The meeting of the Berkshire County Retirement Board was called to order at 9:00A.M. in the Berkshire County Retirement Office, located at 29 Dunham Mall, Pittsfield, MA. Present at the meeting were Paul Lisi, Jr, Advisory Board member, Mark Bashara, Elected Member and Karen Williams, Elected Member. Beth Matson Appointed member was participating remotely. Thomas Gibson, legal counsel, Gerry McDonough, legal counsel and Brian Shepard were also remote. Michael Ovitt, Chairman was absent.

Mark Bashara: I will make a motion to open the meeting with remote participation, the reason for remote is and it is due to geographical issues. Karen Williams: second. A roll call vote was taken to approve remote participation due to geographical reasons, the vote was unanimous.

PUBLIC COMMENT:

1.) Members of the public had an opportunity to address the Retirement Board as the remote link to the meeting was posted with the agenda. There were no members of the public attending the meeting or connected remotely.

NEW BUSINESS:

2.) LEGAL UPDATE: Board counsel will update the Board on any outstanding legal issues before the Berkshire County Retirement Board.

Quincy Retirement Report

PERAC has released an investigative report involving a loss of assets at the Quincy retirement board. Retirement boards should review their cybersecurity protocols regarding emails and how they respond to phishing attacks. This was a sophisticated attack where an email address had not been terminated by the municipality and a hacker was able to take over that e-mail address. It is important that the board review its cybersecurity protocols and what kind of protections they have in place. PERAC issued a memo that alerted retirement board to a training program that is being sponsored by the state. They intend to have administrators and appropriate staff sign up for that training program, there are eight separate sessions. The lack of cybersecurity insurance is of concern, the policy that the board has through MACRS, if one system had a large claim and the insurance company paid off on the claim that would reduce the amount of money that would be available for other claims. The Traveler's insurance company that provides insurance will not issue cybersecurity rider for the retirement boards because they have no idea of the level of sophistication that the 100 retirement boards have that participate in the MACRS policy. You are in PRIM and they have a very robust security protocol at PRIM.

Sheila LaBarbera noted that we have participated in all of the MIIA training and we are insured through MIIA. We have a cybersecurity policy through them, we do use encrypted email, and we are in the process right now of upgrading that through Zix.

Fraud Alert

There is another scam going around the board should be aware of and this one is particularly nefarious because it bypasses the retirement board bypasses the municipality, they've been reaching out directly to the employees, through the work e-mail address, offering the employee, a "free" hour of retirement counseling. This really is targeted to obtain the confidential financial information of those members so that they can be compromised. Many

of the retirement board's where this has occurred have sent out fraud alert letters from the retirement board advising them to be cautious and call the board to verify anything like that. Sheila LaBarbera: Is it possible to get a template of that letter? I will send it out to the treasurers here and just ask them to attach it to a paycheck.

5% COLA increase

The 5% one-time COLA increase continues to sit with the Legislature. It is in the Senate Ways and Means Committee and at some point if the Legislature agrees and no one in the legislature opposes it, they could override the governor's veto and return that section of the outside State budget to the legislature. It has to be a vote in which there was no opposition in order for it to pass during an informal session, otherwise the legislation would have to go back into formal session.

Pension Forfeitures

PERAC is submitting seven pieces of legislation for the next legislative session. Five of them are bills that are being refiled. The Act Relative the Pension Forfeiture. The commission made recommendations about changing the pension forfeiture law so that it would not be a violation of the Eighth Amendment imposing an excessive fine. The courts continually refer to that report and the lack of action by the legislature. The other bills that have been refiled are; flexibility with filing your statement of financial interests; removal of notice requirement for PTSD and other emotional disabilities that occur beyond the 24-month period; recovery of over earnings, which would just limit what a board can recover for excess earnings to the amount of the pension and nothing beyond. Two new bills that they've filed; one would amend the definition of wages so as to include supplemental payments of sick, vacation and personal time when paid in conjunction with workers' compensation. The second new bill, PERAC makes it clear that sick, vacation and personal days are regular compensation.

Electronic Signatures

PERAC has promulgated some regulations about electronic signatures, and once they promulgate regulations they go to the legislature. If the board wants to use electronic signatures, they will need to develop their own supplemental regulations to enable that.

