

The regular meeting of the Gardner Contributory Retirement Board was called to order by the Chairperson, Denise Merriam, on Tuesday, July 26, 2022, at 10:00 AM in Room #128, 1st Floor, City Hall, Mayor's Conference Room. All Board Members were present.

ANNOUNCEMENT - Any person may make a video or audio recording of an open session of a meeting, or may transmit the meeting through any medium, subject to reasonable requirements of the Chair as to the number, placement and operation of equipment used so as not to interfere with the conduct of the meeting. Any person intending to make such recording shall notify the Chair forthwith. All Documents referenced or used during the meeting must be submitted in duplicate to the Retirement Board Administrator pursuant to the Open Meeting and Public Records Law. All documents shall become part of the official record of the meeting.

Having no objection from anyone, Board Chairperson, Denise Merriam announced that the Board would start with New Business, Item a. Stone Consulting, Inc.

Under "New Business," the Board was joined by Colin Edgar, Actuary from Stone Consulting, Inc., who presented the preliminary results of the January 1, 2022, and Mayor Michael Nicholson.

Colin Edgar thanked everyone for their time today. Colin presented the preliminary results of the January 1, 2022, Actuarial Valuation. The preliminary results show an actuarial asset gain of \$8.4M for cycle year 2021. The retirement board currently has a discount rate of 7.00% with a current projected funding contribution annual increase of 7.00% and a projected completion in 2031. Mr. Edgar presented the Board members with a report that reviewed the assumptions and methods used to develop the multiple funding schedules for the board's consideration: the current funding schedule with a discount rate of 7.00%, and two other funding schedules with discount rates of 6.75% and 6.50%. All the fundings schedules used the RP-2014 table projected from 2006 using scale MP-2021.

Mr. Edgar pointed out to the Retirement Board Members that retirees have remained around 46% of the population in the past 14 valuations. Gradually increased portion of liability, from 59% to 67%. This data suggests a lower discount rate since short-term returns are expected to be lower. Mr. Edgar also pointed out that the COVID impact and affect on mortality is not yet fully known. Colin also pointed out that we are just starting to see the effects of pension reform as we could have our first retirement under the new pension reform rules being in affect since April 2012.

Mr. Edgar also pointed out to the Board Members that they look at all the salaries of active members for the last year and this year. They calculate the salary experience and Gardner's salary experience is quite steady. The salary figures are consistent with last years.

Ex-Officio Board Member, John Richard, mentioned that he would like to see the Board stay with the current 8 years remaining on the funding schedule. He does not think that the Board should shorten the funding schedule.

Mr. Edgar did point out that the Board could lower the discount rate with a lower contribution rate. He stated that 7.00% is on the higher end of the discount rates that he has been seeing. Colin also informed the Board that he can run other funding schedules regarding the discount rate.

The Board thanked Mr. Edgar and stated that each member would independently study the report and meet to determine what action the Board will take. The Retirement Board plans to vote on an Actuarial Rate at their August 2022 monthly board meeting.

Colin Edgar from Stone Consulting, Inc. departed the Board meeting at 10:28 AM.

After a brief discussion about various examples of the funding schedule provided by Stone Consulting, Inc., Mayor Michael Nicholson exited the meeting at 10:30 AM.

On a motion by John Richard, seconded Kevin McInerney, the Board unanimously voted to approve the minutes of the regular meeting of June 28, 2022. The Board then signed the permanent minutes of the regular meeting minutes of May 24, 2022.

On a motion by John Richard, seconded by Robert Newton, the board unanimously voted to approve the Trial Balance and General Ledger History for May 2022 and to accept the City Treasurer's bank reconciliation for May 2022.

On a motion by Robert Newton, seconded by Kevin McInerney, the Board unanimously voted to approve Warrant #07/22 dated July 29, 2022, totaling \$809,524.41.

Vendor	For	Amount
Cheryl Bosse	Reimbursement for Spring Conf.	\$ 1,402.36
NECS	Inv #AR143715 Contract Rate	\$ 550.00
Law Offices of Michael Sacco	Inv #6908 Draft Memo to Board	\$ 26.00
Craig J. Arsenault	Refund ASF to Member	\$ 15,690.46
City of Gardner	F/W Craig Arsenault	\$ 4,257.69
Commonwealth of MA DOR	Child Support Craig Arsenault	\$ 1,340.28
Erin L. Dickson	Refund ASF to Member	\$ 8,102.33
City of Gardner	F/W Erin Dickson	\$ 2,025.58
Chad E. King	Refund ASF to Member	\$ 32,190.92
City of Gardner	F/W Chad King	\$ 8,047.73
Worcester Regional Ret. Bd.	Trsf ASF Gregory Doyle	\$ 41,349.97
MA Teachers Retirement Sys.	Trsf ASF Nydia Y. Leger	\$ 14,514.09
MA Teachers Retirement Sys.	Trsf ASF Leslie M Primeau	\$ 27,101.87
Leominster Retirement Board	Trsf ASF Paula J. Valiton	\$ 30,949.25
Mathew C. Bosworth	Second Refund ASF to Member	\$ 20.42
David Gentile	Second Refund ASF to Member	\$ 21.61
Kurt M. Swenson	Second Refund ASF to Member	\$ 9.79
Pension Payroll #07/22	Annuity Paid	\$ 107,416.02
	Pension Paid	\$ 506,495.96
	Veteran's Benefits Paid	\$ 332.62
	Dependents Paid	\$ 204.19
	Bd. COLA	\$ 7,475.27
TOTAL WARRANT #07/22		\$ 809,524.41

