



# The TOWN OF NORWOOD

Commonwealth of Massachusetts

## RETIREMENT BOARD

### THE CONTRIBUTORY RETIREMENT SYSTEM

#### NOTICE OF NORWOOD RETIREMENT BOARD MEETING AND AGENDA WEDNESDAY, OCTOBER 27, 2021 @ 10:00 AM

In accordance with the provisions of Chapter 30A, ss 20(b) of the General Laws, notice is hereby given that a Norwood Retirement Board Meeting will be held at 900B Washington Street, Norwood, MA AND REMOTELY AT GO TO MEETING

EDMUND W. MULVEHILL JR., *Chairperson*  
THOMAS J. MCQUAID, *Ex-Officio Member*  
THOMAS F. O'TOOLE, *Elected Member*  
EILEEN P. HICKEY, *Elected Member*  
THOMAS A. RORRIE, *Appointed Member*  
DEBRA A. WILKES, *Executive Director*

CALL 1-669-224-3412 ENTER ACCESS CODE 814-306-733 AND FOLLOW THE PROMPT OR AT <https://global.go2meeting.com/join/14366733>

1. Minutes of August 26, 2021 and September 15, 2021 *1a + 1b.*
2. Needed for payrolls: Cont. Approx \$1,300,000.00
3. Unfinished business:
  - a. Software - ongoing work and updating with respect to MUNIS and conversion
  - b. Actuarial Val - Need full valuation 1/1/22
  - c. Mandatory Education - Ongoing
  - d. Rotation of Chairperson - Discussion in January 2022
  - e. Board Members - Eileen Hickey's term expires 10/15/2022  
Tom O'Toole's term expires 12/01/2023  
Ted Mulvehill appointed by Selectmen no term limit on April 15, 2008  
Fifth Member - Thom Rorrie's term expires 09/03/2022
  - f. Board Attendance - provide attendance record
  - g. Membership - ongoing review
  - h. Budget - Director working on budget for 2022
  - i. Office Staff - Tabled for review of contracts etc.
  - j. Retiree COLA - COLA was processed in retirees July checks
4. Approval of Vouchers Warrant #INV10
5. Applications for Superannuation:
  - a. Diane Bragg - September 28, 2021 - Option B - Traffic Supervisor
  - b. Patricia Farioli - November 1, 2021 - Option C - Asst. Assessor
6. Application for Withdrawal or Transfer of Funds
  - a. Stephen Burrill - transfer to MTRS \$2,063.10 1 year of service
  - b. Nancy Bussiere - transfer to Dedham \$12,883.03 5 years 4 months of service
  - c. Lina Mateus - transfer to State \$5,838.49 2 years 3 months of service
  - d. Alfred Adubi - refund/rollover to Commonwealth Bank \$43,644.09
7. Any and All Other Business That May Properly Come Before the Board

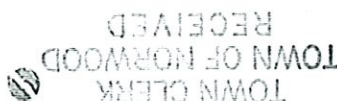
I certify that on this date, this Notice was posted as "Norwood Retirement Board Meeting" at [www.norwoodma.gov](http://www.norwoodma.gov)

*Debra A. Wilkes*  
Debra A. Wilkes, Executive Director

Date

*10/22/2021*

11:11 PM OCT 22 2021



la

2667

**AUGUST 26, 2021**

**Meeting:**

A meeting of the Norwood Retirement Board was held on Thursday, August 26, 2021 at 9:00 AM at Go To Meeting as posted on the Retirement Board Town of Norwood Website and in person at 900B Washington Street, Norwood, MA the offices of the Board.

**Present:**

Edmund W. Mulvehill, Jr. Chairman, Margaret LaMay, Ex-Officio, Eileen P. Hickey, Thomas F. O'Toole, Thomas A. Rorrie, and Debra A. Wilkes; and Daniel Dynan and Sabina Panthi of Meketa; and Ronan Burke and Steve Cruthers of Capital Group; and Francis Temple and Jeb Bank of Walther Scott. Edmund W. Mulvehill, Thomas F. O'Toole and members of Meketa, Capital Group and Walter Scott participated remotely.

**Minutes:**

A motion to accept and approve the minutes of July 21, 2021 was made by Thomas A. Rorrie and seconded by Eileen P. Hickey.

A vote was taken on the motion as follows:

Thomas F. O'Toole	YES	Thomas A. Rorrie	YES
Eileen P. Hickey	YES	Margaret LaMay	YES
Edmund W. Mulvehill	YES		

The vote passed

**Contributory Retiree Payroll:**

A motion was made and seconded to transfer the money needed for the Contributory Retiree payroll for July 2021 from the cash holdings with Citizens Bank and People's Bank.

A vote was taken as follows:

Thomas F. O'Toole	YES	Thomas A. Rorrie	YES
Eileen P. Hickey	YES	Margaret LaMay	YES
Edmund W. Mulvehill	YES		

The vote passed unanimously

**Software:**

Ongoing work with Steve Zlamany and MUNIS.

**Actuarial Valuation:**

The Board acknowledged that they will need a full valuation as of 1/1/2022. The Board asked that the Director have Daniel Sherman do a cost analysis of raising the COLA Base. Upon receipt the Director will share with the Board for review.

**Mandatory Training:**

Ongoing training review.

**Membership:**

Review of membership continues via payroll.

**Board Member Terms:**

Eileen Hickey's term expires 10/15/2022  
Thomas O'Toole's term expires 12/01/2023  
Edmund Mulvehill appointed by the Selectmen with no term limit as of April 15, 2008  
Thomas A. Rorrie's term expires 09/03/2022

**Board Member Attendance:**

The Board acknowledged receipt of the attendance record at Board meetings and voted to file same.

**Budget:**

The Director will work on the 2022 budget proposals.

**Office Staff:**

The Board would like to discuss contracts, salaries, staff etc. within the next few months.

**Retiree COLA:**

The COLA was paid to retirees in their July check.

