



Wilmington, Massachusetts

INTER-DEPARTMENTAL COMMUNICATION

FROM THE TOWN MANAGER

February 17, 2023

TO: Select Board

RE: Middlesex County Retirement System

Attached is a recommendation from Thomas Gibson, Executive Director of Middlesex County Retirement System, that communities within the Middlesex County Retirement System adopt Chapter 269 of the Acts of 2022 and provide for a one-time Cost of Living Adjustment (COLA) to retirees of 5% instead of 3%. The COLA is based upon the first \$16,000 of earnings. The communication provides more details about the proposal. If this adjustment is to be effective, two-thirds of the Select Boards within the retirement system must adopt this act by June 30, 2023. I would suggest that the Board consider this matter at one of your March meetings.



Jeffrey M. Hull
Town Manager

Attachment

cc: Susan Inman, Assistant Town Manager/Human Resources Director
Bryan Perry, Finance Director/Town Accountant



Commonwealth of Massachusetts
MIDDLESEX COUNTY RETIREMENT SYSTEM

25 LINNELL CIRCLE • P.O. BOX 160 • BILLERICA, MA 01865
WWW.MIDDLESEXRETIREMENT.ORG

Over 100 Years of Public Service

CHAIRMAN
THOMAS F. GIBSON, ESQ.

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Chief Administrative Officer
LISA MALONEY, ESQ.

DATE: February 13, 2023
TO: Select Boards
FROM: Thomas Gibson, Chair
Middlesex County Retirement Board
RE: Approval of One-Time COLA Adjustment for Retirees

The Middlesex County Retirement Board is respectfully requesting the Select Boards of municipalities within the Middlesex County Retirement System to accept Chapter 269 of the Acts of 2022 (“the Act”), a local option which allows a one-time increase to the Cost of Living Adjustment (COLA) granted to retirees in FY 2023, from 3% to 5% of the System’s \$16,000 COLA base.

Acceptance of the Act is conditioned upon approval by the Middlesex County Retirement Board **and** by two-thirds of the System’s Select Boards prior to June 30, 2023. The Middlesex County Retirement Board voted to accept the Act on December 14, 2022.

As of January 1, 2022, the date of the System’s last valuation, there were 6,284 retired members and beneficiaries of the System, receiving an average gross monthly retirement allowance of \$2,445.00, or \$29,340 annually. If approved, the one-time increase of 2% to the COLA percentage for FY 2023 would result in an additional annual COLA payment of \$320 for retirees and beneficiaries whose pensions exceed \$16,000 (from the previously granted \$480/year to \$800/year). The approximately 2,500 retirees and beneficiaries receiving less than \$16,000 annually

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EMAIL: MRS@MIDDLESEXRETIREMENT.ORG



would receive proportionately less. Weighing heavily in the Board's acceptance of the Act was the CPI-W based COLA granted to Social Security recipients in 2022 (5.9%) and 2023 (8.7%).

The System's Actuary, The Segal Group, estimates that acceptance of the COLA adjustment will increase the System's July 1, 2022, unfunded liability by 1.0%. Various options to fund the COLA adjustment were discussed with Town Administrators/Managers at a special meeting of the Board held on January 23, 2023. On February 8, 2023, the Board voted to begin funding the COLA adjustment in FY 2026, should it be approved by two-thirds of the Select Boards.

To assist in the Select Boards' review, enclosed please find the Act, a memorandum from the Public Employee Retirement Administration Commission, the actuary's report setting forth the revised funding schedule, and a listing of the number of impacted retirees and beneficiaries by municipality.

The Board respectfully requests that Select Boards vote to accept Chapter 269 of the Acts of 2022 on or before June 30, 2023, and to timely notify the Middlesex County Retirement System of any action taken on this request by email to mrs@middlesexretirement.org.

Thank you for your consideration and attention to this important matter.



Thomas F. Gibson, Chair
Middlesex County Retirement Board

Enc.
Chapter 269 of the Acts of 2022
PERAC Memorandum #29/2022
February 1, 2023 Segal Report of Cost of One-Time FY23 COLA Increase
Number of Retired Participants by Municipality

Chapter 269

AN ACT RELATIVE TO COST-OF-LIVING ADJUSTMENTS FOR RETIREES

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide for increased cost-of-living adjustments for retirees, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. (a) (1) Notwithstanding section 103 of chapter 32 of the General Laws or any other general or special law to the contrary, the retirement board of any system that has accepted said section 103 may elect to establish a cost-of-living adjustment increase of not less than 3 per cent and not greater than 5 per cent on the base amount provided for in said section 103 for fiscal year 2023.