DALA Arguments ADR 3(8)c reimbursement

We were invited by DALA to attend oral arguments in a case, similar issues to the Colello appeal and he invited us to go to attend the DALA Hearing. This person was injured in Lynn, and then went to work in Somerville. He claims he never recovered from what happened to him in Lynn and he wanted to apply for accidental disability retirement. He applied in Lynn, and he was turned down, they said you need to apply in Somerville, which is your employer. Somerville was saying we should not be liable for this because he was not injured here. There are some similarities, but the exact facts are not the same, but I thought it was instructive. I was impressed that the magistrate recognized the issue, recognized our appeal, and thought enough to invite us to listen to the oral arguments. That has never happened before in my career.

At 9:30am Thomas Gibson and Gerry McDonough left the meeting.

- **3.)** The Board was provided an update on a third party recovery. Town officials from Gt. Barrington have been in contact with us. Cabot and the Town have put forth their proposal for the settlement. The proposal is with Mr. Shimmon's attorney Kevin Kinne and we are just waiting to hear back. We should have a proposal next month
- **4.)** The Board reviewed the proposed 2023 annual retirement board budget. Sheila LaBarbera noted that the budget format changed so that it is a little bit easier to work through the numbers. We had a good discussion at the advisory board meeting regarding the budget. Many of the line item totals are the same for 2022 to the 2023. The salary goes more towards the COLA policy so we can discuss that later. The benefits are down because last year we estimated at four family plans, this year it is 2 family 2 individual and 1 retiree health, dental and life. 2023 includes an estimated 3% increase. Unemployment tax, Medicare tax are the same as 2022. Legal Counsel and medical records level funded for 2023. Fiduciary insurance, the MACRS policy, last year projected a 25% increase; it ended up being almost \$16,000, so we budgeted \$20,000. Liability and Workers' Comp, level funded at \$7500. Service Contracts for the PTG system, copiers, telephone and internet there is a slight increase of \$200.00. Accounting services are funded for the contract cost of \$22,000. Rent for year two of a five-year lease level funded. The conferences and retirement seminars they are level funded, we budget for all members to attend all conferences. Professional Services and Subscriptions: a slight increase to cover IT services, we do not have an IT service provider we use Ascentek if we have issues. Equipment and Administrative Expenses are level funded.

There are three proposals for items we need to purchase this year. The copier scanner is a carryover from 2022. If we order the copier now we may get it by February 2023. The phones, we upgraded to the fiber optic but the problem is that we just need to match the phone technology to the fiber optic. These two expenses are a one-time expense for the purchase of the equipment. The PTG insurance module is an item that the advisory board sent a recommendation to the board that they would like the board to purchase this module. The PTG insurance module allows for the individual cities and towns in the Retirement System to update their own insurance rates if there is an insurance holiday or a premium holiday. There was no opposition to this and an advisory council attendee, Erica Olson who used the MTRS when she was in Clarksburg and Florida, initiated it. The PTG insurance module is an annual expense \$8500, cost is based on the number of members that you have in your system.

Beth Matson asked about the insurance rate reporting upload to PTG. The rates would be submitted into a grid: then uploaded to the portal: then posted by the retirement board staff. She also asked if the treasurers would be responsible for setting up and removing retirees as they switch insurances in addition to the rate adjustments and holidays. The answer was no, just the global change. Beth Matson added I think it is a good tool and I think it is worth the money.

Paul Lisi added this budget presentation is much better now it is broken down in appropriate sections the way it should be.

Mark Bashara noted to me it is very clean and very basic, if you could do this every year even if there is added things it's very simple and clean.

Salaries

Paul Lisi noted the staff salaries include the approved Berkshire County Retirement System COLA Policy, board members have recieved the sample data from the Bureau of Labor

Statistics. October and November, of the most recent year, that data was not available yet. What he did to create October and November, for show purposes, he took the difference between August and September divided by September, to get October, and then did the same thing for September and October to November. The percentage change in the consumer price index for that time period was 7%, if you look at the third page of that handout, you can see that the Bureau of Labor Statistics, US. Inflation rate for the last value which was September 30 of 2022, was 8.2%, we do have a policy where we have the ability to go ahead and create the raise of 7%. If you look at all of these graphs here, you can see the comparable positions to the retirement coordinators. When we were talking about salaries previously, Mike and Beth wanted a larger sample size. Working with Sheila, Jill and Brian, we gathered a larger sample size, more data in positions comparable to the retirement coordinator in Berkshire County Retirement System. You will see from the data in orange that Berkshire is the third lowest, Pittsfield Retirement System, who has a comparable position is actually closer to the 70-percentile mark we are not in line with comparable systems in regard to that position. Mark Bashara asked about service, Paul Lisi added that it was hard to get salary data and almost impossible to get average service data.