**Refund/Transfer:****Michael Falter LaForest:**

The Board acknowledged receipt of the request for a transfer from Norfolk County Retirement with regard to Michael Falter LaForest's Annuity Savings Account. A motion was made to transfer said funds in the amount of \$14,999.70 with creditable service totaling 2 years and 3 months.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

**Frank Sullivan:**

Mr. Sullivan had completed his buyback however make up deductions continued to be withheld and he is now owed a refund of \$300.00. A motion was made to refund him the overpayment in the amount of \$300.00.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

**Samantha Johnston:**

The Board acknowledged receipt of the request for a transfer from MTRS with regard to Samantha Johnston's Annuity Savings Account. A motion was made to transfer said funds in the amount of \$3667.88 with creditable service totaling 1 year and 10 months.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Maraget LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously



**APPROVAL OF VOUCHERS:**

A motion was made by Eileen P. Hickey and seconded by Thomas A. Rorrie to pay the expenses as presented on warrants INV08

The vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

Margaret LaMay (Stipend).....	375.00
Thomas F. O'Toole (Stipend).....	375.00
Eileen P. Hickey (Stipend).....	375.00
Edmund W. Mulvehill, Jr. (Stipend).....	375.00
Thomas A. Rorrie (Stipend).....	375.00
Mark Good (Stipend).....	125.00

Extra Space (storage).....	383.00
Meketa (July Consulting Fee).....	8,195.45
Wells Fargo (copier lease).....	280.64
Rama Norwood LLC (August Rent).....	2,840.27
Norwood Printing (office supplies).....	360.70
SHRED IT (document removal).....	323.98
Norfolk County Retirement (3(8)(c )) .....	87,468.71
Melanson (2020 Audit).....	2,000.00

Debra Wilkes	
p.e. 08/07/21 .....	2227.11
p.e. 08/14/21 .....	2227.11
p.e. 08/21/21 .....	2227.11
p.e. 08/28/21 .....	2227.11

John J. Shea	
p.e. 08/07/21 .....	1436.86
p.e. 08/14/21 .....	1436.86
p.e. 08/21/21 .....	1436.86
p.e. 08/28/21 .....	1436.86

**APPLICATIONS FOR SUPERANNUATION RETIREMENT:**

The Board acknowledged receipt of the following application for superannuation retirement and a motion was made by Eileen Hickey and seconded by Thomas Rorrie to approve the applications as follows:

Donna Breen	-	August 17, 2021	Option B
Julio DeJesus	-	September 8, 2021	Option C
George Morrice	-	August 31, 2021	Option C
Donna Gronroos	-	September 7, 2021	Option C

A vote was taken on the motion as follows:

Thomas F. O'Toole	YES	Thomas A. Rorrie	YES
Eileen P. Hickey	YES	Margaret LaMay	YES
Edmund W. Mulvehill	YES		

The motion passed unanimously

**PERAC Memos:**

The Board acknowledged receipt of PERAC Memos #21, #22, #23 and #24 and voted to file same for future reference.

**Buybacks:**

**Michael Driscoll**

The Board acknowledged receipt of a request to buyback service from Michael Driscoll. Mr. Driscoll had one year of service with Arlington from 1982. Since Mr. Driscoll is now a member of the Norwood Retirement System and was not eligible to join the Arlington Retirement System until 1983 the Norwood Board must accept liability for the one year of service. The cost of which is \$4,329.02. A motion was made by Thomas O'Toole, seconded by Thomas Rorrie to allow Mr. Driscoll to purchase said service and upon payment in full to grant him one year of service.

A voted was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

**Kelly Unsworth:**

Tabled until receipt of information from Attorney Gibson

**Disability Applications****Stephen Lydon:**

Upon careful review of all the information before the Board, including Mr. Lydon's application, medical records, physicians report and the PERAC Medical Panel Report a motion was made by Thomas O'Toole, seconded by Thomas Rorrie to accept the application and approve same for Accidental Disability. It was further voted to forward same to PERAC for approval.

A vote was taken on the motion:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

**Gregory Shore:**

Table until further information is received.

Approval of Retiree Payroll for July 2021:

Annuity:	\$ 239,652.79
Dep:	582.57
Pension:	<u>1,009,879.10</u>
TOTAL:	\$1,250,114.46

**Second Quarter Review, RFP Review for Private Equity and Finalist Meeting for International**

The Board met with Dan Dynan and Sabina Panthi to discuss the 2<sup>nd</sup> quarter performance. The System was valued at \$213.8 million at the end of the quarter, an increase of approximately \$12 Million over the three month period.

As of June 30, 2021 all asset classes, except real estate, were within their respective target allocation.

The Board reviewed the respondents to the RFP for Private Equity and agreed with Meketa's recommendations regarding the firms that responded.

The Board then met with representatives of Capital Group and Walter Scott regarding the International Developed Growth Equity Manager Search. After careful review of both respondents and along with Meketa's review. A motion was made and seconded to retain the firm of Capital Group, EuroPacific as the Manager of its International Investment.

Meeting Adjourned:

---

Debra A. Wilkes, Secretary, Executive Director

---

Edmund W. Mulvehill, Jr., Chairman

---

Margaret LaMay, Ex-Officio Member

---

Eileen P. Hickey, Elected Member

---

Thomas F. O'Toole, Elected Member

---

Thomas A. Rorrie, Appointed Member



SEPTEMBER 15, 2021

**Meeting:**

A meeting of the Norwood Retirement Board was held on Wednesday, September 15, 2021 at 9:00 AM at Go To Meeting as posted on the Retirement Board Town of Norwood Website and in person at 900B Washington Street, Norwood, MA the offices of the Board.

**Present:**

Edmund W. Mulvehill, Jr. Chairman (Remotely), Margaret LaMay, Ex-Officio, Eileen P. Hickey, Thomas F. O'Toole, Thomas A. Rorrie, Debra A. Wilkes and John Shea.

**Minutes:**

A motion to table action on the August 26, 2021 minutes was made by Thomas O'Toole and seconded by Thomas Rorrie.

A vote was taken on the motion as follows:

Thomas F. O'Toole	YES	Thomas A. Rorrie	YES
Eileen P. Hickey	YES	Margaret LaMay	YES
Edmund W. Mulvehill	YES		

The vote passed unanimously

**Contributory Retiree Payroll:**

A motion was made and seconded to transfer the money needed for the Contributory Retiree payroll for September 2021 from the cash holdings with Citizens Bank and People's Bank.

A vote was taken as follows:

Thomas F. O'Toole	YES	Thomas A. Rorrie	YES
Eileen P. Hickey	YES	Margaret LaMay	YES
Edmund W. Mulvehill	YES		

The vote passed unanimously

**Software:**

Ongoing work with Steve Zlamany and MUNIS.

**Actuarial Valuation:**

The Board will need to have a full valuation as of 1/1/21. The Board asked the Director to look into the expiration of our contract with Sherman Actuarial Services. The Board is in receipt of the COLA study performed by Daniel Sherman in which he provided the increase in cost with respect to raising the COLA base from \$14,000 to \$15,000.00; \$16,000.00; \$17,000.00 and \$18,000.00. After review of the effect a new COLA base would have on the System a motion was made by Thomas O'Toole and seconded by Eileen Hickey to raise the COLA base from \$14,000 to \$15,000.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill, Jr.	YES		

The motion passed unanimously.

The also request that the Director forward the necessary information to the Board of Selectmen to request that this be placed on the Annual Town Meeting warrant for review and approval by Town Meeting as is necessary under State and PERAC regulations.

**Mandatory Training:**

Ongoing training review.

