ill.

Agenda Item #2 – Minutes

Motion by Monagle, seconded by McCann to accept minutes of the investment review meeting held on May 30, 2024. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Motion by McCann, seconded by Monagle to accept the minutes of the regular meeting held on June 12, 2024. The motion carried on a voice vote.

Motion by McCann, seconded by Monagle to accept the executive session minutes of the meeting held on June 12, 2024. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Agenda Item #3 - Warrants

Motion by Monagle, seconded by McCann to accept payment of Warrant #12 in the amount of \$9,684,224.09 and Warrant #13 in the amount of \$217,355.76. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Agenda Item #4 – Superannuations

Motion by McCann, seconded by Monagle to accept the Superannuation retirement applications submitted by Kenneth Atwell, Lab Manager, Cambridge Health Alliance with thirty-two years, ten months; Teresa Brown, ESOL Teacher, Dept. of Human Services with thirty-three years, three months; and Marie Jean-Michel Dubuisson, Paraprofessional, School Dept. with twenty-eight years, ten months. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Agenda Item #5 - Make-ups/Redeposits/Liability

The Board reviewed make-up and redeposit worksheets for two members.

Burns reviewed the buyback request for Joshua Arevalo. He stated that he was requesting that the Board approve makeup for a period that the member worked between September 2016 and August 2018, totaling eleven months of creditable service. He stated that the also included documentation on a separate period Between January 2009 and June 2012. During this time, the member held a job in which he worked approximately 10 hours per week throughout the year. At no time did he ever earn more than \$5,000 annually. Burns stated that the staff had already written to the member and denied his request to buyback service during this time because the law does not allow makeup for any period when the member earned less than \$5,000 annually. The denial does not require a Board vote. Burns stated that he included the information because this matter was the subject of a recent audit finding and he wanted the Board to be aware of the office’s process for denying those requests.

Burns also reviewed the buyback request for Kathleen Burke. He noted that she was originally hired at 17 hours per week, which puts her under the threshold that would qualify for membership in the retirement system. However, when she moved into a full-time position, the School Dept. failed to put her into the retirement system. Burns requested that the Board approve the buyback and waive interest for the period when she was full-time and should have paid into the system.

Motion by Monagle, seconded by McCann to allow the make-up of deductions for Joshua Arevalo for eleven months and Kathleen Burke for five years, ten months, waiving interest on the buyback after she became full-time. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Agenda Item #6 – Refund Applications

The Board reviewed a list of refund applications submitted in June.

Motion by Monagle, seconded by McCann to accept ten refund applications. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting would reconvene in open session at the conclusion of the executive session. On a roll call, the vote was as follows:

James Monagle:	YES
Joseph McCann:	YES
Francis Murphy:	YES

Agenda Item #7 – Accidental Disability Benefit – Pauline Adams-Kelsey

The Board reviewed the certificates and narrative reports of three separate medical exams, the member’s application, treating physician’s statement and employer’s statement pertaining to Pauline Adams-Kelsey’s Accidental Disability application. Attorney Michael Akashian appeared with Pauline Adams-Kelsey.

McCann moved to accept the findings of the medical panel and grant Accidental Disability benefits to Pauline Adams-Kelsey, Operations Assistant in the Dept. of Public Works. Monagle seconded the motion. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Agenda Item #8 – Accidental Disability Application – Robert Ivanoskos

The Board reviewed the member's application, treating physician's statement and employer's statement pertaining to Robert Ivanoskos' Accidental Disability application. Burns stated that the member was represented by Attorney John Moran, who was unable to attend the meeting. He stated that he did not object to the Board taking up the matter in his absence.

Motion by Monagle, seconded by McCann to accept the application for Accidental Disability benefits filed by Robert Ivanoskos, Skilled Laborer in the Traffic Dept. and to request that PERAC convene a medical panel. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Agenda Item #9 – Reorganization of Office Staff

The Board reviewed job descriptions for a Deputy Executive Director and for a Member Services Coordinator as well as salary schedules for both positions.

