

BOARD OF TRUSTEES  
Division of Public Works Retirement System  
Meeting Minutes  
June 1, 2021

A meeting of the Board of Trustees, Public Works Retirement System was held at 12:30 p.m. on Tuesday, June 1, 2021, via Zoom Video Conference Call.

Trustees Present: Frank Anderson, Mayoral Appointee  
Michael O'Brien, Aldermanic Liaison (Assistant Chair)  
David Fredette, Treasurer, Member  
Kevin Moriarty, BPW Commissioner  
Daniel Hudson, Employee Member

Trustees Absent: Kathie Berube, Employee Member  
Matt Dube, Employee Member

Others in Attendance: Mary Woods, Administrative Assistant

Chairman Anderson

As Chairman of the Board of Trustees, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:  
Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

*To join by phone dial: 1-929 436-2866* - Meeting ID: 936 1853 2420, Password: 812336. If you experience difficulty connecting to the meeting, please call (603) 589-3140.

We previously gave notice to the public of the necessary information for accessing the meeting, through public postings. Instructions have also been provided on the City of Nashua's website at [www.nashuanh.gov](http://www.nashuanh.gov) and publicly noticed at City Hall and the Division of Public Works Administration Building at 9 Riverside Street.

If anybody has a problem accessing the meeting via phone, please call 603-589-3140 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that all votes that are taken during this meeting shall be done by roll call vote.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

**Roll Call:**

Trustee Anderson

Due to the Governor's Emergency Order for the COVID-19 Pandemic, I am in my office, alone.

Trustee Fredette

Due to the Governor's Emergency Order for the COVID-19 Pandemic, I am in my office at City Hall, alone.

Alderman Moriarty

Due to the Governor's Emergency Order for the COVID-19 Pandemic, I am in my office, alone.

Trustee Hudson

Due to the Governor's Emergency Order for the COVID-19 Pandemic, I am in my office, alone.

Alderman O'Brien

Due to the Governor's Emergency Order for the COVID-19 Pandemic, I am in my home office alone.

Also present:

Administrative Assistant, Mary Woods - Due to the Governor's Emergency Order for the COVID-19 Pandemic, I am in my office alone.

**Expected Visitors:**

Mr. Steve Lemanski, Hooker & Holcombe & Mr. Mark Condin, Practice Leader for Pension Services at Hooker & Holcombe were both in attendance. Trustee Anderson reiterated the reason for their invitation to this meeting was to clarify and review the contract for the pension administrative services. Trustee Anderson said that right now the inquiries that exceed 9 comes to a \$500 fee and the board is looking to get it up to at least 12 transactions before we incur this charge. Trustee Anderson asked if this is unusual or normal to incur this many requests from our employees which is relatively new to us. Mr. Condin wanted to clarify that the requests that are not "formal" are not considered part of the nine. He said when this was initially set up as part of the contract, he thinks that nine was more than enough. Mr. Condin said he was taking into consideration that the last year was unusual he thought the average was between 8-12 formal requests. Trustee Anderson asked if the requests that were made as a "formal" request, would be the same request that can be made online. Mr. Condin replied that the calculation is available however the final review by the actuary is what would be considered a formal request. Trustee Fredette asked that "when someone has made the request to retire", then they have to go through the actuary. They can't go online, they have to get the "formal review". Mr. Condin said that yes, this is a necessary step. Trustee Anderson wanted to confirm that most of the calls that they included in our nine actually retired? Mr. Condin said "yes". Trustee Anderson said that he was under the impression that the calls that were made by our employees for inquiries were being charged against our contract. Trustee Fredette said that he knows that there were inquiries but also said they were are being charged for the calculation of death benefits. Trustee Fredette said it is a straight \$3,000 payout so he is not sure why there needs to be a calculation. Mr. Lemanski said that he values his relationship with Nashua and wants to make sure that we are all on the same page now that a couple of years has passed. He stated that with the participants at the time it was the best estimate but if we think that twelve is a better number, we can take that into account and raise the fee by \$1,000 which is a break from what the additional fees being charged