**Membership:**

A motion was made and seconded to have Attorney Gibson put together a letter to submit to the Town regarding the need to have all new hires submit membership applications within thirty (30) days of hire. It is increasing becoming a problem to get this information from HR as we have requested that they notify us in writing of new hires, their dates of hire and their pertinent information so that we may reach out to them regarding their paperwork as it appears HR is not following up on these new hires. This office has been repeatedly told a list of new hires will be provided but it's been five months and no list has been received.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill, Jr	YES		

The motion passed unanimously

**Board Member Terms:**

Eileen Hickey's term expires 10/15/2022  
 Thomas O'Toole's term expires 12/01/2023  
 Edmund Mulvehill appointed by the Selectmen with no term limit as of April 15, 2008  
 Thomas A. Rorrie's term expires 09/03/2022  
 Margaret LaMay, Ex-Officio; no term limit

**Board Member Attendance:**

The Board acknowledged receipt of the attendance record at Board meetings and voted to file same.

**Budget:**

The Director will work on the 2022 budget proposals.

**Office Staff:**

The Board would like to discuss contracts, salaries, staff etc. within the next few months. The Director will put together a review back to July 2020.

**Retiree COLA:**

The COLA will be reviewed yearly.

**Refund/Transfer:****Timothy Randall:**

The Board acknowledged receipt of the request for Refund of Accumulated Deductions from Timothy Randall. A motion was made to refund Mr. Randall the balance in his account \$494.58 less the 20% Federal Taxable portion.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

**Diane Bragg:**

The Board acknowledged receipt of the request for rollover of Accumulated Deductions from Diane Bragg. A motion was made to rollover Ms. Braggs balance in her account \$17868.46 directly to her qualified plan.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously



**APPROVAL OF VOUCHERS:**

A motion was made by Thomas Rorrie and seconded by Thomas O'Toole to pay the expenses as presented on warrant INV09

The vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill, Jr	YES		

The motion passed unanimously

Margaret LaMay (Stipend).....	375.00
Thomas F. O'Toole (Stipend).....	375.00
Eileen P. Hickey (Stipend).....	375.00
Edmund W. Mulvehill, Jr. (Stipend).....	375.00
Thomas A. Rorrie (Stipend).....	375.00
Mark Good (Stipend).....	125.00

Extra Space (storage).....	383.00
Meketa (Aug Consulting Fee).....	8,195.45
Wells Fargo (copier lease).....	280.64
Rama Norwood LLC (August Rent).....	2,840.27
Norwood Light Broadband (Business Internet).....	93.90
Sherman Actuarial (COLA Study).....	750.00

Debra Wilkes	
p.e. 09/04/21.....	2227.11
p.e. 09/11/21.....	2227.11
p.e. 09/18/21.....	2227.11
p.e. 09/25/21.....	2227.11

John J. Shea	
p.e. 09/04/21.....	1436.86
p.e. 09/11/21.....	1436.86
p.e. 09/18/21.....	1436.86
p.e. 09/25/21.....	1436.86

Hayley Lorenzo

June - Sept.....	7342.00
------------------	---------

**APPLICATIONS FOR SUPERANNUATION RETIREMENT:**

The Board acknowledged receipt of the following application for superannuation retirement and a motion was made by Eileen Hickey and seconded by Thomas Rorrie to approve the applications as follows:

Michael Driscoll	-	September 24, 2021	Option C
Elaine Petherick	-	August 31, 2021	Option C
Joseph Gourdeau	-	October 13, 2021	Option C

A vote was taken on the motion as follows:

Thomas F. O'Toole	YES	Thomas A. Rorrie	YES
Eileen P. Hickey	YES	Margaret LaMay	YES
Edmund W. Mulvehill	YES		

The motion passed unanimously

**Buybacks:****Kelly Unsworth**

The Board acknowledged receipt of a request for creditable service from Essex County Regional Retirement with respect to Kelly Unsworth. After review and opinion from Counsel a motion was made and seconded to accept liability of 2 years and 2 months of service for the period which Kelly Unsworth should have been a member but the Library did not change her code to fulltime.

A voted was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill	YES		

The motion passed unanimously

**APPLICATION FOR DISABILITY:****Gregory Shore:**

The Board acknowledged receipt of an application for disability retirement from Gregory Shore. Mr. Shore applied for both ordinary and accidental disability. After review of the complete application and medical information a motion was made and seconded to accept the application as submitted and to request that PERAC set up a medical panel to examine Mr. Shore in connection with his application.

A vote was taken on the motion as follows:

Thomas O'Toole	YES	Thomas Rorrie	YES
Eileen Hickey	YES	Margaret LaMay	YES
Edmund Mulvehill, Jr	YES		

The motion passed unanimously

**Approval of Retiree Payroll for August 2021:**

Annuity:	\$ 239,699.61
Dep:	582.57
Lump:	5,416.68
Pension:	<u>1,009,949.90</u>
TOTAL:	\$1,255,648.76

Meeting Adjourned:

---

Debra A. Wilkes, Secretary, Executive Director

---

Edmund W. Mulvehill, Jr., Chairman

---

Margaret LaMay, Ex-Officio Member

---

Eileen P. Hickey, Elected Member

---

Thomas F. O'Toole, Elected Member

---

Thomas A. Rorrie, Appointed Member

## Public Notice

### Request For Proposals

#### Actuarial Consulting Services

Norwood Retirement System, Norwood, MA

The Norwood Retirement System is seeking proposals from qualified firms to provide Actuarial Consulting Services specializing in providing actuarial valuations and related reports to a Massachusetts Public Employee Defined Benefit Plan governed under the provisions of MGL Chapter 32 and Regulations of the Massachusetts Public Employee Retirement Administration Commission 840 CMR.

The Board reserves the right to cancel or reject in whole or in part any or all proposals in the best interest of the Norwood Retirement System.

Interested firms may obtain a copy of the Request for Proposal (RFP) by contacting Debra Wilkes, Executive Director, at 781-762-1240 x 6038 or at [dwilkes@norwoodma.gov](mailto:dwilkes@norwoodma.gov).

The response deadline for all submissions is no later than 3:00 pm, Tuesday, November 30, 2021. Late proposals will not be accepted.