Burns stated that he would like to promote Christopher McLaughlin into the Deputy Executive Director position, effective immediately. He noted that he had also discussed the position with Eileen Hayes, but she stated that she would not be interested in a management role. Burns stated that he felt that McLaughlin would bring a great deal to the role. He described his attention to detail, dedication and his concern for the members he works with. He also noted that he has strong communication skills and has been creating many of system's written materials. Burns stated that he worked with Sheila Keady-Rawson to develop the salary schedule, noting that it was in-line with comparable positions within the City of Cambridge. Burns proposed setting McLaughlin's salary at \$107,589.15 annually, with four additional step increases granted on July 1 each year. Mongle stated that he supported the promotion for McLaughlin, and that he had always been impressed by his work in the office. Burns clarified that McLaughlin would also be eligible for any COLA granted by the City, which would typically also be effective on July 1 each year. Motion by Monagle, seconded by McCann to authorize a new salary schedule for Christopher McLaughlin as Deputy Executive Director of the Cambridge Retirement System, effective July 1, 2024. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Burns stated that there were no significant changes to the salary schedule or job description for the Member Services Coordinator role, and it was largely the same as when McLaughlin held the position. Burns stated that he intended to post the opening publicly on Indeed and job listings on the City and PERAC websites. This is similar to what was done when the Executive Director position was posted. The Chair suggested that any new hire be brought in on a probationary basis to make it easier to terminate them if it becomes clear that they are a poor match for the position. Motion by McCann, seconded by Mongale to authorize the hiring of a Member Services Coordinator at the proposed salary level. The motion carried on a 3-0 vote with Chamblin-Foster and Gardner absent.

Burns stated that he intended to present a new salary schedule for Eileen Hayes at the August meeting. He noted that he and Hayes would meet with the new City benefits manager, Barbara Brown to discuss ways of sharing information and providing better information to retirees about their health benefits. He stated that after that meeting, he would have a better sense of what new responsibilities Hayes might have to take on.

Agenda Item #10 – PERAC Memos

The Board reviewed PERAC memos #15, 16 and 17. No action was taken.

Quirk stated that no appeal was filed in the Dixon case, so it is now a final decision. In this case, he took a relatively low-paying position immediately prior to his retirement. His pension was based on earnings from a higher paying position earlier in his career. The decision from CRAB found that his earnings limit must be based on the last position he held, not on the position used to calculate his benefit.

Agenda Item #11 - Old Business
Not needed.

Agenda Item #12 – New Business

Quirk introduced Andrew Lang to the Board. He noted they have now been working together for a number of years and that Lang would be prepared to provide backup on matters if Quirk were unable to work. Lang noted that much of his recent legal career has been focused on Workers Compensation cases but that he is looking to take on more retirement matters. He noted that he volunteers a portion of his time with Cape Cod League baseball. Earlier in his career, he also worked at the Bristol County District Attorney's office.

Agenda Item #13 – Executive Session
Agenda Item #7 – adopted
Agenda Item #8 – adopted

Agenda Item #14 - Chairman's Report
None offered.

Agenda Item #15 – Executive Director's Report

Burns reported that the KPMG audit is ongoing. The staff has provided the documents that the auditors requested.

Burns stated that he spoke with Claire Spinner and she requested that the Board take up the actuarial valuation again in October. She felt she would need that time to consider various options with the City Manager. McCann stated that he was concerned that schedule did not leave enough time to provide funding numbers to the other units in the system. He said that he would look at their deadlines and report back.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths
- Correspondence from PERAC re: Veterans Buyback Changes
- Correspondence from Segal Marco re: Aberdeen Emerging Markets Placed on Hold
- April Financials: General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers, Bank Reconciliation.
- Attorney Andrew Lang resume

Monagle moved to adjourn at 12:20 PM.