

The regular meeting of the Montague Retirement Board, duly posted, was held via Zoom on the above date, and came to order at 9:02 AM.

Chairperson Carolyn Olsen announced that the meeting was being recorded, and roll call was taken.

Retirement Board Members Present: Cheryl Clark, David Dion, Steven Ellis and Carolyn Olsen were present. Marianne Fiske was absent.

Retirement Board Staff Present: Administrator Deb Underhill was present.

Others Present: John Boorack, PERAC Actuary

1/1/24 Actuarial Valuation: Actuary John Boorack presented and Board discussed 1/1/2024 Actuarial Valuation and proposed funding schedule with Board.

Discussion: John Boorack presented the 1/1/2024 Actuarial Valuation and proposed funding schedule as outlined in his August 16, 2024 letter to the Board.

The following issues related to the valuation were presented:

1. The Board increased the COLA base from 18K to \$30K effective July 1, 2024.
2. The Board uses a smoothing methodology to determine the actuarial value of assets used for funding the plan. As part of this year's valuation there are investment losses that have not been recognized yet.
3. The Town is currently conducting a salary survey. Based on the results of this survey, if Town salaries increase above the increases assumed in this valuation, it will result in an actuarial loss to the system in the future.

The funding schedule presented to the Board maintained the current FY25 appropriation amount, and beginning in FY26, amortized the remaining unfunded liability on a 4.0% annually increasing basis through FY35. There is a significant increase of 8.0% in FY26 to reflect a portion of the COLA base change. It is recommended by PERAC that if a system increases the COLA base, there should be a corresponding increase in the appropriation at the beginning of the funding schedule.

Board member Steven Ellis requested that John Boorack present the Board with an additional funding schedule that eliminates the 8.0% increase in FY26, with letter of explanation.

Mr. Boorack said that he would do so, but that an alternative would extend the funding schedule to 2037, and PERAC recommends that Boards adopt funding schedules that complete the amortization of the unfunded liability no later than FY35.

Funding schedule vote tabled until future meeting to be held September 17, 2024 at 9am via Zoom.

9:49 am – John Boorack left meeting.

Minutes: July 30, 2024 Retirement Board meeting minutes for review and approval.

On a motion made by Cheryl Clark and seconded by Steven Ellis, the Board voted to approve the July 30, 2024 Retirement Board meeting minutes.

Roll Call Vote: Cheryl Clark - Aye, David Dion – Aye, Steven Ellis – Aye, Carolyn Olsen - Aye

4 in Favor 0 Opposed 0 Abstained

Contributory Retirement Warrant approve the August 2024 Warrant #8, dated August 29, 2024 in the amount of \$396,304.86.

Payroll	\$ 361,004.02
Expenses	\$ 9,323.13
Refunds & Transfers	<u>\$ 25,977.71</u>
Total Warrant	<u>\$ 396,304.86</u>

On a motion made by Cheryl Clark and seconded by Steven Ellis, the Board voted to approve the August 2024 Warrant #8, dated August 29, 2024 in the amount of \$396,304.86.

Roll Call Vote: Cheryl Clark - Aye, David Dion – Aye, Steven Ellis –Aye, Carolyn Olsen - Aye

4 in Favor 0 Opposed 0 Abstained

New Members: approve new members listed below:

Eli Guerin, TWN, Airport, Grounds Foreman, effective 6/23/2024
Andrew Skiff, TWN, CWF, Laborer/Operator, effective 7/9/2024
Angelica Desroches, TWN, Accountant, effective 8/19/2024
Mia Gonzalez, GMRSD, Instructional Asst., effective 8/26/2024

On a motion made by Cheryl Clark and seconded by Steven Ellis, the Board voted to approve the new members listed above.

Roll Call Vote: Cheryl Clark - Aye, David Dion – Aye, Steven Ellis –Aye, Carolyn Olsen - Aye

4 in Favor 0 Opposed 0 Abstained

Partial AS Refund: approve partial AS refund for Mary Prokowich, GMRSD, for deductions withheld in error on 4/14/2022 for extra hours worked, in the amount of \$3.21.