Paul Lisi noted the 7% increase is not out of the question or abnormal due to the buying power of their money is still at 1.2% less. He also noted he had never received a 7% raise but have I gotten steady salary compensation adjustments based on salary surveys. This shows that the system is committed to looking at salary compensation adjustments based upon the COLA policy that we created and we have the ability to approve a 7% increase. I presented that data to you as I was asked to by Mike.

It was noted that on the salary comparison handouts, retirement systems that have two comparable positions, the retirement system name is listed once.

Paul Lisi noted that we are in unprecedented times. We need to make some adjustments and I think it is fair adjustment to bring salaries inline. We review every two years every three years

Mark Bashara noted he was not going to state of position one way or another but agreed we need to compensate people for their work. It is just hard for him because the retirees get a 3% increase every year based on \$14,000. Even the 5%, if the Senate approves it, then we have to go to the towns and even that is only two out of three. I just feel like, yes, you need to take care of the people that work here. They do a very good job. I think everybody wants to do that but I just am hung up on the fact that the retirees who have less income, who count on this pension, are always just given a small amount. I get very torn because I would like to do more for the retirees. At the beginning of the year, I would like to discuss raising the base. At this point if we're willing to go out and take proper care of our employees, which they deserve then we need to take care of our retirees.

The other thing I would like to see our budget on the website. I think the members have a right to see the budget.

Paul Lisi just to clarify that for the record, our budget is 100% transparent to anybody who contacts the Records Access Officer, and this budget is available to my member.

Mark Bashara agreed many people might not look and seeing it is their money, our money actually, Karen, because we are part of that system.

Paul Lisi let us clarify that. It is not yours and Karen's money. It is the retirement systems' money, both active and retired.

Mark Bashara that is why I said, we are part of the retirement system. Every other budget can be found online. If this is available online and already without making a lot of requests and

put, a link to it but there is some we can put on the agenda for next time. I am not objectionable to an increase, obviously, but I stated my point, how I feel about retirees, and that we need to do more for them.

Karen Williams agreed to talk about the COLA base and review it, start to pay closer attention to that.

Mark Bashara stated he would like to discuss the base, if we are going to take good care of our employees, we need to take good care of the retirees, and I am a retiree.

Paul Lisi to clarify for the record a couple of things. The Board as well as the employees of the Berkshire County Retirement System do everything we legally have the ability to do to ensure that retirees have benefits that are entitled to them, as well as COLA. We are always looking at ways to improve retiree's monies; I do not necessarily know if you can compare a salary of an active employee to the salary of a retiree, there are many financial circumstances that are quite different. I respect everything you have said, but I also think that we have to look at apples to apples.

Beth Matson I think there is two subjects going on under the budget item. I am just going to briefly talk on the COLA base, when is our next actuary study due? 2023? PERAC does that. When he starts to do your study, could you ask him to build in a price for COLA base increases, say 16 and 18? Sheila LaBarbera replied that she would make sure it is done. Beth Matson back to the budget item. Paul, thank you. This is a very easy to read, comprehensible study, and I appreciate your efforts on that. You did a good job. How many increases has the staff had in the past year? I thought a three-month and a six-month, and what is that percentage based? Was that a bonus, or what was it?

Paul Lisi it was \$500 and that was what was offered to them when they were employed, after six months.

Beth Matson asked was that built into their salary so they have only had one increase they did not have a three month.

Paul Lisi the salary was advertised \$55,000, you would get \$55,500 after the completion of six months, I would not necessarily say it is considered an increase because the employee had the understanding that if they completed six satisfactory month service, their salary would be at \$55,500.

Beth Matson we did not vote any type of step system built into their hiring package, correct? Paul Lisi that is correct.

