

MINUTES OF MEETING MAY 30, 2024

The regular monthly meeting of the Northampton Retirement Board was called to order by Chairperson Charlene Nardi at 1:32 p.m.

Members present were Kala Fisher, Karen Lafleche, Charlene Nardi, Thomas Sullivan and Tammy Suprenant. Also present were Retirement Administrator David Shipka and Associate Retirement Specialist Elsie Vazquez.

The meeting was held remotely via Zoom teleconference pursuant to the Open Meeting Law provisions in Chapter 2 of the Acts of 2023.

Visitors

None

New Business

Colin Edgar of Stone Consulting was present to report on the January 1, 2024 valuation results.

The Board reviewed several funding schedule scenarios. Investment loss in 2022 resulted in an actuarial asset loss of \$32.4 million after four-year asset smoothing. Increases to both active and retiree payroll added to the liability. These two factors increased the expected required contribution in FY2026 under the assumptions of the current schedule.

The Board reviewed the cost of a potential increase to the retiree cost-of-living adjustment base from \$13,000 to \$14,000. A \$1,000 base increase would add a maximum of \$30.00 a year to retiree allowances under a normal increase of 3%. According to the report, the increase would cost over \$200,000 a year to the funding schedule.

Ms. Lafleche voiced concern over the financial difficulties retirees are experiencing. Board members agreed it is an important issue. Ms. Nardi said a base increase would not be financially feasible for the City this year but wants to continue to look at the issue.

The Administrator noted that the State Retirement Board, with PERAC, again adopted a 7.0% return assumption. Mr. Sullivan thought given recent returns and the current climate, a 7.0% return assumption would be reasonable. The Board's annualized return over the past 20 years is 7.6%.

After a brief discussion, the Board decided on a funding schedule that raises the return assumption from 6.90% from 7.00%. The length of the schedule will increase two years to 2037. The rate of amortization on the schedule will be 3.50%. The funded ratio of the System is 75.1%, down from 76.4% two years ago.

On a motion made by Mr. Sullivan and seconded by Ms. Lafleche, the Board voted unanimously by roll call (5-0) to adopt the proposed funding schedule, to be effective on July 1, 2025, with a length of twelve years, 3.75% amortization and a 7.00% return assumption (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

At the conclusion of the presentation Colin Edgar exited the Zoom call.

The Board was in receipt of Medical Panel Certificates from the Public Employee Retirement Administration Commission (PERAC) for Hannah Eisenstein. Ms. Nardi noted that a discussion/vote regarding Ms. Eisenstein's disability application would take place in Executive Session, after which the Board would resume the meeting in open session.

On a motion made by Ms. Suprenant and seconded by Ms. Fisher, the Board voted unanimously by roll call (5-0) to enter Executive Session at 2:56 p.m. in accordance with

MGL 30A Section 21(a)(1), for the following purpose (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes):

To discuss the reputation, character, physical condition or mental health, rather than professional competence, of an individual, or to discuss the discipline or dismissal of, or complaints or charges brought against, a public officer, employee, staff member or individual.

[The Board returned at 3:03 p.m.]

Upon return, Ms. Nardi noted that the Board had voted to approve Ms. Eisenstein's application for accidental disability.

Regular Business

The Board received applications for the following new members:

Nicholas Spath (Police)
Jonathan Mahaney (Police)
Zachery Brea (Police)
Cody Lewis (Fire)
Sally Bastiaans (Auditor)
Chelsea Counsell (Senior Services)
Aaron Lewis (DPW)
Geraldine White (Cafeteria)
Wanda Rivera (Housing)
Courtney Danielsen (Fire)
Ivan Giroux (Central Services)

On a motion made by Ms. Suprenant and seconded by Ms. Fisher, the Board voted unanimously by roll call (5-0) to accept the aforementioned new member(s) (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The Board received superannuation retirement application(s) for the following members:
Karen Schipellite (School)

On a motion made by Ms. Suprenant and seconded by Ms. Lafleche, the Board voted unanimously by roll call (5-0) to accept the aforementioned retirement application(s) (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The Board reviewed retirement allowances for the following retirees:

Michael Pawloski (Fire Rescue)
Nancy Sise (Information Technology)

On a motion made by Ms. Suprenant and seconded by Ms. Lafleche, the Board voted unanimously by roll call (5-0) to approve the aforementioned retirement allowance(s) (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The Board reviewed the following deceased members/retirees/survivors:

Charles Mazeski Jr (Building Inspector)
Linda Mazeski (School)

The Board reviewed the minutes of the following meeting(s):

Minutes for the regular meeting held on April 25, 2024

On a motion made by Mr. Sullivan and seconded by Ms. Suprenant, the Board voted by roll call (5-0) to approve the aforementioned minutes (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The Board reviewed and approved the following warrants:

Pension payroll warrant totaling \$1,158,599.23

Accounts payable warrant totaling \$397,240.30
Board and staff payroll warrant totaling \$15,232.41

The Administrator noted that payments for four retirees switched to check from direct deposit. The checks will be held until the retirees comply with annual affidavit filing requirements. Ms. Vazquez mailed multiple notices, including via certified letter, to the retirees notifying them of the requirement.

On a motion made by Ms. Suprenant and seconded by Ms. Fisher, the Board voted unanimously by roll call (5-0) to approve the aforementioned warrants (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The Board reviewed the following financial report(s) prepared by the Administrator:
March Cashbooks

The Board reviewed the following financial statement(s):
The de Burlo Group Statement/Update for April
PRIT Statement/Update for April

The Board reviewed the following wire transfers for the current month:
\$722.88 from PRIM to M&T Bank (distribution)
\$630,000 from M&T Bank to Florence Bank

The Board reviewed the Treasurer's report on the Florence Bank account for April
Bank statement: \$422,887.18
Outstanding disbursements/unrecorded receipts: \$275,794.35
Adjusted bank balance: \$147,092.83
Outstanding receipts: \$39,202.88
Trial Balance end of month balance: \$186,295.71

The Board reviewed the following make-up/buyback requests:

Joseph Golec	Current member of the Northampton Retirement System requesting to purchase service from June 14, 2000 to August 26, 2004, for time prior to membership amounting to 1 year and 5 months of creditable service for a cost of \$4,975.15 plus future interest.
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On a motion made by Ms. Suprenant and seconded by Ms. Lafleche, the Board voted unanimously by roll call (5-0) to approve the aforementioned request (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The Board reviewed the following correspondence:
James Quirk Workers' Compensation settlement for Mark Paszek

Old Business

None

Other Business

Mr. Sullivan will attend the MACRS Spring Conference the first week of June.

Adjournment

On a motion made by Ms. Suprenant and seconded by Mr. Sullivan, the Board voted unanimously (5-0) by roll call to adjourn the meeting at 3:06 p.m. (Fisher: Yes, Lafleche: Yes, Nardi: Yes, Sullivan: Yes, Suprenant: Yes).

The next regular meeting is scheduled for Thursday, June 20, 2024 at 1:30 p.m. via Zoom.

Respectfully Submitted,

Retirement Administrator

APPROVED BY THE NORTHAMPTON RETIREMENT BOARD ON 6/20/2024

APPROVED:

_____ **Charlene Nardi, Chairperson**

_____ **Kala Fisher**

_____ **Karen Lafleche**

_____ **Thomas Sullivan**

_____ **Tammy Suprenant**