

A meeting of the Dedham Retirement Board, having been duly noticed, was held on Wednesday, August 14, 2024, at 11:00 A.M. at the office of the Retirement Board, 202 Bussey Street. Pursuant to t M.G.L 30A, Section 20(b), Board members and members of the public have access to the meeting via Zoom: <https://us06web.zoom.us/j/2685346852?omn=87466101267> Meeting ID: 268 534 6852; One tap mobile # 1.929.436.2866 US (New York). The following were present:

Thomas Rorrie  
Shannon MacKenzie  
Adam Satriano  
Kevin McCarthy, Dep. Director

Stephen MacDougall - REMOTE  
Michael Doyle - ABSENT  
Barbara Isberg, Director  
James Quirk, Attorney - REMOTE

Chairman Rorrie called a roll call to ensure the Board members listed above were all present either in person or online:

Thomas Rorrie - present  
Shannon MacKenzie - present

Stephen MacDougall - present  
Adam Satriano - present

Mr. Rorrie called the meeting to order at 11:05 A.M.

Also present in person was Ms. Lisa VanDermark of Segal Consulting and via Zoom, Chair of the Dedham Finance Committee, Mr. David Roberts.

#### **Accounting/Reconciliation:**

Chairman Rorrie indicated that the Cash Book binder on the table with a copy emailed to those participating remotely, had been reviewed and all is in order through June 30, 2024.

Ms. MacKenzie moved, Mr. Satriano seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To approve the Cash Books through June 30, 2024.

#### **Budget-to-Actual:**

The Second Quarter 2024 Budget-to-Actual was reviewed. It was noted that the Total Operating Costs for the first half of the year were \$655,842, 42% of the total approved for the year.

Mr. MacDougall moved, Ms. MacKenzie seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To accept the Budget-to-Actual Operating Costs for Quarter 2, 2024 as prepared.

**Warrants:**

The members reviewed and approved the August warrants.

Mr. Satriano moved, Ms. MacKenzie seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To ratify the August 2024 vouchers as prepared.

**Minutes:**

Mr. MacDougall moved, Mr. Satriano seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Abstained	Mr. Satriano	Yes

**Voted:** To approve the minutes from the July 9, 2024 meeting.

Dedham Town Manager, Leon Goodwin, joined the meeting via Zoom at approximately 11:15.

**Cost of Living Increase for Supplemental Dependent Allowance:**

PERAC has issued MEMO #20/2024 regarding the cost-of-living increase for supplemental dependent allowance paid to accidental disability retirees and accidental death survivors.

Ms. Mackenzie moved, Mr. MacDougall seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. Mackenzie	Yes	Mr. Satriano	Yes

**Voted:** To increase the dependent allowances under §§ 7(2)(a)(iii) and 9(2)(d)(ii) to an annual amount of \$1,125.36 beginning July 1, 2024, for each eligible child in accordance with PERAC MEMO #20/2024.

**Director's Report:**

Director Isberg informed the Board that Governor Maura Healey signed into legislation the HERO Act (An Act Honoring, Empowering, and Recognizing our Servicemembers and Veterans) on August 8<sup>th</sup>. This legislation, amongst other things, will:

- increase benefits for veterans allowing active public employees to purchase up to four years of their military service time as creditable service for pension purposes,
- the Retirement Board will be required to notify ALL active employees of their right to purchase up to four years of military service if they are eligible,
- the employee will have a limited amount of time to purchase the credit,
- employees can use their purchase to become vested,
- new hires must purchase their military service prior to, or within 1 year of, vesting, and
- the cost is 10% of the employee's starting salary.

Ms. Isberg summarized PERAC Memo #22/2024 related to *New Standard for Calculating Public Sector Post-Retirement Work Limitations*. On July 31, 2024, Governor Healey signed into law Chapter 141 of the Acts of 2024, "An Act Relative to Salary Range Transparency" ("Salary Transparency Act"). Under the new law, an accidental disability retiree can petition PERAC for examination to return to public sector employment in a position or department other than from which they retired. This process MUST be initiated by the retirees themselves. And there is no guarantee, even if found fit, that they will be hired in the new position. That said, this new process may be attractive to some members who were forced to retire due to an accidental (job related) disability and have the skills required to pursue another public career.