Beth Matson I think when considering increases for them a step system would automatically give you a percentage and the COLA and I think that needs to be taken into consideration when looking for an increase.

Sheila LaBarbera thank you, Beth, for saying that. We used to have a step system and the Board just stopped doing steps. I agree with you that there needs to be some kind of system. Beth Matson I am used to this step system because I have been in municipality. Municipal people do start employees at a lower pay grade, knowing that there are steps built in and I don't think that the system was completely flawed, I think, for retirement system specifically, I believe there is a two-year learning curve, and I do believe that experience does matter. I also think that if new employees starting out at a lower salary, are just given the minimum COLAs, they certainly will not keep up with the rest of the municipalities who are who are on a step system. Getting back to the COLA base increase for the retirees. I think like 25% of the boards have voted to increase the COLA base for retirees this year. It has been a very long time but I would really like to explore that further.

Paul Lisi noted the Advisory Council would look at anything. I believe the Advisory Council was in line with the Retirement System when Mark did bring it up the COLA base increase, I cannot remember the exact amount it was going to cost at that time, \$22 million and extend our funding schedule. It was expensive and it was going to push the fully funded date considerably. We did look at the data that was presented, and we did not do act on that or suggest it move forward. We would do that again if it were presented to us.

Mark Bashara asked to look into it again. We are looking at two different things now and times are different. So maybe what was not feasible to do then might be something we might

Beth Matson I just want to say I just opened the budget and it is great.

Paul Lisi made a motion to table the budget discussions for the 2023 budget until the November 2022 meeting, when it will be voted and accepted. Mark Bashara second. Mark Bashara noted with the budget, all we need to discuss is the salaries. I think we are all in agreement with the rest of it.

A roll call vote was taken to table the budget approval to November meeting, the vote was unanimous.

5.) The Board will discuss the process of performance evaluations and staff compensation.

Paul Lisi asked about the annual performance evaluations that will be done by Sheila for both Brian and Jill and when they would be complete November or December? Sheila LaBarbera indicated that she would have them for November. This would be the first annual. Mark Bashara agreed that once we get on a yearly schedule, it does not matter. Paul Lisi agreed with Mark and was comfortable to accept them for November; it would be continuously every November. Paul Lisi asked to e-mail to all of the board members the Performance Evaluation Sheets that we are going to be using for the Executive Director so the Board members could complete them for November. Performance reviews will be discussed in November.

6.) PTG software update.

need to be more serious about this.

Sheila LaBarbera noted that it is going very well. We continue to move units to the live site. Currently 15 units live and looking to move the manual units in December. Karen Williams asked when she uploads reports who is the one to review them. Sheila LaBarbera responded that Brian reviews all reports QA and live reporting. She also noted that the staff is working with treasurers to coordinate deduction payments with the frequency of the report uploads. With a weekly or a bi-weekly reporting, we cannot post until we receive the money. We have to figure it out with each Town and Treasurer so it would be part of the payroll. We need to reconcile with the remitted amount, not necessarily the monthly amount. Karen Williams noted that gets difficult when I am only there only two days. Sheila LaBarbera noted there will be bumps and we are going to try to figure them out the best that we can but first we want to get all the unit up and live on the system.

Paul Lisi was there any items anybody wanted to withhold and talk about separately from the consent agenda?

Sheila LaBarbera had one item to discuss that has to do with the audio visual here and it's the owl setup. I have \$2500 my budget this year for a copier that we did not purchase. An owl setup is going to cost about \$1000, the total expenditure would be about \$1800 plus installation. Everybody seems to be an agreement that's what you'd like to happen, and I would like someone to make a motion on that.

Paul Lisi: I would make a motion to go ahead and purchase the items necessary to improve Zoom Meeting functions at the Berkshire County Retirement System. I made the motion that didn't include a dollar limit, because we know we have \$2,500 not to exceed. Karen Williams: I second.

A roll call vote was taken to approve purchase and installation of the audio visual system at not more than \$2500.00, the vote was unanimous.

9.) Consent Agenda Detail:

MINUTES:

a.) The Board minutes of the regular session meeting held September 28, 2022, were signed and approved.

INVESTMENTS:

b.) The Board received from PRIT a statement of performance for September 2022. The PRIT Fund returned -4.98% for the month of September.