On a motion made by Steven Ellis and seconded by Cheryl Clark, the Board voted to approve the partial AS refund for Mary Prokowich, GMRSD, for deductions withheld in error on 4/14/2022 for extra hours worked, in the amount of \$3.21.

Roll Call Vote: Cheryl Clark - Aye, David Dion – Aye, Steven Ellis –Aye, Carolyn Olsen - Aye

4 in Favor 0 Opposed 0 Abstained

AS Transfer: approve AS transfer for Mary Sumner, TWN, 7/6/1992 – 2/11/2005, 12 years, 7 months, 5 days to Franklin Regional Retirement System in the amount of \$25,974.50

On a motion made by Cheryl Clark and seconded by Steven Ellis, the Board voted to approve the AS transfer for Mary Sumner, TWN, 7/6/1992 – 2/11/2005, 12 years, 7 months, 5 days to Franklin Regional Retirement System in the amount of \$25,974.50

Roll Call Vote: Cheryl Clark - Aye, David Dion – Aye, Steven Ellis – Aye, Carolyn Olsen - Aye

4 in Favor 0 Opposed 0 Abstained

PERAC Memo #23/2024 Veterans' Buyback Changes: The recently signed Chapter 178 of the Acts of 20024 – “The Hero Act” – changes the timeframe that a veteran can purchase military service time to up to 1 year after they vest in the system. This Act also gives veterans a one-year opportunity to purchase military service if they missed their initial opportunity. Per PERAC Memo #23/2024 retirement boards must send written notice to active members by November 6, 2024 to inform them of this change.

Our current Board regulation states that a veteran must enter into an agreement to purchase time within 180 days of membership in the Montague Retirement System, but does not specify any timeframe for actual payment to be made. A proposed change to this regulation, in compliance with the new legislation, will be presented at a future meeting for Board discussion and approval.

PERAC Memo #21/2024 New Anti-Spiking Exemptions: Chapter 141 of the Acts of 2024 modifies Chapter 32 section 5(2)f to exempt from anti-spiking “*a bona-fide increase in salary related to eliminating wage differentials as required by MEPA or an employer’s systemic wage adjustment.*” This change is retroactive to July 1, 2018.

Notice: There is new language just signed into law in MGL Ch.32, section 7 providing for 100% disability for the violent assault of a police officer, fire fighter or EMT. This does not take effect until 10/29/2024. PERAC is reviewing the legislation and will issue guidance in the near future.

Notice: Administrator Deb Underhill will be taking vacation time from 8/28/24 – 9/5/24.

Notice: This meeting is Carolyn Olsen’s final Board meeting after over 28 years on the Montague Retirement Board. The Board and Staff would like to thank Carolyn for her service and her many contributions to the continuing fiscal health and success of our retirement system.

Reminder: Laura Strickland, PRIM, will present an investment update to the Board at the 9/24 meeting at 9am via Zoom.

Financial Statements: Board reviewed the July 2024 financial statements, containing the following documents:

Cash Receipts Report	Bank Statements	Monthly Trial Balance
Cash Disbursement Report	Bank Reconciliation	Y-T-D Trial Balance
Adjustments Report	PRIT Statements	Monthly General Ledger
Supplementary Schedule	PRIT Reconciliation	Y-T-D Budget

Adjournment: On a motion made by Cheryl Clark, seconded by David Dion, the Board voted to adjourn at 10:00 AM.

Roll Call Vote: Cheryl Clark - Aye, David Dion – Aye, Steven Ellis – Aye, Carolyn Olsen - Aye

4 in Favor **0** Opposed **0** Abstained

Upcoming Meetings: Tuesday, September 17, 2024 at 9AM via Zoom – Funding Schedule Vote
Tuesday, September 24, 2024 at 9AM via Zoom– PRIM Update

APPROVED BY THE MONTAGUE BOARD OF RETIREMENT

Carolyn Olsen , Chairperson

respectfully submitted,

Cheryl Clark

Debra Underhill
Administrator
Montague Retirement Board

David Dion

Marianne Fiske

Steven Ellis

Meeting Materials:
Agenda, July 30, 2024
June 25, 2024 Minutes
June 2024 Financial Statements
July 31, 2024 Warrant #7 with associated documents
July 30, 2024 Warrant #7A