

July 8, 2025  
Minutes #632

**Minutes of the Board of Trustees' Meeting -1-**

**Call to Order:** Chairman Molan called the meeting to order at 8:31 a.m.

**Present:** Trustees: Richard Molan, Richard Bunker, Peter Capano, Mathew Ciechon, Sharon Wickens and Michael Carpenter  
  
MECRS Staff: Melanie Murray, Kimberly Barrett, and Suzanne Wilson

**Absent:** Mayor Jay Ruais

**Also in Attendance:** John Rich, Jr. – MECRS Legal Counsel

**Approval of the Minutes of the Previous Board Meeting:**

Chairman Molan entertained a motion to approve the previous board meeting minutes of June 10, 2025.

Trustee Bunker moved to approve the minutes of June 10, 2025, seconded by Trustee Wickens, and passed by all those trustees present.

**Approval of the Immediate Meeting Agenda:**

Chairman Molan entertained a motion to approve the immediate meeting agenda.

Trustee Capano moved to approve the immediate meeting agenda, seconded by Trustee Bunker, and passed by all those trustees present.

**Chairman's Comments:**

Chairman Molan began with a request to reschedule the upcoming Investment Committee meeting. After brief discussion and a review of their calendars, the Trustees agreed to meet on July 16<sup>th</sup> at 9:00 a.m.

Next Chairman Molan asked Executive Director Murray to provide the Trustees with the Monthly Performance Report for January 2024, as well as the history of the inception percentages from January 2024 to the current date. He asked that she provide the information by the end of the week, for review at the next Investment Committee meeting.

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Chairman Molan stated his concern on the pension fund returns, noting that the fund is not meeting the assumed rate of return of 6.75%.

Chairman Molan then asked Investment Committee Chairman Bunker to elaborate on a recent article regarding Public Employee Pension Plans.

Committee Chairman Bunker summarized the article which indicated that most Public Employee Plans around the country are being criticized regarding their performance.

He also stated that more Institutional Investors are moving away from investing in Private Equity, which he felt the Board should further discuss with the System's Investment Consultant.

**Report of the Executive Director:**

Computer Updates: Ms. Murray reported that she has been working with the System's IT provider to get staff computers updated to Windows 11, as Windows 10 will be reaching its end of life in October 2025, and will no longer be supported. She stated that all have been updated with the exception of one computer, which had also been having an overheating issue. Because of that, the computer was replaced, with the old one given as a trade. At the same time, the router and Wi-Fi connections were also updated. In addition, she stated one of the drives on the server is failing, so another one has been ordered, and it should be replaced within the next 45 days. The IT provider also suggested that there is additional outdated equipment being retained that is no longer of use to the System. Ms. Murray noted that when the IT provider returns to attend to the drive, they will also gather the outdated items and will provide a list of disposals for the Board's approval.

HealthTrust: Ms. Murray updated the Board that the House amended version of Senate Bill 297 was not accepted by the Senate, meaning there will be no change to the law governing risk pools offering health insurance at this time. As previously mentioned, Ms. Murray explained that she continues to explore the option of joining on the City's health plan, and has provided them with the requested information to proceed with their process of requesting approval. If approved, it would likely be effective in conjunction with the City's plan year, which begins in July, therefore staff would continue with HealthTrust for the first half of the year. In addition, she noted that the MECSR's Personnel Policy would need to be updated, to accommodate the employer share of the deductible, mirroring the City.

Moving on Chairman Molan asked Ms. Murray if she has begun the process of seeking a new hire, due to one staff member's upcoming retirement.

Ms. Murray responded that she has updated the Administrative Assistant job description, sharing it with a few prospective candidates already. She said she will likely be sharing it with the City Departments and ultimately will post more openly if a suitable candidate is not found through those avenues.

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**Report of the Monthly Cash Balance:**

Ms. Murray reported that the month of June began with a healthy balance of just under \$10 million. She identified a number of distributions and one small capital call. She informed the Board that the month ended with a small increase, so that the cash balance is still just under \$10 million. She then indicated that so far in July there have been \$650,000 in capital calls. Ms. Murray moved on to explain that she did make a change to the Cash Balance Report, referring to the Target Cash Balance, which now reads the Minimum Target Cash Balance. She indicated that the Target is actually set by the approved asset allocation, whereas this number more reflects the minimum balance to sufficiently cover retiree payroll and capital calls.

Trustee Bunker moved to receive and place on file the Cash Balance Report, seconded by Trustee Ciechon, and passed by all those trustees present.

**Consent Agenda:**

Chairman Molan entertained a motion to accept the Consent Agenda items.

Trustee Bunker moved to accept the Consent Agenda, seconded by Trustee Ciechon, and passed by all those trustees present.

**New Business:**

Accept and place on file the Gainful Occupation report: Ms. Murray explained that in order to maintain an audit trail of tasks required by statute, specifically Chapter 218:15 V, she respectfully requested that the Board accept and place on file, the attached 2024 Gainful Occupation Summary Report for Disability Pension Recipients.

In summary she stated, the report consists of two sections, pensioners who are required to report their earnings from employment and those who are not. Of those who are required to report, four were gainfully employed, out of the four, one income did exceed the earning limitations imposed by regulation. As a result, she reported, that member has paid the amount back through pension deduction.

For the benefit of newly elected board member, Trustee Capano, Ms. Murray explained that, until a disability recipient reaches normal retirement age, they must report their earnings annually to the System, including pertinent backup. If their earnings plus pension exceed their final average earnings, they have to pay the System back \$1 dollar for every \$2 of excess.

Trustee Capano thanked Ms. Murray for elaborating on his behalf.

Trustee Carpenter moved to accept the Gainful Occupation Report for 2024, seconded by Trustee Bunker, and passed unanimously by all those trustees present.

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**Motion to Adjourn:**

With no other business to come before the Board, Chairman Molan entertained a motion to adjourn the meeting.

Trustee Wickens moved to adjourn the meeting at 8:49 a.m., seconded by Trustee Carpenter, and passed by all those Trustees present.

Respectfully Submitted,

Melanie Murray  
Executive Director