BANK STATEMENTS:

c.) The Board received the bank statements for Sept 2022 and the budget for Oct 2022. Cash Books for September were sent to Board by email.

MONTHLY WARRANTS:

d.) The Board approved payment vouchers:

10-01-22	\$50,756.99
10-02-22	\$94,153.23
10-03-22	\$18,400.02
10-04-22	\$203,661.91
10-05-22	\$1,645,170.06
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REQUESTS FOR RETIREMENT:

e.) The Board approved the application for superannuation retirement from David Colucci, New Marlborough, Highway Laborer. The retirement will be effective 12/16/22.

MEMBER TRANSFERS OUT OF SYSTEM:

f.) The Board approved the notice of transfer of the account of Alexander Drennan, a member in Clarksburg to the Wellesley Retirement Board. The Berkshire County Retirement Board will accept 8 months of creditable service. The amount of the transfer is \$1,557.68.

The Board approved the notice of transfer of the account of Michael Flower, a member in FRRSD to the Mass Teachers Retirement Board. The Berkshire County Retirement Board will accept 1 year and 9 months of creditable service. The amount of the transfer is \$6,385.74.

The Board approved the notice of transfer of the account of Alecia Herrick, a member in Dalton to the State Retirement Board. The Berkshire County Retirement Board will accept 1 year of creditable service. The amount of the transfer is \$2,263.98.

The Board approved the notice of transfer of the account of Eric Jesner, a member in FRRSD to the Mass Teachers Retirement Board. The Berkshire County Retirement Board will accept 2 years of creditable service. The amount of the transfer is \$11,035.66.

The Board approved the notice of transfer of the account of Janice Moran, a member in CBRSD to the Mass Teachers Retirement Board. The Berkshire County Retirement Board will accept 9 months of creditable service. The amount of the transfer is \$65,486.12.

The Board approved the notice of transfer of the account of Ned Saviski, a member in Great Barrington to the State Retirement Board. The Berkshire County Retirement Board will accept 2 years of creditable service. The amount of the transfer is \$7,424.05.

REQUEST FOR SERVICE BUYBACK:

g.) There were no requests for service buybacks in October

REQUESTS FOR REFUNDS:

h.) The Board approved the applications for refunds from the following members: (Pending approval from Dept. of Revenue- child support division)

Clarksburg	\$400.54(Deduction Error)
Dalton	\$17,329.57
Lenox	\$14,513.73
Lanesborough	\$10,597.39
Cheshire	\$8,294.31
	Dalton Lenox Lanesborough

INJURY REPORTS:

i.) There were no injuries reported in October

NEW MEMBER APPLICATIONS:

j.) The Board approved for membership in the Berkshire County Retirement System the following members:

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7565	Chelsea Eichstedt	Dalton	9/19/2022	Police Officer	4
7566	Keanna Rudd	CBRSD	9/16/2022	Title 1 Tutor	1
7567	Patricia Mele-Nichols	Dalton	9/19/2022	Assistant Clerk	1
7568	Matthew Larson	Becket	7/18/2022	Highway Mechanic	1
7569	Charlene Auger	Becket	7/1/2022	Police Officer	4
7570	Amanda Burns	BHRSD	8/25/2022	Behavior Analyst	1
7571	Jonathan Sylbert	Sandisfield	9/18/2022	Town Manager	1
7572	Elyse Makarski	Lee (School)	9/26/2022	Para	1
7573	Jeffrey Murach	Lanesboro	9/5/2022	Laborer	1
7574	Maya Copeland	Lee (School)	10/3/2022	Para	1
7575	Mary Beth Fennelly	Lee (School)	10/10/2022	Para	1
7576	Alex Babcock	Clarksburg	8/30/2022	Teaching Assistant	1
7577	Shari Langois	Clarksburg	8/5/2022	Teaching Assistant	1
7578	Donna Neville	Clarksburg	8/8/2022	Admin Asst	1

