

3/8 (9)

**John Murray**

**From:** Trey Shupert  
**Sent:** Friday, March 05, 2004 10:59 AM  
**To:** John Murray  
**Cc:** Don Johnson  
**Subject:** RE: Middlesex Retirement

John:

Sorry for not following up earlier. I think the letter is great. It should be reviewed by the BoS and I think we should publicly discuss next steps. Can we get this on Monday's agenda?

On a separate but related note, In a response from Charlie Kadlec, he said he would be happy to join any grass-roots effort to reform the MRB. I think we should take him up on his offer if nothing more than to have him as another conduit of information.

Regards,  
Trey

----- Original Message -----

**From:** John Murray  
**To:** Trey Shupert  
**Cc:** Don Johnson  
**Sent:** 2/23/2004 12:21:57 PM  
**Subject:** Middlesex Retirement

I believe we are in agreement that the reformation of the Middlesex Retirement System *will not come* from the Legislature, the Middlesex Retirement System, nor Mr. Gibson. Rather I believe it will only occur if there exists a series of well publicized "events", which form the drip, drip, drip of a water torture of bad news to and for each community. Therefore, I am suggesting that the Town of Acton (Selectmen, School Committee & Fincom) continue to organize and support a grass roots campaign.

You have done a great job of spearheading this to-date. I have attached a draft of a letter, which I suggest (1) we send to each community's Selectmen, School Committee, and Fincom, (2) send it as an open letter to the Mass Association of Selectmen, the Mass Association of School Committees, and the Mass Association of Fincoms, and (3) send it to a number of news organizations.

Could you give me your thoughts?

3/5/2004



**TOWN OF ACTON**  
472 Main Street  
Acton, Massachusetts, 01720  
Telephone (978) 264-9612  
Fax (978) 264-9630  
E-Mail BOS@town-ma.gov

**Board of Selectmen**  
**Acton School Committee**  
**Acton Finance Committee**

January 26, 2004

««AddressBlock»»

««GreetingLine»»:

As you are probably aware, the Middlesex Retirement Board of Directors has had a change in leadership. It is the Town of Acton's hope that Mr. Gibson's appointment as Chairman will begin an era of financial transparency and accountability and end the financial hemorrhaging (losses amounting to nearly \$100 million), which the Middlesex Retirement System has experienced over the last few years.

As the Middlesex Retirement System is currently constructed, each community/member unit is the financial backstop for the financial losses of the Retirement System. Questionable actions of the Middlesex Retirement Board have now begun to surface (please see the attached article from the Boston Globe). In response to the possible scandal, the Massachusetts Public Employee Retirement Administration Commission (PERAC) (the Commonwealth's public retirement system watchdog agency) has issued an order for a fiduciary audit of the Middlesex Retirement Board. Middlesex Retirement System Chairman Gibson has indicated that such an order is unprecedented in history of Massachusetts Retirement Boards. While we welcome PERAC's order, we are concerned by the Middlesex Retirement Board specifying the scope of the fiduciary audit, choosing the auditor, retaining the audit firm and negotiating the findings of the final report. It appears the fox has been placed in charge of the chicken coop!

The Town of Acton is proposing to have the fiduciary audit firm report directly to the Middlesex Retirement System's Advisory Council (an existing council of the treasurers of each community/member unit). In addition, the Town of Acton is supporting legislation, which will create a Board of Directors for the Middlesex Retirement System composing of equal components of employee representatives and management representatives. The legislation was modeled after the Federal Taft-Hartley Act. The legislation does not change the calculation of retirement benefits or endanger any retirement benefit as the Middlesex Retirement Board has **falsely alleged**. The legislation **only** modifies the composition of the Retirement System's Board of Directors

and the role of the Advisory Committee in the day-to-day operation of the Retirement System. We have attached a copy of the pending legislation for your review.

We ask each of you to help us aggressively pursue fiduciary reform of the Middlesex Retirement System. Such reform is critical to the financial well being of the retirees, the active employees, as well as each individual communities/ member units. The Acton Board of Selectmen is respectfully soliciting your written support concerning our agenda of fiduciary reform. Please send your letters of support to the Acton Board of Selectmen, 472 Main Street, Acton, MA. 01720. We will collect the letters of support and forward them to Middlesex Retirement System, the Public Employee Retirement Administration Commission (PERAC), the Legislature, The Governor and each community pledging support.

Thank you for your cooperation and support in this important matter.

Very truly yours,

Walter M. Foster,  
Chairman  
Acton Board of Selectmen

Terry Lindgren  
Chairman  
Acton Public School Committee

Gym Hom  
Chairman  
Acton Finance Committee