after nine transactions. As far as the death benefit calculation, Mr. Lemanski said that there hasn't been a distinction at this point but there is processing involved but they could offer a slightly reduced rate. Trustee Anderson asked if the specifically for the death benefit is that a similar charge as the calculations for retirement? Mr. Lemanski asked if Mr. Condin could speak to this topic for clarification. Mr. Condin stated that there is still some verification paperwork that has to happen on their end but there could be a slight reduction in the fee that is charged in comparison to a formal retirement calculation. Trustee Anderson said that it is still new to us with the online accessibility but the board is still trying to reduce costs and want to get a handle what an appropriate amount would be. Trustee Anderson asked if they could give us something in writing that they would be willing to offer the board to look at. Trustee Fredette mentioned that he really doesn't know where that number nine came from because what he could find in the files was six or seven resignations/terminations/death benefits which is considered a transaction. Mr. Lemanski said that it was done in good faith with the individuals involved at that time and he does think there has been an increase. Mr. Lemanski is happy to have this discussion and come to a number that we can agree too. Trustee Fredette asked when does the contract come to an end. Mr. Lemanski said that it is a five year contract that started July 1, 2019 and continue until July 1, 2024. Trustee Anderson thought that sounded correct. Trustee Hudson said that he doesn't know how the nine was decided on because it seems like there should be some kind of indicator but since our workforce is aging, it would seem to make sense to increase the number. Trustee Hudson thought that maybe it could be a contract amendment and wanted to know if this is something we should "entertain". He thought it seemed like over time the board will need to increase it. Alderman Moriarty wanted to clarify that every employee will go through this process at some point, whether it be a resignation, retirement or death over the life of the plan to which Trustee Anderson said, yes, that is correct but we have no way of knowing how many that would be over the course of the year. Trustee Anderson asked if there was something that Hooker & Holcombe could do now that we know the costs of these overages and Mr. Lemanski said that yes, he would be happy to work with the board on that. Trustee Anderson also wanted to ask about the retro pay increase and that the number was immaterial but to the effect the plan. Trustee Fredette said the both Hooker & Holcombe and the auditors understood what happened and didn't believe it would be a problem.

**Minutes of the Meeting:**

The minutes of the April 27, 2021 meeting were presented for review and acceptance.

**MOTION BY:** Trustee, Frank Anderson moved to accept, place on file, and approve the minutes of the April 27, 2021 meeting.

**SECONDED BY:** Alderman O'Brien

**MOTION CARRIED:**

**DISCUSSION:** Trustee Fredette wanted to make sure the supplement he emailed to the board was added to the agenda packet and Trustee Anderson confirmed that it had been included.

A Viva Voice Roll Call was taken, which result as follows:

Yea: Trustee Anderson, Alderman Moriarty, Trustee Fredette,  
Trustee Hudson, Alderman O'Brien 5

Nay: 0

**MOTION CARRIED 5-0-0**

**Personnel:**

None

**Old Business:**

On the issue of cost sharing for pension administrative services, Trustee Anderson said that he is going to calculate the number and present it when finished.

Regarding the update on the pension ordinance to ensure that it conforms to IRS Regulations, Trustee Anderson asked Trustee Fredette if there was anything new. Trustee Fredette said that Attorney Rich had given him a couple of areas that he needed some kind of clarification on some written information from Hooker & Holcombe that he received this morning. Trustee Fredette thinks Attorney Rich should be able to wrap things up after he receives that information but he did get a first invoice from him for \$5,000. Trustee Fredette is pretty sure he can find an account to charge it to within his own finance budget. Trustee Anderson asked if this is something that could be paid by the Legal Dept. and Trustee Fredette said that they have no money in their budget for this.

Contract review for the pension administrative services was discussed. Trustee Anderson said that right now the inquiries that exceed nine come to a \$500 fee and the board is looking to get it up to at least twelve transactions before we incur this charge. Trustee Anderson said he believes that Hooker & Holcombe will try and do something for the board although it is a "moving target". Trustee Anderson said that he was under the impression that they were getting a lot of inquiries from employees for the information that was easy to get off the system but in fact they are getting inquiries from people that are trying to retire which they have to get anyway. Trustee Fredette said he just doesn't know where the number of nine transactions came from. Trustee Fredette said he wasn't aware that the "death benefit" would be considered a "transaction". Trustee Anderson agreed that he didn't think it was more than just a \$3,000 payout. Trustee Anderson also asked if this is just for the online transactions and are the actuary services included or do they do that "at will" for the board. Trustee Fredette said that he doesn't think we have a "written contract" for the actuary services since they have been using them for approximately 25-30 years. Trustee Anderson said that we could always separate the actuary service from Hooker & Holcombe providing the online service.

**New Business:**

Approval of the current disbursement of funds for the period of April 1, 2021 through April 30, 2021 in the amount of \$364,316.58 was presented to the Board. The Trustees reviewed the detail.

**MOTION BY:** Trustee Fredette moved to approve the current disbursement of funds for the period of April 1, 2021 thru April 30, 2021 in the amount of \$364,316.58.

**SECONDED BY:** Alderman Moriarty

**MOTION CARRIED:** Unanimously

**DISCUSSION:**

A Viva Voice Roll Call was taken, which result as follows:

Yea: Trustee Anderson, Alderman Moriarty, Trustee Fredette, Trustee Hudson, Alderman O'Brien 5