(2) The sum of the dollar amount of the cost-of-living increase on the base amount, together with the amount of retirement allowance, pension or annuity to which the cost-of-living increase is applied, shall become the fixed retirement allowance, pension or annuity for all future purposes, including the application of subsequent cost-of-living adjustments in future years.

(b) A retirement board may grant a cost-of-living increase of not less than 3 per cent and not greater than 5 per cent on the base amount for fiscal year 2023 at any time during the fiscal year.


(c) This section shall take effect for the members of a retirement system by a majority vote of the board of such system and upon local acceptance: (i) of the city council upon recommendation of the mayor in a city, (ii) of the city council upon recommendation of the city manager in a city having a Plan D or Plan E charter, (iii) of the chief executive officer, as defined in section 7 of chapter 4 of the General Laws, in a town, (iv) of the county commissioners in a county and (v) by vote of the governing board, commission or committee in a district or other political subdivision of the commonwealth. For any retirement system comprising more than 1 political subdivision of the commonwealth, this section shall be effective by a majority vote of the board of such system and upon the acceptance of two-thirds of cities and towns within the system by approval of: (i) the city council upon recommendation of the mayor in a city, (ii) the city council upon recommendation of the city manager in a city having a Plan D or Plan E charter, and (iii) the chief executive officer, as defined in section 7 of chapter 4 of the General Laws, in a town.

SECTION 2. This act shall take effect on July 1, 2022.

Approved, November 16, 2022.

MEMORANDUM

TO: All Retirement Boards

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

RE: 5% Local COLA option

DATE: November 18, 2022

On November 16, 2022, the Governor signed Chapter 269 of the Acts of 2022 into law. This act provides the local retirement systems with a local option to increase the Cost of Living Adjustment (“COLA”) for Fiscal Year 2023 to up to 5 percent on the base amount specified pursuant to G.L. c. 32, § 103. The approval of the increase can occur at any time during the fiscal year and will take effect as of July 1, 2022.

The local approval mechanism is different than traditional COLA increases and COLA base increases. In order for a system to adopt a COLA increase pursuant to this act, **the retirement board must vote for the increased amount and then it must also receive local approval.**

For purposes of this act, local approval means:

- In a city, the mayor must recommend the increase to the city council and the council must vote in favor.
- In a city having a Plan D or Plan E charter, the city manager must recommend the increase to the city council and the council must vote in favor.
- In a town, the chief executive officer¹ - the select board in nearly all cases - must vote in favor to accept the increase rather than the town meeting as is the case for COLA base increases.
- In a district, or other political subdivision, the governing board, commission or committee must vote in favor to accept the COLA increase.

¹ As defined in G.L. c. 4, § 7, "chief executive officer", when used in connection with the operation of municipal governments shall include the mayor in a city and the select board in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter.



MEMORANDUM - Page Two

TO: All Retirement Boards
FROM: John W. Parsons, Esq., Executive Director
RE: 5% Local COLA option
DATE: November 18, 2022

- In a regional system, two-thirds of the cities and towns within the system must approve the increase. This is done in the same fashion as stated above for municipalities: in a city, by the city council upon recommendation by the mayor or, in a city with a Plan D or Plan E charter, the city manager; or, in a town, by approval of the chief executive officer (likely the select board) as defined by G.L. c. 4, § 7.
- In a county, the county commissioners, who normally do not have a role in COLAs nor COLA base increases, must vote to accept **and** two-thirds of the cities and towns within the system must approve the increase in the same manner as stated above for regional systems.

Though many local systems are comprised of multiple units such as housing authorities and districts, the two-thirds language only applies to regional and county systems as the approval specified in the statute only refers to cities and towns as voting political subdivisions.

Section 2 of the act provides that a COLA increase pursuant to this act is retroactive to July 1, 2022. Any COLA increase, in addition to any COLA previously adopted for FY 23, will become part of the fixed amount of a retirees' retirement allowance in the same manner as all COLAs granted pursuant to section 103.

PERAC has already received questions about estimating the cost of the enhanced COLA. PERAC Actuary John Boorack has provided the following formula for a conservative full-cost estimate, not a one-year estimate, to assist boards in their planning:

$$(0.2) \times (\text{COLA base}) \times (\# \text{ of retirees/beneficiaries})$$

If you have any questions about this memo, please contact PERAC's General Counsel, Judith Corrigan, at (617) 591-8904 or at judith.a.corrigan@mass.gov.