7579	John Borwick	SBRSD	9/19/2022	Dir Buildings & grounds	1
7580	Luke Dodge	Windsor	10/3/2022	Highway Laborer	1
7581	William Rennie	Stockbridge	9/12/2022	Highway Foreman	1
7582	Matthew Tiegtens	Lee	10/17/2022	Police Officer	4
7583	William Zeininger	Lee	10/17/2022	Police Officer	4
7584	Michael Kahn	Lee	10/17/2022	Police Officer	4
7585	Kenneth Retzel	Lee	10/17/2022	Police Officer	4
7586	Yazuri Bourdon	BHRSD	8/25/2022	Para	1
7587	David Sultan	BHRSD	10/3/2022	Payroll Specialist	1
7588	Deanna Garner	Lenox	9/12/2022	Multi Dept Assistant	1
7589	Angela Palmer	Lee (School)	8/25/2022	Para	1
7590	Caitlyn Williams	Lee (School)	8/25/2022	Para	1
7591	Alexander White	CBRSD	10/12/2022	Para	1
7592	Alexis Cooke-VanBramer	Richmond	9/12/2022	Firefighter/EMT	4

RETIREMENT ALLOWANCE APPROVALS:

k.) The Board received approval from PERAC to grant a retirement allowance to Anthony Pugh, CBRSD, as of 07/05/2022. Annual pension amount is \$33,530.88.

The Board received approval from PERAC to grant a retirement allowance to Theresa Batanglo, CBRSD, as of 07/05/2022. Annual pension amount is \$29,159.52.

The Board received approval from PERAC to grant a retirement allowance to Michael Towler, Lee, as of 07/07/2022. Annual pension amount is \$28,434.96.

The Board received approval from PERAC to grant a retirement allowance to Jacqueline Bitso, Assessor, as of 07/15/2022. Annual pension amount is \$17,599.32.

The Board received approval from PERAC to grant a retirement allowance to Albert Goodermote, Becket, as of 07/08/2022. Annual pension amount is \$39,170.04.

3(8)c REIMBURSEMENTS:

1.) There are no 3(8)c reimbursement letters in October

PERAC CORRESPONDENCE:

m.) The Board received from PERAC the following memorandums:

#26/ 2022 Appropriation Data Request for Retirement Boards #27/ 2022 Free State-Sponsored Cybersecurity Training

#27/ 2022 Free State-Sponsored Cybersecurity Training Note: copies of memorandums and letters given to each Board member

TRAVEL & EDUCATION APPROVALS:

n.) The Board approved the travel expense for staff to provide retirement seminars and PTG training to Sheffield, Great Barrington, Williamstown, Lee, and Lenox.

MISCELLANEOUS CORRESPONDENCE:

- o.) PTG Complaint
 - Quincy Retirement Board Theft Investigation Note: copies given to each Board member

Mark Bashara I will make a motion to approve the consent agenda. Karen Williams second. A roll call vote was taken to approve the consent agenda as presented, the vote was unanimous.

The next regular board meeting is scheduled for Wednesday, November 30, 2022 at 9:00am.

Paul Lisi then concerning the next item, the next regular board meeting is scheduled for Wednesday November 30, 2022, at 9:00 AM. We are looking to change that meeting to the 22nd or the 23rd, because Sheila is traveling to Minnesota for the holiday.

Paul Lisi: So, if we could do it on the 22nd, which is a Tuesday. Mark Bashara I cannot do Tuesday. Paul Lisi can you do Wednesday, the 23rd. Beth Matson actually, I am out of the office on that day, but I can certainly Zoom in. So, I can make the 23rd. Paul Lisi I can do the 23rd. Karen Williams It's the day before Thanksgiving so I can Zoom in as long as it's short. I do not want to spend the day before Thanksgiving in a meeting for four hours. Paul Lisi are we in agreement to move the meeting to Wednesday, November 23. Mark Bashara yes. We have to check with Mike, but it is good for me. Sheila LaBarbera spoke to Mike this morning. He is usually hunting, but he may not be this year.

Paul Lisi So then the meeting is scheduled for Wednesday, November 23, 2022, at 9 am.

A motion was made by Mark Bashara to adjourn the meeting at 10:58 am, Karen Williams, second.

A vote was taken to adjourn, the vote was unanimous.

RESPECTFULLY SUBMITTED:	
•	Sheila LaBarbera, Executive Director
APPROVED BY:	
·	Michael Ovitt, Chairman
•	Mark Bashara, Elected Member
,	Karen Williams, Elected Member
	Paul A. Lisi, Jr., Advisory Council Member
	Beth Matson, 5 th Member Appointed