The Board next reviewed the PRIM statement for the Gardner Retirement System for the month of June 2022, noting a negative \$2,783,753.83 Net Change in Investment Value for the month. The Management Fees for the month were \$41,069.06.

Under "Correspondence" the Board reviewed PERAC Memo #17/2022; PERAC Memo #18/2022; PERAC Memo #19/2022 and PERAC Memo #20/2022.

Board Administrator, Cheryl Bosse, informed the Board Members that she has signed up for the Board Administrator training scheduled for August 24, 2022, in Northampton MA. Board Members Robert Newton and Neil Janssens mentioned that they both watched the PERAC Webinar on July 21, 2022, on Board Member Responsibilities/Fraud Awareness.

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July 26, 2022

Under “Old Business”, the Board Administrator, Cheryl Bosse, updated the Board Members on the status of the disability retirement application currently in process:

Board Administrator, Cheryl Bosse, updated the Board Members that she has not received any information regarding the status of disability applicant #3’s appeal with CRAB.

Under “New Business”, on a motion by Robert Newton, seconded by John Richard, the Board unanimously voted to grant superannuation retirement benefits to James F. Trifiro Jr., Option C, effective May 20, 2022.

On a motion by Robert Newton, seconded by John Richard, the Board unanimously voted to grant superannuation retirement benefits to Karen P. Anderson., Option C, effective June 30, 2022.

On a motion by Robert Newton, seconded by John Richard, the Board unanimously voted to grant superannuation retirement benefits to Kathleen A.Y. Moss, Option B, effective June 30, 2022.

The Board Administrator, Cheryl Bosse, updated the Board Members that 264 Annual Affidavits were mailed out with the June 30, 2022, payroll to retirees and survivors and 198 have already been returned to the retirement board office. Of the 66 outstanding affidavits, 25 are from Gardner residents and 41 are from retirees and survivors that live outside of Gardner. Retirees and Survivors have until August 26, 2022, to return their 2022 affidavits.

The Board Administrator, Cheryl Bosse, updated the Board Members that she had a meeting on Tuesday, July 5, 2022, with Board Chairperson, Denise Merriam, Ex-Officio Member, John Richard, Mayor Michael Nicholson, City Treasurer, Jennifer Dymek and Human Resource Director, Debra Pond regarding the changes, research and updates that will need to be done after receiving PERAC Memo #14/2022 regarding members’ creditable service time and retirement deductions while they were receiving workers’ compensation benefits. Everyone at the meeting discussed the information that will need to be provided to the retirement board administrator so that she can start adjusting members that have been on workers’ compensation. The adjustment will need to be done to those members creditable service time and a refund of the retirement deductions that were withheld while that member was on workers’ compensation. A new payroll code

(cont'd from Page 1199) has been added and will be used as soon as possible so that any member that is on workers' compensation and uses additional time to supplement their income, will not have retirement deductions withheld from the other time used. The Board Administrator has not received any information from the Human Resource Department yet regarding members that have been or are on workers' compensation.

The Board Administrator, Cheryl Bosse, also reminded the Board Members that this Thursday, July 28, 2022, is seasonal employee, Makenzie Deal's last day. Makenzie is moving to Colorado to attend law school. All the Board Members wished her well on her move and her continuing education.

The next regular meeting is scheduled for Monday, August 29, 2022, at 10:00 A.M.

All meetings are scheduled to be held in City Hall, 1st Floor, Room 128, Mayor's Conference Room.

There being no further business, a motion to adjourn at 10:55 A.M. was made by John Richard, seconded by Robert Newton, passing unanimously.

The meeting adjourned at 10:55 A.M.

APPROVED:

John Richard, Ex-Officio

Kevin McInerney, Appointed

Denise M. Merriam, Elected (Ends 6/30/2023)
Chairperson

Robert W. Newton, Elected (Ends 6/30/2023)

Neil W. Janssens, Appointed (Ends 1/1/2024)

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