116 Huntington Avenue
Suite 901
Boston, MA 02116-5744
segalco.com

February 1, 2023

Middlesex County Retirement Board
Middlesex County Retirement System
25 Linnell Circle
Billerica, MA 01865

Re: Cost of Increasing the July 1, 2022 COLA from 3% to 5% - Updated

Dear Board Members:

As requested, we have updated our December 12, 2022 estimate of the cost of increasing the July 1, 2022 Cost of Living Adjustment (COLA) from 3% to 5% with the current base of \$16,000 for the Middlesex County Retirement System to show an additional payment schedule. Note that this cost estimate is a one-time increase in the annual COLA percentage, which is projected to be 3% for 2023 and thereafter. In our December 12, 2022 letter we assumed the additional cost would first be reflected in the fiscal 2029 appropriation. In this letter, we are also showing the impact of paying the additional cost beginning with either the fiscal 2024 appropriation, the fiscal 2025 appropriation, or the fiscal 2026 appropriation. The estimates in this report are based on the January 1, 2022 Actuarial Valuation and Review of the Middlesex County Retirement System and do not reflect any experience gains or losses after that date.

Increasing the July 1, 2022 COLA from 3% to 5% increases the July 1, 2022 unfunded liability (UAL) by \$16,886,571, or 1.0%, from \$1,623,820,534 to \$1,640,707,105.

The funding schedule included in the January 1, 2022 actuarial valuation report fully funds the actuarial accrued liability of the Middlesex County Retirement System by fiscal 2036 with total payments increasing 6.5% per year from fiscal 2024 through fiscal 2028, with the amortization payment on the unfunded liability increasing 4% thereafter.

We have incorporated the additional cost of increasing the July 1, 2022 COLA to 5% into the funding schedule in four different ways:

- by keeping the current appropriations through fiscal 2028 and then extending the 6.5% annual increases an additional year to fiscal 2029, resulting in the additional cost being added to the fiscal 2029 through fiscal 2036 appropriations;
- by amortizing the additional liability in payments that increase 4% per year, which are added to the current appropriations for fiscal 2024 through fiscal 2036;
- by amortizing the additional liability in payments that increase 4% per year, which are added to the current appropriations for fiscal 2025 through fiscal 2036; and
- by amortizing the additional liability in payments that increase 4% per year, which are added to the current appropriations for fiscal 2026 through fiscal 2036.

The additional appropriations for each are shown in the following table.

Actuarially Determined Contribution – 5% COLA on July 1, 2022						
Fiscal Year Ended June 30,	Actuarially Determined Contribution – 3% COLA on July 1, 2022 (Current)	Increase in Actuarially Determined Contribution - Additional UAL Payments beginning in Fiscal 2029	Increase in Actuarially Determined Contribution - Additional UAL Payments beginning in Fiscal 2024	Increase in Actuarially Determined Contribution - Additional UAL Payments beginning in Fiscal 2025	Increase in Actuarially Determined Contribution - Additional UAL Payments beginning in Fiscal 2026	
2023	\$156,350,175	\$0	\$0	\$0	\$0	\$0
2024	166,512,936	0	1,683,209	0	0	0
2025	177,336,277	0	1,750,537	1,926,703	0	0
2026	188,863,135	0	1,820,559	2,003,771	2,220,679	0
2027	201,139,239	0	1,893,381	2,083,922	2,309,507	0
2028	214,213,290	0	1,969,116	2,167,279	2,401,887	0
2029	224,656,628	3,480,526	2,047,881	2,253,970	2,497,962	0
2030	233,517,648	3,763,380	2,129,796	2,344,129	2,597,881	0
2031	242,728,122	3,913,914	2,214,988	2,437,894	2,701,796	0
2032	252,301,828	4,070,472	2,303,588	2,535,409	2,809,868	0
2033	262,253,102	4,233,290	2,395,731	2,636,826	2,922,263	0
2034	272,596,834	4,402,621	2,491,560	2,742,299	3,039,153	0
2035	283,348,504	4,578,727	2,591,223	2,851,991	3,160,719	0
2036	294,524,210	4,761,876	2,694,872	2,966,070	3,287,148	0

These cost estimates are based on the assumptions used in the most recent actuarial valuation of the Middlesex County Retirement System. To the extent there is adverse experience, employer contributions will increase and the cost related the increased COLA may be different than expected. For example, if members live longer than assumed under the current mortality table assumption, the cost of increasing the COLA will be higher than shown.

Please refer to our January 1, 2022 Actuarial Valuation and Review dated August 8, 2022 for the data, assumptions and plan of benefits underlying these calculations and for a discussion of the risks that may affect the System.

This report was prepared in accordance with generally accepted actuarial principles and practices at the request of the Board to assist in administering the Retirement System.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that

anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law.

