

Commission Meeting Minutes
January 8, 2020

Chairman Philip Y. Brown called the meeting (held at the PERAC Office, 5 Middlesex Avenue, Somerville, Massachusetts) to order at 11:05 AM. He then stated that the Commission meeting is being tape recorded and this will be so noted in the minutes.

Chairman Brown acknowledged the other Commissioners present: Commissioners Timothy Dooling, James Machado, Kathleen Fallon, and Kate Fitzpatrick. Commissioners Jennifer Sullivan and Robert McCarthy participated remotely pursuant to 940 CMR 29.10. Therefore, the Chairman announced, any votes in this meeting shall be taken by roll call vote.

PERAC Staff present for all or part of the meeting: Executive Director John Parsons, Deputy Executive Director of Policy Joseph Martin, Deputy Director of Administration Caroline Carcia, General Counsel Judith Corrigan, Compliance Director Tom O'Donnell, Audit Director Caryn Shea, Senior Associate General Counsel Ken Hill, Senior Associate General Counsel Patrick Charles, Associate General Counsel Katie Brady, Assistant Deputy of Research, Planning and Public Affairs Bill Keefe, Compliance/Investment Data Coordinator Cheryl Johnson, Project Manager Anthony Tse, and Communications Director Natacha Dunker.

Ms. Carcia announced the following guests in attendance: Sean Neilon representing the Massachusetts Teachers' Retirement Board, Nick Favorito representing the State Retirement Board, Tom Gibson representing Belmont Retirement Board and Middlesex County Retirement Board, John Brown representing MACRS and the Middlesex County Retirement Board and Alicia Fay Daniel, Assistant General Counsel from the State Auditor's Office.

Commissioner Machado made a motion to adopt the December 11, 2019 Commission meeting minutes. Commissioner Dooling seconded the motion and a roll call vote was taken:

Chairman Philip Brown YES, Commissioners Timothy Dooling YES, Kathy Fallon YES, James Machado YES, Kate Fitzpatrick YES, Jennifer Sullivan YES, and Robert McCarthy YES, and the minutes were unanimously adopted.

Legislative Update

Mr. Keefe reported that PERAC's Pension Forfeiture Bill (H.21) has been reported out of the Public Service Committee and referred to the Ways and Means Committee. A meeting has been scheduled with the Governor's Office on January 9, 2020 to discuss the bill. Another bill reported out of Public Service is the vacation buy-back bill (H.4133) with language specifying the benefit is for those who were active and currently receiving the benefit on May 1, 2018. Other bills of interest reported favorably are H.52 which prorates Group 2 and Group 4 time, H.2378 which creates Parkinson's Disease as a presumption for certain public employees, primarily firefighters, and H. 2261 which creates contagious disease presumption for police, firefighters and EMS. Mr. Keefe reported that several vacancies exist in the Legislature due to resignations. Mr. Keefe reported that the State of the State address will be held next week.

Commissioner Fitzpatrick inquired about H.52 bill which is in regard to the proration of Group 2 and Group 4 time.. Mr. Favorito reported that this bill is designed to address what happens when an inactive member retires and attempts to utilize group pro-rating.

Audit Update

Ms. Shea reported that the audit team is attending various training sessions on the new audit software that was recently purchased. She reported that the recently hired auditors will begin the Chelsea Retirement Board audit in the coming week. Ms. Shea also reported that PERAC is waiting for several boards to respond to written comments on draft audits issued since the last Commission meeting.

Compliance Update

Mr. O'Donnell reported on the memorandum provided to the Commission which outlines year end vendor procurement acknowledgments, course completions by board members and Statement of Financial Interest (SFI) filings.

Ms. Johnson reported on the 2018 Comparative Analysis Report that was issued outlining various data analysis tools on investment related fees of the retirement systems. This report is a good tool for boards to compare fee costs incurred with various boards of similar size and other comparisons.

Executive Director's Report

Mr. Parsons reported on the staff activities since the last commission meeting which is contained in the packet. Mr. Parsons also informed the Commissioners that a Draft report regarding the strategic meeting held on November 6, 2019 is included in the packet. This draft summarizes and incorporates the highlighted areas and action plan for the next five years. Many of the items outlined in the plan defaults to PERAC staff with the exception of redrafting a Mission Statement for the agency. That task will include Commission members and Senior Staff. It was decided that Commissioners Dooling and Fallon would work with designated staff before the next commission meeting of February 12, 2020 and provide a recommendation to the full Commission.

Other Business

Chairman Brown stated that the next Commission meeting is scheduled to be held on Wednesday, February 12, 2020 @ 11:00 a.m.

Commissioner Machado made a motion to adjourn the meeting. Commissioner Fitzpatrick seconded the motion and a roll call vote was taken:

Chairman Philip Brown YES, Commissioners Timothy Dooling YES, James Machado YES, Kathy Fallon YES, Kate Fitzpatrick YES, Jennifer Sullivan, YES, and Robert McCarthy YES, and the motion was unanimously adopted. The meeting adjourned at 11:40 AM.

Commission Meeting Documents

Commission Agenda for the meeting of January 8, 2020

Commission Minutes from December 11, 2019

Legislative Update

Memorandum to Commissioners from Bill Keefe regarding Legislative updates

Compliance Update

Memorandum to Commissioners from Tom O'Donnell regarding Compliance updates.

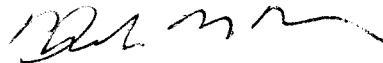
2018 Comparative Analysis Fee Report

Executive Director's Report

Staff Activities

Draft PERAC Strategic Plan 2020-2024

Approved:



Philip Y. Brown, Chairman
Public Employee Retirement
Administration Commission