Nay: 0

**MOTION CARRIED 5-0-0**

**Period for Public Comment:**

None

**Items by the Trustees:**

Trustee Fredette brought up the issue of the salary retroactive deductions. He explained that the AFSME Union, the largest union in Public Works negotiated a contract that was already 3 ½ yrs. old. Trustee Fredette said the employees always receive large retro checks from Payroll and it took time for them to calculate and unfortunately, there were some calculation problems and the pension amounts were not fully deducted from the retro pay for each employee. The Administrative Services discussed it with the union and the union had concerns on the deductions. Trustee Fredette stated that the union expressed this was no fault of theirs. Trustee Fredette said that it is approximately \$38,000 that was not withdrawn and the City matches that amount so it's a total of \$76,000. Trustee Fredette said that he asked the auditors that if the City still put in their portion would that cause any problem and they said no that as long as we had an explanation, which we did, it shouldn't be a problem. Trustee Fredette also spoke with Mr. Lemanski to see if that would have an effect on our actuarial and he said it did not have any effect. Trustee Fredette just wanted to inform that board but didn't think it was something that needed to be voted on. Trustee Anderson asked if the retro check to the employees was a separate check from their regular pay and Trustee Fredette said yes, it was not co-mingled. Trustee Anderson asked if the issue was that there was a percentage withheld that wasn't the 9.15%? Cindy Bielawski was called in to Trustee Fredette's office and said that she believes Payroll had calculated "4 years" for 2018, 2019, 2020 & 2021 for the retro but there were some difficulties, which caused a partial deduction instead of a full. Trustee Anderson said that that to clarify, the 9.15% was withheld but it was withheld on the smaller amount to which Cindy Bielawski said that is correct. Trustee Anderson asked Trustee Fredette and Alderman O'Brien how the board would be able to go about asking the City for their contribution. Trustee Fredette said that he could do that via email and copy the whole board or meet with the responsible department. Trustee Anderson asked if he knew the exact amount to which Trustee Fredette said yes he does. Trustee Anderson said that we should do at least that part. Trustee Fredette agreed. Trustee Anderson asked if the email should come from him, being the Chairman and Trustee Fredette said that yes, it should. Trustee Fredette said it should probably go to John Griffin and Kim Kleiner but he will let Trustee Anderson know. Trustee Anderson said he didn't think we needed a formal vote but Alderman O'Brien said that he would make a motion.

Motion to authorize sending an email to request the City to make their contribution to the pension plan for the retroactive pay increase that all employees received.

**MOTION BY:** Alderman O'Brien moved to authorize sending an email to request the City to make their contribution to the pension plan for the retroactive pay increase that all employees received.

**SECONDED BY:** Trustee Anderson

**MOTION CARRIED:** Unanimously

**DISCUSSION:** Alderman O'Brien never heard of this ever happening before. He doesn't know how this could occur but now this board has to suffer with the consequences. Trustee Anderson wanted to know how this concern was identified to which Trustee Fredette replied that it was Cindy Bielawski in his office that noticed it in the reports she received. Trustee Hudson stated, "If the City favorably accepts our request for administrative fee support to make us whole again, for pain & suffering for this difficulty it does still effect the plan". Trustee Anderson agreed that it is the board's duty is to make sure this plan is as healthy as it can be for the current and future retirees. He thinks it's appropriate to do both approaches so they know that we are watching them (them being the City).

A Viva Voice Roll Call was taken, which result as follows:

Yea: Trustee Anderson, Alderman Moriarty, Trustee Fredette, Trustee Hudson, Alderman O'Brien 5

Nay: 0

**MOTION CARRIED 5-0-0**

Alderman Moriarty wanted to ask that regarding the Motion that was just passed, he doesn't understand why Payroll can't just take that money back from the employees. Trustee Anderson commented that you would think that is the case but he thinks that because the union got involved, that was the issue. Alderman O'Brien wanted to speak to that point by saying that he is a strong union guy but unions need to have some common sense when things happen. He would like to say that if this isn't resolved then maybe we should entertain, at a later date, a bylaw stating that people not being effected by their retirement will re-coupe their loss back into the pension fund. Trustee Anderson said that he is not a pension lawyer but believes that because an error was made he does not think the pension fund should suffer. Alderman O'Brien wanted to know if there was room here to send a letter to the union expressing our displeasure where this board is trying to protect their pension. Trustee Anderson said he didn't think we should go down that road because it brings a lot of communications into play that we may not have access too. Alderman O'Brien said he just wanted to express his displeasure.

Trustee Anderson wanted to just bring up the subject of maybe looking at another RFP for investment management services. Trustee Anderson mentioned that RBC Wealth Management has done a good job but the board may want to look at spreading this out a little bit maybe to two or three managers. Trustee Fredette said he would look for the last RFP that was done six or seven years ago. Trustee Anderson said that we should have RBC Wealth Management in for the July meeting so that we can see the June numbers.

Trustee Fredette wanted to mention the 45 day notice that was brought up at the last meeting. It was in the changes that were made and agreed on by the board and by Hooker & Holcombe because that is the time they needed to process the first check. Trustee Fredette said that if someone wants to retire they don't have to give a 45 day notice but can't expect a retirement check after a two week notice. Their check would have to be retroactive.

Next meeting will be scheduled for Tuesday, June 29, 2021 at 12:30p.m.

**MOTION TO ADJOURN:** Trustee, Frank Anderson moved to adjourn at 1:20 p.m.

**SECONDED BY:** Trustee Fredette

*Minutes Transcribed by: Mary Woods*