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

The actuarial calculations were directed under the supervision of Bridget P. Orr, ASA, MAAA, EA. She is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of her knowledge, the information supplied in this actuarial valuation is complete and accurate. The assumptions used in this actuarial valuation were selected by the Board based upon her analysis and recommendations. In her opinion, the assumptions are reasonable and take into account the experience of the Middlesex County Retirement System and reasonable expectations.

Please let us know if you have any questions or need any additional information.

Sincerely,


Kathleen A. Riley, FSA, MAAA, EA
Senior Vice President and Chief Actuary


Bridget P. Orr, ASA, FCA, MAAA, EA
Consulting Actuary

**Retired Participants as of Valuation Date January
1, 2022**

Unit	Retirees
Town of Acton	192
Town of Ashby	10
Town of Ashland	149
Town of Ayer	82
Town of Bedford	217
Town of Billerica	477
Town of Boxborough	47
Town of Burlington	396
Town of Carlisle	55
Town of Chelmsford	449
Town of Dracut	269
Town of Dunstable	10
Town of Groton	68
Town of Holliston	131
Town of Hopkinton	140
Town of Hudson	245
Town of Lincoln	119
Town of Littleton	128
Town of North Reading	195
Town of Pepperell	68
Town of Sherborn	53
Town of Shirley	45
Town of Stow	46
Town of Sudbury	231
Town of Tewksbury	335
Town of Townsend	33
Town of Tyngsborough	101
Town of Wayland	249
Town of Westford	284
Town of Weston	271
Town of Wilmington	299
Total Town Retirees:	5,394
Total MCRS Retirees:	6,284



Wilmington, Massachusetts

INTER-DEPARTMENTAL COMMUNICATION

FROM THE TOWN MANAGER

February 24, 2023

TO: Select Board

RE: Taser Agreement

Questions have been raised about the purchase of Tasers from the manufacturer Axon and, in particular, concerning the expectation that the Town could obtain Tasers at no charge at the end of 5 years. Based upon discussions with Police Chief Joe Desmond, in 2022 the decision was made not to obtain replacement Tasers. In 2017 when Tasers were proposed as a less lethal means than a service weapon to resolve confrontations in which a member of the public or a police officer might be endangered, options were discussed for the purchase of Tasers.

The recommendation which was adopted at Annual Town Meeting was to purchase Tasers from Axon with the Taser Assurance Plan (TAP) in place. The TAP option provided for a Taser for each police officer in addition to one spare or 51 Tasers in total. The Town could pay for the cost of the Tasers over five years, receive a warranty on the Tasers over 5 years and would be permitted to replace the Tasers with new units in the 5th year. One point that is now being questioned is why the existing Tasers are not being replaced with new, current generation Tasers. The arrangement with Axon only permitted replacement with "a new unit that is the same product or like product, in the same weapon class..." as noted in the "Taser International, Inc's Sales Terms and Conditions for X2/X26P and TASER CAM HD Recorder TASER Assurance Plan (U.S. Only)" document.

In 2017 the Town purchased the X2 model Taser. Since that time, as is the case with smartphones, tablets, televisions and many other items, the Taser has had successive upgrades to the unit. In 2022 when the 5 years under the TAP arrangement was ending Axon offered the X7 Taser and indicated to the Police Chief that they would be discontinuing support of the X2 Taser in the future. The Axon representative did not specify when discontinuous of support would occur. While there was some expectation that the Police Department would receive current generation Tasers, the agreement only permitted replacement of X2 Tasers with X2 Tasers.

Chief Desmond has also been advised by the Axon representative that in order to be eligible for new X2 Tasers, the Town would need to continue making payments into a TAP like plan. This point was apparently not known by the former police chief and deputy police chief and not known by me when the recommendation was made in 2017.

A handwritten signature in black ink, appearing to be 'JH', written over a faint circular stamp or watermark.

Jeffrey M. Hull
Town Manager

cc: Joseph Desmond, Police Chief
Bryan Perry, Finance Director/Town Accountant



Wilmington, Massachusetts

INTER-DEPARTMENTAL COMMUNICATION

FROM THE TOWN MANAGER

February 24, 2023

TO: Select Board

RE: Harnden Tavern and Carriage House

On February 13th George Hooper, Public Buildings Superintendent; Brian Scouten, Assistant Public Buildings Superintendent; Board Chair Judith O'Connell and I visited the Harnden Tavern and the Carriage House. Mr. Hooper took us through both buildings. There were cracks observed on the walls and ceiling on the second floor. These defects appeared most prominent in the second-floor room which has significant storage of historical documents. When we went to the attic, we observed plastic storage containers that Mr. Hooper reported had been located below certain areas of the roof due to previously reported water leaks from around the chimney. The containers were observed to be dry during our visit and according to Mr. Hooper work had been performed by Public Buildings' personnel to temporarily address the leaks.