3f

# BOARD MEMBER ATTENDANCE 2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Thomas O'Toole	P-R	P-R	P-R	P-R	P-R	P	P	P-R	P			
Eileen Hickey	P-R	P-R	P	P	P	P	P	P	P			
Thomas Rorrie	P-R	P-R	P-R	P-R	P-R	P	P	P	P			
Thomas McQuaid	P	P	P	P	P	P						
no longer on Board a/o 7/4/21												
Edmund Mulvehill	P-R	A	P-R	P-R	P-R	P-R	P	P-R	P-R			
Meg LaMay							P	P	P			
new to Board a/o 7/5/21												

P = Present  
E = Excused  
A = Absent  
P-R = Remote

3h

Norwood Retirement Board

Disbursement Accounts

Account #	Account Title	2020 Actual	2021 Budget Projection	2021 Expenditures thru Oct	2022 Budget Projection
5118	Board Member Stipend	\$ 22,500.00	\$ 22,500.00	\$ 18,750.00	\$ 22,500.00
5119	Staff Salaries	\$ 196,842.00	\$ 215,000.00 *	\$ 169,500.00	\$ 260,000.00
5304	Management Fees	\$ 865,223.61	\$ 895,223.00	\$ 750,000.00	\$ 985,223.00
5305	Custodial Fees	\$ 67,110.13	\$ 70,610.00	\$ 60,000.00	\$ 75,000.00
5307	Consultant Fees	\$ 94,090.50	\$ 100,000.00	\$ 80,500.00	\$ 105,000.00
5308	Legal Fees	\$ 6,812.50	\$ 7,500.00	\$ -	\$ 8,000.00
5309	Medical Expenses	\$ 175.07	\$ 200.00	\$ -	\$ 200.00
5310	Fiduciary Insurance	\$ 8,194.00	\$ 8,800.00	\$ 8,737.00	\$ 5,200.00
5311	Service Contracts	\$ 37,300.00	\$ 39,300.00	\$ 23,300.00	\$ 41,000.00
5312	Rent Expense	\$ 4,391.00	\$ 45,000.00 **	\$ 35,000.00	\$ 45,000.00
5315	Professional Services	\$ 11,000.00	\$ 12,000.00	\$ 2,250.00	\$ 13,000.00
5316	Actuarial Services				
5317	Accounting Services				
5320	Education & Training		\$ 5,000.00	\$ 700.00	\$ 5,000.00
5589	Administration Expenses	5117.27	\$ 10,000.00 ***	\$ 11,000.00	\$ 12,000.00
5599	Furniture & Equipment	3235.26	\$ 10,000.00 ****	\$ 12,340.00	\$ 10,000.00
5719	Travel		\$ 3,000.00	\$ 0.00	\$ 3,000.00
		<u>\$ 1,321,991.34</u>	<u>\$ 1,444,133.00</u>	<u>\$ 1,172,077.00</u>	<u>\$ 1,590,123.00</u>
	Difference		\$ 122,141.66		\$ 145,990.00

\* Projecting increase in salaries for 2020, 2021 and 2022 not yet approved or paid

\*\* Increase due to renting private office space

\*\*\* Increase due to cost of Electricity, Cable Hook Up for new office space

\*\*\*\* Increase due to cost of buying new furniture etc for new office space

Zimbra

**Reminder: A 5.9% COLA****From :** Shawn Duhamel <shawn@massretirees.com>

Mon, Oct 18, 2021 01:00 AM

**Subject:** Reminder: A 5.9% COLA**To :** dwilkes@norwoodma.gov**Reply To:** reply@massretirees.comExternal images are not displayed. [Display images below](#)

Dear Norwood,

If you have read our September newsletter or watched/read any of my recent weekly updates, then you know that **a major focus of our ongoing work is to make improvements to the annual COLA or cost-of-living adjustment.** Wednesday's news that the **CPI is now 5.9%** only bolsters our argument that more needs to be done in this area.

With an annual calculation based on the federal fiscal year (October 1 through September 30), the CPI or Consumer Price Index is used as the barometer for annual inflation. While the real impact of inflation is felt throughout the economy every day, few observers predicted the CPI would come in as high as 5.9% - a 40-year high. The last time inflation trended this high Ronald Reagan was president and I was still in grade school!

### **Watch today's video report here!**

Over the past four decades the CPI has averaged well below 4%, with the average over the past 20-years coming in at less than 3%.

**There is no doubt that inflation is on the rise.** As the economy has struggled to recover from the pandemic, prices of many goods and services have steadily increased. Whether these increases prove to be temporary or "transitory" (as the Federal Reserve refers to the matter) remains to be seen. **What we do know is that we are now paying more for groceries, gas and most essential day-to-day items than we were a year ago.**

This causes us reason to be concerned. As retirees, our members are particularly vulnerable to inflation. And unusually high inflation presents an even bigger concern for retirees.

Retirees receiving a Social Security benefit will receive a 5.9% COLA in January 2022, which will be paid on the full amount of the benefit. **In Massachusetts the average Social Security benefit is now just over \$19,000 a year.**

**While the CPI is also used to determine pension COLAs, it is statutorily capped at 3% for local retirement systems.** COLA benefits for members of the State and Teachers' Retirement Systems are determined by the governor and legislature through the annual budget process.

**Given the unexpected nature of the 5.9% CPI and the ongoing impact of inflation on public retirees, we are now developing a legislative proposal that would grant local retirement boards the authority to pay a COLA above 3% for FY23.** We are also urging the legislature, as well as Governor Baker, to grant a State/Teacher COLA based on the 5.9% CPI next July.

As we detailed in our September newsletter, **our public retirement systems can well afford a one-time boost to match the CPI.** In our upcoming November edition



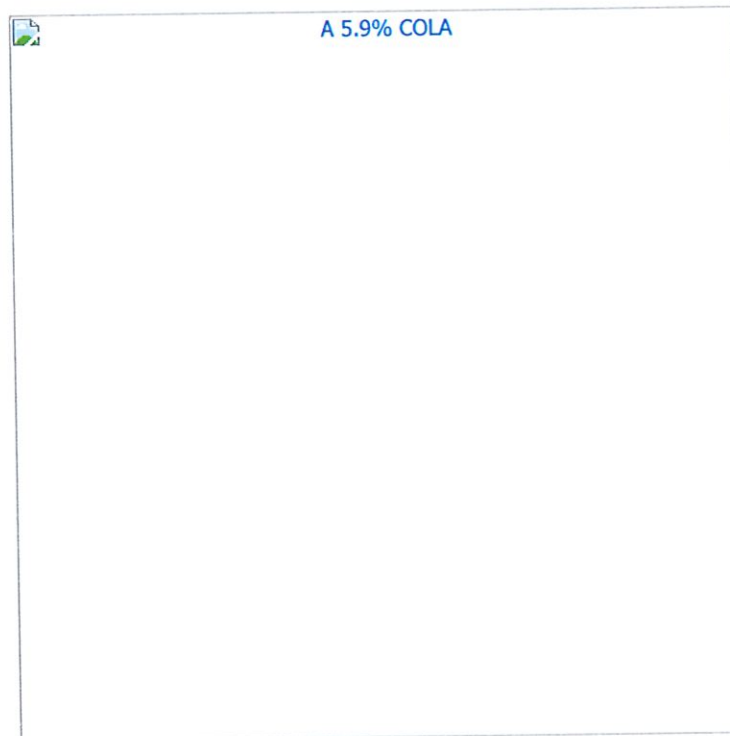
of *The Voice*, we further explain the step-by-step details on how the COLA base can be incrementally increased.

**It deserves repeating:** Our public retirement systems have done extraordinarily well over the past 36-years. This success should not only be celebrated, but also shared with the beneficiaries.