A Task Force on Post Retirement Public Sector Work was created largely in response to a report published earlier this year by the state's Inspector General alleging abuse involving post-retirement work. The Task Force is examining the current laws, regulations, and oversight governing the process by which public retirees are allowed to return to public sector work – usually on a part time basis. Retirement law strictly governs the number of hours a retiree is allowed to work per calendar year, as well as the money one is allowed to earn.

Ms. Isberg reminded everyone that Emerging Issues is approaching soon if anyone is interested.

Director Isberg concluded with a notation that the Dedham Fall Town Meeting Warrant Closing is Friday, September 6, 2024.

### **Actuarial Valuation Report – January 1, 2024:**

Ms. VanDermark of Segal Consulting then presented an updated draft of the valuation report as of January 1, 2024. The only assumption change from the 1/1/2022 report is an increase in the Administrative Expenses, which excludes investment fees, from \$320,000 in 2022 to \$375,000 in 2024. The Actuarial Value of Assets (AVA) increased from 90.7% two years ago to 104.1% as of December 31, 2023. Under the AVA methodology, the system is 93.21% funded, which exceeds the 89.53% using the Market Value of Assets (MVA) approach. The difference between the two methods is due to the \$7.8 million in unrecognized investment losses the AVA method still needs to absorb that the MVA has already accounted for.

The conversation also focused on the two possible funding schedules, A & B. Both provide for 3.50% annual increases to the appropriation. Schedule A maintains the current COLA Base of \$15,000 with the system fully funded by June 30, 2029. Schedule B increases the COLA Base to \$18,000 which would extend the maturity date by one year to June 30, 2030. With the rate of

appropriation increasing the same at 3.50%, the payment stream would be consistent under both schedules through June 30, 2028. Mr. Goodwin indicated that the 3.5% growth rate appears to be reasonable in the current marketplace. Chairman Rorrie suggested a submission of an Article to the Dedham Spring 2025 Town Meeting seeking an increase to the COLA base to \$18,000.

Ms. MacKenzie moved, Mr. Satriano seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To increase the annual administrative expenses from \$320,000 to \$375,000.

Ms. MacKenzie moved, Mr. Satriano seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To adopt Funding Schedule B with a COLA Base of \$15,000, Rate of Appropriation Increases of 3.50%, and the system to be fully funded by June 30, 2029.

Mr. Satriano moved, Mr. MacDougall seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To submit an Article to the Dedham Spring 2025 Town Meeting seeking an increase to the COLA base from \$15,000 to \$18,000.

At the conclusion of the Actuarial Valuation discussion, Ms. VanDermark, Mr. Goodwin, and Mr. Roberts departed the meeting.

**Old Business:**

None

**New Business:**

None

The next board meeting will be held at 11:00 A.M. on September 19, 2024.

Ms. MacKenzie moved, Mr. Satriano seconded, and on a roll call vote:

Mr. Rorrie	Yes	Mr. MacDougall	Yes
Ms. MacKenzie	Yes	Mr. Satriano	Yes

**Voted:** To adjourn at 12:25 P.M.

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Thomas Rorrie, Chairman

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Stephen MacDougall

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Shannon MacKenzie

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ABSENT  
Michael Doyle

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Adam Satriano

Documents and Exhibits:

- ✓ **Agenda** August 14, 2024, Meeting Notice
- ✓ **1/1/2024 Actuarial Valuation** - dated August 14, 2024
- ✓ **June 2024 Cash Books** – Trial Balance; General Ledger; Cash Receipts; Cash Disbursements; and Adjusting Journal Entries.
- ✓ **Budget-to-Actual Expense Fund** – Q2 2024
- ✓ **August 2024 Warrants**
- ✓ **July 2024 Minutes**
- ✓ **PERAC Memo #20/2024**