The storage of significant documents on the second floor will need to be addressed as the house was never designed to accommodate the significant weight of that material. It is likely that some of the settlement cracks are due to the weight of those materials. As has been previously reported, the Town lacks adequate storage space. One option being considered is to relocate the documents to the basement of the former Town Hall on Middlesex Avenue. The first floor is currently being used by Student Support Services. The basement is the main repository for much of the Town's records and other materials. It may be possible to make space available at this location.

George stated that a representative from Russo Barr Associates inspected both buildings previously and stated that with respect to the Harnden Tavern, based upon the appearance of the cedar shingles and the fact that they were installed in 2010, a full roof replacement was not warranted. The recommendation was made to reflash the areas around the chimneys. It is not known when the roof over the Carriage House was last replaced. The representative from Russo Barr recommends that this roof be replaced in its entirety due to its observed condition.

Contractors have been contacted to obtain price quotes to replace the roof at the Carriage House and to address the flashing around the chimneys of the Harnden Tavern. An article has been included on the Annual Town Meeting warrant seeking funds for this work. Separately, based upon consultation with Russo Barr, an article has been included on the warrant seeking funds to develop a scope of work and cost estimate for replacement of windows at the Harnden Tavern.

If funds are approved at the Annual Town Meeting the roofing work as described for both buildings will be bid and Russo Barr, who serves as the Town's "on call" firm for building projects, will be assigned to complete the previously noted work. The cost to replace the Harnden Tavern windows will be included in the fiscal year 2025 budget.



Jeffrey M. Hull
Town Manager

cc: George Hooper, Public Buildings Superintendent
Bonny Smith, Chairman, Historical Commission



TOWN OF WILMINGTON

121 GLEN ROAD
WILMINGTON, MA 01887

THE OFFICE
OF TOWN CLERK

VOICE (978) 658-2030
FAX (978) 657-7564

MEMORANDUM

TO: Select Board
CC: Jeff Hull
FROM: Office of the Town Clerk
SUBJECT: Ethics Training

Online Ethics Training

Massachusetts state law requires completion of its Conflict of Interest Law Online Training Program within 30 days of hire and/or appointment and then every other year thereafter. In Wilmington, that is all odd-numbered years. The new program is much more accessible than the old one in that you can do it on any internet-connected device (computer, tablet, phone). You will need to create an account using an email address and password. Choose "Wilmington" as your group – do not write in anything else. Once your account is created, you will be able to log in year after year to take your training and acknowledge you received your summary of the Conflict of Interest packet.

Before beginning the program, please ensure you have the following three items:

1. An email account – If you do not have a Town email account, you can use your personal email. This will not make your email address subject to the Public Records Law. If you do not want to use your email, you can use any free email service.
2. Sound - speakers, earbuds, or headphones
3. Time - The course and exam will take approximately seventy minutes. It will save your place if you need to stop for any reason. The deadline is April 30, 2023, but once you start it you need to complete it within 30 days.
4. Please be sure to click the box to acknowledge that you received the Conflict of Interest document. I have attached a screen shot of what I am talking about.

The link to the training is: <https://MassEthicsTraining.skillburst.com>

Please be advised that you will be reminded by the Office of the Town Clerk when the next two-year cycle for completion is due. Be aware this might occur in less than two years because everyone must fall into the municipal schedule. If you have a Board Member or Commissioner that needs assistance, contact our office. My office does not need hard copies of the certificate or acknowledgment.



Summary of the Conflict of Interest Law for Municipal Employees

This summary of the conflict of interest law, General Laws chapter 268A, is intended to help municipal employees understand how that law applies to them. This summary is not a substitute for legal advice, nor does it mention every aspect of the law that may apply in a particular situation. Municipal employees can obtain free confidential advice about the conflict of interest law from the Commission's Legal Division at our website, phone number, and address above. Municipal counsel may also provide advice.

The conflict of interest law seeks to prevent conflicts between private interests and public duties, foster integrity in public service, and promote the public's trust and confidence in that service by placing restrictions on what municipal employees may do on the job, after hours, and after leaving public service, as described below. The sections referenced below are sections of G.L. c. 268A.

When the Commission de

been violated, it can

By checking this box, I hereby certify that I have read and understand the Massachusetts Summary of Conflict of Interest Law and I understand my responsibility to abide by the law.