Since publishing the investment return and COLA data in August, we have heard from a growing number of retirement board members, as well as elected municipal officials, who are making plans to push for a COLA base increase for 2022. We are also working with legislative leaders in regard to the COLA base for State and Teacher retirees.

Now that the CPI has been determined and realization that the ongoing impact of inflation is likely to be more than transitory, **pension COLA improvements are needed now more than ever**. Please look to your copy of the November *Voice* for further details on local retirement system funding, as well as the process for raising the COLA base.

Before I close out this week's message, I would like to thank those members who **took the time to email or call me following last week's report on Social Security WEP reform**. WEP has proven to be a hard nut to crack and it bothers all of us not being able to deliver immediate needed results for our members. The support and encouragement that our team and I have received from the membership means a lot. Again, thank you!



With great appreciation,

Shawn

Shawn Duhamel  
Chief Executive Officer  
*Mass Retirees Association*

**Retired State, County and Municipal Employees Association**

11 Beacon Street Suite 309  
Boston, Massachusetts 02108



## EMERGENCY ALERTS

Show Coronavirus Update ▼

≡ Mass.gov

# 2021 Appropriation Data Questionnaire

To be completed by retirement boards to determine their FY2023 appropriation

## You will need:

Please complete all entries of the form or enter N/A or "0" if a field does not apply, even the fields marked "optional."

Please ensure all values are in a proper format.  
Fields: Email

## General Information

Retirement System \*

Norwood Contributory Retirement Board ▼

Please select a board from the list

Name \*

DEBRA

First Name

WILKES

Last Name

Phone \*

(781) 762-1240

Email \*

dwilkes@norwoodma.gov

Confirm Email \*

dwilkes@norwoodma.gov

# Appropriation

1. The Fiscal Year 2022 total pension appropriation enacted by your governmental unit(s). (optional)

\$ 6001729.00

2. The scheduled appropriation for Fiscal Year 2023. (optional)

\$ 6202545.00

# Expenses

3. Please give the amount approved by your board for expenses (or an estimate of this amount) for fiscal year 2022 (or most recent calendar year). (optional)

\$ 1612000.00

Administrative Expenses (optional)

\$ 400000.00

Investment Related Expenses (optional)

\$ 1212000.00

Total Expense Budget (optional)

\$

1612000.00

# Hiring Actuarial Firm

4. Have you hired, or are you planning to hire, a private actuary to complete a January 1, 2022 valuation for the system? (optional)

- ☒ Yes
- ☐ No

4b. If yes, please indicate which firm (optional)

Sherman Actuarial Associates

# Cities and Towns:

5. Please furnish us with the number of all active members (including federal grant employees) in your system and the aggregate annual rate of regular compensation for these members as of September 30, 2021. If your system contains governmental units, such as a housing and/or redevelopment authority or a district, furnish the information as to the number of members and their aggregate annual rate of regular compensation separately (up to five separate units can be entered).

(a) Unit (optional)

Town

(a) Number of Members (optional)

591

(a) Annual Rate of Compensation (optional)

\$ 35696845.00

(a) Do you have another unit? \*

- ☒ Yes
- ☐ No

(b) Unit (optional)

Norwood Housing Authority

(b) Number of Members (optional)

17

(b) Annual Rate of Compensation (optional)

\$ 1178901.00

(b) Do you have another unit? (optional)

- ☐ Yes
- ☒ No

Annual Rate of Compensation TOTAL (optional)

\$ 36875746.00

# County and Regional Systems:

List on a separate sheet the units comprising your system with the total aggregate annual rate of regular compensation and the number of all active members (including federal grant employees) as of September 30, 2021. County and regional systems may upload up to three separate files.

For County and Regional Systems, upload separate sheet here (optional)

Choose File

Remove File

No File Chosen



*File uploads may not work on some mobile devices.  
File types accepted: pdf,doc,docx,xls,xlsx,txt*

**b. Additional File** (optional)

Choose File

Remove File

No File Chosen

*File uploads may not work on some mobile devices.  
File types accepted: pdf,doc,docx,xls,xlsx,txt*

**c. Additional File** (optional)

Choose File

Remove File

No File Chosen

*File uploads may not work on some mobile devices.  
File types accepted: pdf,doc,docx,xls,xlsx,txt*

**SUBMIT FORM****CONTACT****Public Employee Retirement Administration Commission****Address**

PERAC

5 Middlesex Avenue, Suite 304, Somerville, MA 02145

**Directions** (<https://maps.google.com/?q=5+Middlesex+Avenue%2C+Suite+304%2C+Somerville%2C+MA+02145>)**Phone**

Main Number (617) 666-4446 (tel:6176664446)

Hours: 9:00 a.m. to 5:00 p.m., Monday through Friday

TTY (617) 591-8917 (tel:6175918917)

For deaf, hard of hearing, or speech impaired

Fraud Hotline (800) 445-3266 (tel:8004453266)

Call to report suspected pension fraud

## PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*JOHN W. PARSONS, ESQ., *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN

## MEMORANDUM

TO: All Retirement Boards

FROM: Thomas J. O'Donnell, Compliance Director

RE: Tobacco Company List

DATE: September 23, 2021

On October 22, 1997 PERAC Memo #37/1997 informed you of the adoption of Chapter 119 of the Acts of 1997. That statute prohibits retirement systems from making any new investments in stocks, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. On December 18, 1997 PERAC sent Memo #48 regarding the implementation of Chapter 119 and the first Tobacco Company List.

Enclosed please find a Tobacco Company List dated October 2021. This list replaces any other Tobacco Company List previously sent to your board and is effective upon receipt by the retirement boards. Most of these companies appeared on previous lists and such investments were prohibited from the time the companies first appeared on the list. Please forward a copy to your investment advisors or inform them that this list is available on the PERAC website. In communicating with your investment advisors, please inform them that the Tobacco Company List is only for their Massachusetts public fund clients and that any other use of the list is strictly prohibited.

As part of its audit process, PERAC will assess the portfolio of each board to determine compliance. That review will determine if the board, after January 13, 1998, has purchased stock, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. In the event a portfolio is not in compliance, the board must bring the portfolio into compliance by divesting in a prudent manner. Prior to taking any action, the board shall consult with PERAC.

In applying the statute to pooled funds, PERAC will assess the 15% rule against the entire pool as the board is purchasing shares in the pool not the individual holdings of the pool. Thus a pooled fund, if in violation of this standard, will be included on the list.

If you have any questions, please contact this office.

Enclosure

/ram



# TOBACCO COMPANY LIST

## OCTOBER 2021

### COMPANY

### COUNTRY

22 <sup>nd</sup> Century Group, Inc.	United States
A1 Group Inc	United States
Altria Group, Inc.	United States
AMCON Distributing Company	United States
B.A.T. Capital Corporation	United States
Core-Mark Holding Company, Inc.	United States
Fyolo Technology Corp	United States
Healthier Choices Management Corp.	United States
Old Holdco, Inc.	United States
Performance Food Group Company	United States
Philip Morris International Inc.	United States
Reynolds American Inc.	United States
Schweitzer Mauduit International, Inc.	United States
Smokefree Innotec Inc	United States
Turning Point Brands, Inc.	United States
Universal Corporation	United States
Vapor Group Inc	United States
Vapor Hub International Inc.	United States
Vector Group Ltd.	United States
VPR Brands LP	United States
Wee-Cig International Corp	United States
British American Tobacco Bangladesh Co. Ltd.	Bangladesh
Badeco Adria d.d. Sarajevo	Bosnia & Herzegovina
Bulgartabac Holding AD	Bulgaria
Gotse Delchev Tabac AD	Bulgaria
Nicotiana BT Holding AD	Bulgaria
Shumen Tabac AD	Bulgaria
Sila Holding Plc	Bulgaria
Slantse Stara Zagora Tabak AD	Bulgaria
Yuri Gagarin AD	Bulgaria
Anhui Genuine New Materials Co Ltd	China
Huabao Flavours & Fragrances Co Ltd	China
Mudanjiang Hengfeng Paper Co., Ltd.	China
RLX Technology Inc	China
Shenzhen Jinjia Group Co., Ltd.	China
Smooore International Holdings Ltd	China



COMPANYCOUNTRY

Philip Morris CR as	Czech Republic
Scandinavian Tobacco Group A/S	Denmark
STG Global Finance B.V.	Denmark
Eastern Company SAE	Egypt
Karelia Tobacco Company Inc SA	Greece
China Boton Group Company Limited	Hong Kong
China Tobacco International HK Co Ltd	Hong Kong
Ecogreen International Group Limited	Hong Kong
Huabao International Holdings Ltd.	Hong Kong
Sheen Tai Holdings Group Company Limited	Hong Kong
Godfrey Phillips India Limited	India
Golden Tobacco Ltd.	India
ITC Limited	India
NTC Industries Ltd.	India
Sinnar Bidi Udyog Ltd.	India
VST Industries Limited	India
Indonesian Tobacco Tbk PT	Indonesia
PT Bentoel International Investama Tbk	Indonesia
PT Gudang Garam Tbk	Indonesia
PT Hanjaya Mandala Sampoerna Tbk	Indonesia
PT Wicaksana Overseas International Tbk	Indonesia
Wismilak Inti Makmur Tbk PT	Indonesia
Globrands Group Ltd.	Israel
Societe Ivoirienne des Tabacs SA	Ivory Coast
Carreras Ltd.	Jamaica
Japan Tobacco Inc.	Japan
Al-Eqbal Investment Company PLC	Jordan
Jordanian Duty Free Shops PSC	Jordan
Union Investment Corporation P.L.C.	Jordan
Union Tobacco & Cigarette Industries Co PSC	Jordan
British American Tobacco Kenya PLC	Kenya



COMPANYCOUNTRY

KT&G Corporation  
Kuk-Il Paper Mfg Co., Ltd.

Korea  
Korea

Tutunski Kombinat AD Prilep

Macedonia

7-Eleven Malaysia Holdings Berhad  
Bright Packaging Industry Bhd  
British American Tobacco (Malaysia) Berhad

Malaysia  
Malaysia  
Malaysia

B.A.T. Netherlands Finance B.V.  
JT International Financial Services B.V.

Netherlands  
Netherlands

Khyber Tobacco Company Ltd.  
Pakistan Tobacco Company Ltd.  
Philip Morris (Pakistan) Limited  
Tri Pack Films Ltd.

Pakistan  
Pakistan  
Pakistan  
Pakistan

Jerusalem Cigarette Co Ltd.

Palestinian Territory

Eurocash Spolka Akcyjna

Poland

Coka Duvanska Industrija ad Coka  
Duvanska industrija ad Bujanovac  
Philip Morris Operations a.d. Nis

Serbia  
Serbia  
Serbia

New Toyo International Holdings Ltd.

Singapore

Compania de Distribucion Integral Logista Holdings, S.A.  
Miquel y Costas & Miquel, S.A.

Spain  
Spain

Ceylon Tobacco Company Plc

Sri Lanka

Nolato Aktiebolag  
Swedish Match AB

Sweden  
Sweden

Taiwan FamilyMart Co., Ltd.

Taiwan

Tanzania Cigarette Company Ltd.

Tanzania

The West Indian Tobacco Company Ltd.

Trinidad and Tobago

Bizim Toptan Satis Magazalari AS

Turkey

British American Tobacco Uganda

Uganda

COMPANY

B.A.T. International Finance P.L.C.  
British American Tobacco Plc  
Essentra Plc  
Imperial Brands Finance Plc  
Imperial Brands Plc  
McColl's Retail Group Plc

Cat Loi JSC  
Cong ty Co phan Ngan Son

British American Tobacco (Zambia) Plc

British American Tobacco Zimbabwe (Holdings) Ltd.

COUNTRY

United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom

Vietnam  
Vietnam

Zambia

Zimbabwe



# Money Manager Checklist

We have developed this checklist as a reference prior to sending procurement packets to PERAC. Please use as a guide to assist you with the documents required for money managers. This checklist can be used for new hires as well as rehires. The collective investment trustee and the underlying money manager must complete this form (if applicable).

1

## General Information:

Board -

Date Received -

Manager -

(including pooled funds)

Investment -

(specific name must be stated)

Asset Type (check one) -

- ☐ Domestic Equity
- ☐ Domestic Fixed Income
- ☐ Alternative / Private Equity
- ☐ Hedge Fund of Funds
- ☐ International Equity
- ☐ International Fixed Income
- ☐ Real Estate

2

## ✓ Vendor Checklist:

Please submit required forms to retirement board.

☐  
☐  
☐  
☐

1. Vendor Contact Information Form

2. Vendor Certification

3. Vendor Disclosures Form

4. Placement Agent Statement  
(Please include all attachments)

3

## ✓ Retirement Board Checklist:

Board members must complete required forms in PROSPER.

☐  
☐  
☐  
☐

1. Retirement Board Procurement Compliance Certification  
(Complete in PROSPER)

2. Retirement Board Prohibited Investment Compliance  
(Complete in PROSPER)

3. Retirement Board Certification of Consultant Reports  
(Complete in PROSPER. Please attach consultant report. If no consultant is retained by the board, please attach the board's evaluation materials.)

4. Retirement Board Member Certification  
(Complete in PROSPER. One for each board member)

4

This procurement package is for a (check one):

☐ New Hire

☐ Rehire

### NOTE TO RETIREMENT BOARDS:

Please ensure all required documentation listed above is complete prior to submitting your procurement package to PERAC.



# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOHN W. PARSONS, ESQ., *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN

## MEMORANDUM

TO: All Retirement Boards

FROM: John W. Parsons, Esq., Executive Director

RE: Mandatory Retirement Board Member Training – 4th Quarter 2021

DATE: September 30, 2021

Chapter 32 mandates retirement board members to complete training during each year of service on the retirement board. This requirement has two elements: 18 credits over the course of the member's term and at least 3 credits in each year of the term. Failure to meet either of these statutory standards will prohibit the member from serving beyond the conclusion of the term for which the training requirement was not met. We urge board members to utilize the full array of training choices in order to remain eligible to serve. All classes, webinars, seminars, and conferences listed will earn **three credits each**, unless otherwise noted.

We anticipated having some in-person sessions this quarter. However, with the rise of the Delta variant, all sessions will be offered virtually. We will continue to monitor official guidance as we plan future education sessions.

### Ways to receive your credits:

- Credits for attending *live* PERAC webinars and the **MACRS Virtual Conference** are updated by PERAC staff approximately one week after the event.
- All attendees must register through the links available on our website.  
Board members seeking educational credits – it is important that you register with your full name and the email address we have on record so we can accurately update your account. Viewing a recorded session will continue to require a Training Affidavit, which must be submitted through PROSPER.
- If a Certificate of Completion is offered for any training not directly provided by PERAC, you must submit the certificate through PROSPER for proper credit.
- You must submit a completed Training Affidavit in PROSPER for all other trainings, including pre-recorded PERAC webinars and pre-approved webinar and conference attendance. Any session listed under sections I, II, and III are pre-approved.

The Commission would be remiss if we did not thank all the members of the retirement boards who are making a good faith effort to fulfill their duties and responsibilities. Your continued engagement throughout this pandemic is to be commended.





**I. Training Schedule Dates (pre-registration is required)**

<b>Date</b>	<b>Topic/Organization</b>	<b>Location / Registration Information</b>
<b>October 4-5</b>	<b>MACRS Conference</b>	Webinar
	MACRS/PERAC	6 Credits - see pg. 4, section IV
<b>October 5</b>	<b>Open Meeting Law</b>	Webinar
	Office of the MA Attorney General	<a href="https://mass.gov/service-details/open-meeting-law-trainings">mass.gov/service-details/open-meeting-law-trainings</a>
<b>October 11-14</b>	<b>NCTR Annual Conference</b>	Virtual Conference, Cost: \$500
	NCTR	<a href="https://accevents.com/e/NCTR99AC">accevents.com/e/NCTR99AC</a>
<b>October 14</b>	<b>Preventing Common Frauds &amp; Scams</b>	Webinar, Cost: \$29
1:00 p.m.	MCPPO	<a href="https://mass.gov/service-details/preventing-common-frauds-and-scams">mass.gov/service-details/preventing-common-frauds-and-scams</a>
<b>October 18</b>	<b>Open Meeting Law</b>	Webinar
	AGO	<a href="https://mass.gov/service-details/open-meeting-law-trainings">mass.gov/service-details/open-meeting-law-trainings</a>
<b>November 9</b>	<b>Fraud Awareness</b>	Webinar, Cost: \$29
10:00 a.m.	MCPPO	<a href="https://mass.gov/service-details/fraud-awareness-training">mass.gov/service-details/fraud-awareness-training</a>
<b>November 16</b>	<b>Boards &amp; Commissions: Know Your Responsibilities</b>	Webinar, Cost: \$15
4:00 p.m.	MCPPO	<a href="https://mass.gov/service-details/boards-and-commissions-know-your-responsibilities">mass.gov/service-details/boards-and-commissions-know-your-responsibilities</a>
<b>December 2</b>	<b>Conflict of Interest Law Training*</b>	Webinar
10:00 a.m.	State Ethics Commission	<a href="https://bit.ly/2XUIPc6">bit.ly/2XUIPc6</a>
<b>December 9</b>	<b>Contract Administration</b>	Webinar
10:00 a.m.	PERAC/OIG	<a href="https://bit.ly/3zK4bEV">bit.ly/3zK4bEV</a>
<b>December 16</b>	<b>Recent Cases of Interest**</b>	Webinar
10:00 a.m.	PERAC	<a href="https://bit.ly/3F1XiTi">bit.ly/3F1XiTi</a>

\*Board members must complete the Conflict of Interest Law training at least once every two years, however, the live session may be taken for credit every year. A certificate of completion is *required* to receive credit for the Conflict of Interest training.

\*\* Indicates live event will be recorded and available to view on demand at a later date

## II. Recently Added PERAC Produced Online Training (available on demand)

### Topics

Liability in Certain Situations / Dual Membership

Additional recorded webinars presented by PERAC are available on the website

## III. Other Recently Added or Recurring Pre-Approved Online Training (available on demand)

Organization	Topic	How to find webinar:
State Ethics Commission	Conflict of Interest Law* select either State and County or Municipal links	<a href="https://go.usa.gov/xpPxD">https://go.usa.gov/xpPxD</a> and view appropriate webinar
Office of the Inspector General	Inspector General Videos <b>You must watch all three videos</b>	<a href="https://mass.gov/service-details/inspector-general-educational-videos">mass.gov/service-details/inspector-general-educational-videos</a>
Office of the Attorney General	Open Meeting Law Training <b>You must watch all six videos</b>	<a href="https://go.usa.gov/xpPx5">https://go.usa.gov/xpPx5</a>
National Council on Teacher Retirement	New Webinars Added: <ul style="list-style-type: none"> <li>• <a href="#">Public Plans: Looking Ahead</a></li> <li>• <a href="#">The Real Estate Asset Class: Where Are We Now?</a></li> <li>• <a href="#">Ransomware Attacks: Are Pension Benefits Next?</a></li> <li>• <a href="#">Effective Management of Public Pension Participant Pools</a></li> <li>• <a href="#">Diversity, Equity &amp; Inclusion Efforts – Transformed?</a></li> </ul>	See our website for the links: <a href="https://mass.gov/service-details/perac-online-training">mass.gov/service-details/perac-online-training</a>

Links to all of the above webinars can be found on PERAC's Education page at [mass.gov/perac-education](https://mass.gov/perac-education).

\* Board members must complete the Conflict of Interest Law training once every two years. A certificate of completion is *required* to receive credit for the Conflict of Interest training. Credit for the recorded session may only be awarded once every two years.



#### IV. Other Opportunities to Obtain Educational Credit

As has been the case in the past, PERAC, in conjunction with MACRS, will provide board members the opportunity to earn up to six educational credits at the **October MACRS Conference**.

You can register for this year's conference, which will be virtual, at:

<https://macrsfallvirtualconference2021.eventbrite.com>. The cost to attend is \$100 per person.

The breakout sessions will be as follows:

1. Legal Panel on Monday, October 4, 2021 (Three Credits)
2. PERAC session, "Sections 100 & 101, and other Beneficiary Matters" and "Actuarial Valuation Basics" on Tuesday, October 5, 2021 (Three Credits)

The Commission is willing to approve other educational credits for a variety of events sponsored by "...local, state, regional and national organizations recognized by the Commission as having expertise in retirement issues of importance to retirement board members or other entities..."

Additionally, the Commission has approved education credit for participating in webinars. In 2021, we will again entertain requests for credit in relation to *relevant* webinars provided that such a request is made well in advance of the session.

**Approval for credit must take place well in advance of the date of the event or webinar.**

This will enable the Commission to analyze the program and provide a general notice to other retirement board members to maximize participation. Once approved, you must complete the Training Affidavit in PROSPER to ensure proper credit. Board members experiencing Extenuating Circumstances in meeting educational requirements should review [Memo 15 of 2019](#) and contact PERAC with any questions.

The following list of local and national organizations provide additional educational opportunities that may be relevant for retirement board members:

- American Society of Pension Professionals and Actuaries (ASPPA)
- City/Town Sponsored Conflict of Interest or Open Meeting Law Training
- Government Finance Officers Association (GFOA)
- International Foundation of Employee Benefit Plans (IFEBCP)
- MA Association of School Committees Open Meeting Law Training
- MA Town Clerks Association Ethics Training
- National Association of State Retirement Administrators (NASRA)
- National Conference on Public Employee Retirement Systems (NCPERS)
- National Council on Teacher Retirement (NCTR)
- National Pension Education Association (NPEA)



## MEMORANDUM

TO: All Retirement Boards

FROM: John W. Parsons, Esq., Executive Director

RE: Buying Back Elected Official Service Time

DATE: October 19, 2021

PERAC has recently received inquiries from several retirement boards regarding the ability of members to buy back their prior service time as an elected official, specifically for members who did not elect membership within the required timeframe. As you are aware, elected officials are given the option of membership in a retirement system pursuant to G.L. c. 32, § 3(1)(a)(vi), which provides that membership is available to:

Any person hereafter elected by popular vote to a state, county or municipal office or position who files with the board on a prescribed form a written application for membership within ninety days after the date of assuming office; provided, that a member becoming an elected official shall retain his membership and an elected official who is a member shall remain a member upon his re-election or upon his election or appointment to any other position which would otherwise entitle him to membership.

The Contributory Retirement Appeal Board ("CRAB") has consistently determined that elected officials must adhere to Section 3(1)(a)(vi)'s ninety-day requirement in order to gain membership to the retirement systems and receive creditable service. In *Levesque v. Essex County Ret. Bd.*, CR-95-571 (CRAB Oct. 7, 1996), CRAB determined that the petitioner could not purchase prior elected service time because she did not become a member of the relevant retirement system within ninety days of assuming office, as required by Section 3(2)(a)(vi). CRAB further held that a retirement board is not required by Chapter 32 to notify newly elected officials of their right to membership.

Similarly, in *Goode v. Weymouth Ret. Bd. and Norfolk County Ret. Bd.*, CR-99-701 (CRAB May 1, 2001), CRAB reaffirmed its decision in *Levesque* that Section 3(2)(a)(vi) "provides the mechanism for elected officials to become members of a retirement system and provides the time period during which they must exercise this option." Thus, the petitioner in *Goode* was not permitted to purchase prior elected service time because he never became a member of that retirement system within the ninety-day requirement of Section 3(2)(a)(vi).





# MEMORANDUM

TO: All Retirement Boards  
FROM: John W. Parsons, Esq., Executive Director  
RE: Buying Back Elected Official Service Time  
DATE: October 19, 2021

More recently, CRAB reaffirmed its prior decisions in both *Levesque* and *Goode* and again stated that Section 3(2)(a)(vi) conditions an elected official's membership upon application within a specific time limit. See *Awad v. Hampshire County Ret. Bd.*, CR-08-621 (CRAB Dec. 19, 2014). In the *Awad* decision, CRAB further explained:

It would be entirely illogical for the Legislature to have enacted a ninety-day application limit and, at the same time, nullify that limit by allowing a late application.

...

We cannot conclude that the ninety-day limit was intended to be optional or subject to a late application – if it were, there would have been no reason to include it at all.

...

If creditable service for work as an elected official could be purchased later, it would also render the ninety-day limit for membership by elected officials meaningless as to those who later become members of a retirement system.

In *Awad*, CRAB sympathized that some elected officials may not be properly informed of their eligibility for membership under Section 3(2)(a)(vi), but noted that the statute contains no requirement that municipal employers notify newly-elected officials of their eligibility to join a retirement system. Further, CRAB held that compliance with the ninety-day statutory deadline cannot be avoided “for equitable reasons or because of incorrect information supplied by an employer or a retirement board.” CRAB further noted that:

Although there are quite a few decisions by DALA that appear to support such an equitable remedy for erroneous advice, they are not consistent with caselaw from the appellate or Superior Courts, as DALA has recently pointed out.<sup>1</sup>

Given the prevailing caselaw, it is PERAC's position that elected officials are neither eligible for membership nor are eligible to buy back previous elected official time if they have not applied for membership within ninety days of assuming office pursuant to G.L. c. 32, § 3(1)(a)(vi). The elected official has the opportunity to join the system each and every time he or she is elected to a new term. However, if an elected official opted to become a member upon his or her election to a third term, for example, he or she would still be ineligible to buy back the first two terms for which he or she did not elect membership.

---

<sup>1</sup> See *Donnelly v. Mass. Teachers' Retirement System*, CR-09-176 (DALA Sept. 7, 2012) (Heidlage, C.M.) and cases cited; *Clothier v. Teachers' Retirement Bd.*, 78 Mass. App. Ct. 143, 146 (2010) (reliance on advice contrary to statute is not reasonable; estoppel not applied against government).

MEMORANDUM

TO: All Retirement Boards  
FROM: John W. Parsons, Esq., Executive Director  
RE: Buying Back Elected Official Service Time  
DATE: October 19, 2021

Additionally, as there is no requirement in Chapter 32 for retirement boards to notify elected officials of their option to join the retirement system, failure to notify cannot be used as a reason to grant the buy back of prior elected official time. Although CRAB has consistently found retirement boards have no duty to notify elected officials, PERAC believes it is best practice to educate elected officials of the 90-day membership requirement and to provide those elected with information regarding their rights.

However, if there is evidence that a retirement board actually prevented an elected official from exercising their membership option within ninety days of assuming office, G.L. c. 32, § 20(5)(c)(2) requires correction by the retirement board. The ability to buy back time in this circumstance is limited, but an example would be if an elected official came to the retirement board and asked to become a member within ninety days of assuming office, and the retirement board advised the official he or she was not eligible and could not become a member. In a situation such as this, a correction would be required.

We trust the foregoing will be of some assistance to you. If you have questions, please feel free to contact General Counsel Judith Corrigan at (617) 666-4446 ext. 904.