

**Commission Meeting Minutes**  
**January 13, 2021**

Chairman Philip Y. Brown called the meeting 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 participating: Commissioners Timothy Dooling, Kathleen Fallon, Kate Fitzpatrick, James Machado, Richard MacKinnon, and Jennifer Sullivan. All attendees participated remotely pursuant to Governor Charles Baker's Executive Order dated March 12, 2020. Therefore, the Chairman announced, any votes in this meeting shall be taken by roll call vote.

PERAC Staff attending remotely: Executive Director John Parsons, Deputy Executive Director Caroline Carcia, General Counsel Judith Corrigan, Assistant Deputy Director Bill Keefe, Assistant Deputy Director Ken Hill, Director of Audits Caryn Shea, Compliance Director Tom O'Donnell, Communications Director Natacha Dunker, Project Manager Anthony Tse, Senior Associate General Counsel Patrick Charles, Associate General Counsel Katie Brady, Associate General Counsel Felicia McGinniss, Actuary John Boorack, and Senior Executive Assistant Kim Boisvert.

The Commissioners welcomed new Commissioner Richard MacKinnon, President of the Professional Firefighters of Massachusetts appointed by State Auditor Suzanne Bump, as the designee of the President of the Massachusetts AFL-CIO.

Guests participating remotely were: Nick Favorito representing the State Retirement System, Erika Glaster and Sean Neilon representing the Massachusetts Teachers' Retirement System, Tom Gibson representing the Middlesex and Belmont Retirement Systems, Kathleen Kiely-Becchetti representing the Norfolk County, Watertown Retirement Systems and MACRS, and Jim Quirk representing several retirement boards.

Commissioner Fitzpatrick made a motion to adopt the December 9, 2020 Commission meeting minutes. Commissioner Sullivan seconded the motion and a roll call vote was taken:

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

Ms. Corrigan announced that because an Administrative Sub-Committee will be held within the next month that it is unnecessary to vote on the Administrative Sub-Committee Meeting minutes dated May 13, 2020. She continued that because the Investment Sub-Committee doesn't meet on a regular basis that those minutes could be adopted at the full Commission meeting.

Commissioner Machado made a motion to adopt the October 27, 2016 Investment Sub-Committee 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, Kate Fitzpatrick YES, James Machado YES, Richard MacKinnon YES, and Jennifer Sullivan YES and the minutes were adopted.

### **Legal Update**

Mr. Charles reported on the *Winchester Retirement Board and Philip Coss v. PERAC*, CR-19-0267, and that Winchester Retirement Board has recently appealed this matter.

Ms. Corrigan recommended opening the Commission's Executive Session minutes dated September 12 and November 14, 2018 regarding removal of a board member or board members for not filing the SFI in a timely manner according to statute; August 14, 2019 (Purpose 1) regarding the request that the Commission rescind its removal of a board member that did not file their SFI under extenuating circumstances; and, September 11, 2019 regarding removal of 2 (two) board members for not filing their respective SFIs. The staff recommends making the above executive session minutes open as it believes that there is no further reason for these minutes to remain in Executive Session status.

Ms. Corrigan then recommended that the Executive Session minutes dated August 14, 2019 (Purpose 7) should remain in Executive Session as this matter is an ongoing criminal matter.

Commissioner Dooling made a motion to accept the recommendation and open the Executive Session minutes dated September 12, November 14, 2018, and August 14, 2019 (Purpose 1) and September 11, 2019 while keeping the Executive Session Minutes dated August 14, 2019 (Purpose 7) closed. Commissioner Machado seconded the motion and a roll call vote was taken as follows:

Chairman Philip Brown YES, Commissioners Timothy Dooling YES, Kathy Fallon YES, Kate Fitzpatrick YES, James Machado YES, Richard MacKinnon YES, and Jennifer Sullivan YES and the motion was adopted.

Ms. Corrigan stated that there would be some personal information that must be redacted prior to issuing one set of the minutes that have been opened.

### **Legislative Update**

Mr. Keefe reported that the 2019-2020 legislative session ended on Tuesday, January 5, 2021. He reported that the Governor signed the following bills:

S 2968 authorized the Town of Andover to issue pension obligation bonds;  
S 2744 dissolves the Hampshire Council of Government;  
S 2914 changes the retirement option for Everett Police Officer Richard Basteri;  
H 5210 shifts the unfunded pension liability for retired Barnstable sheriff employees from Barnstable County to the State;  
H 4779 allowing an individual to purchase military service;  
H 5195 allowing Framingham Police Officer James Green to work beyond maximum age;

H 4815 and H 2383 allowing two individuals to purchase military service;  
S 1496 authorizing Barnstable County Retirement Board to acquire real property.

He also reported that the Governor's budget is due to be filed by January 27, 2021.

Mr. Keefe stated that with the resignation of Speaker DeLeo, Ron Mariano has been elected Speaker of the House and Karen Spilka was re-elected President of the Senate. The new leadership positions will be named for each chamber in the coming months. He continued that both chambers have extended the bill filing date until February 19, 2021.

Mr. Keefe explained that the tax revenue collections have increased 2.7% within the last 6 months and increased 8.8% from this same time last year. He said that the State has collected \$14.3B and the Consensus Revenue estimated \$28.4B moving forward with caution but this is good for the first 6 months.

#### **Audit Update**

Ms. Shea reported that since the last Commission meeting, PERAC released the Stoneham Retirement System Audit Report which was a limited scope audit, and she reported on their findings. She also reported on the Franklin Regional Retirement System follow up report. Ms. Shea then reviewed the Audit Tracking Report noting that there are 16 audits in process. She explained that of those 16 audits, 1 audit is under final review, 1 is awaiting board response, 3 are pending their exit conferences, 5 are under review pending revisions, 4 audits are in the field work phase, and 2 are in the planning phase. Ms. Shea stated that all of the auditors attended the *Recent Cases* seminar. Finally, she reported that the audit unit is currently working on the end of the year books and preparing to present a webinar on *Year End Closing of the Books and Preparing the Annual Statement*.

#### **Compliance Update**

Mr. O'Donnell reported that there have been 1208 various course completions as of December 31, 2020, and he gave the history of course completions over the past several years. He speculated that the decrease in course completions compared to past years is probably due to the pandemic. For example, there were many cancelled events including 2 MACRS conferences.

Mr. O'Donnell stated that 153 vendor procurements have been completed and he expects that the Vendor Disclosures will start coming in soon. He then reported that the board members would be filing their SFIs through PROSPER this year with training expected in February.

#### **Executive Director's Report**

Mr. Parsons reported on the recent staff activities and stated that DALA hearings continue virtually. He stated that Mr. Keefe, Mr. Boorack and he attended the Revenue Consensus Hearing in which the revenue is better than forecasted. PRIM reported that their numbers are up 7% to 8%.

Mr. Parsons stated that the Governor has scaled back office attendance to 25% and that the senior staff and the administrative staff are now on a rotating schedule so that on any given day there are 10-15 people in the office. He is awaiting further instructions from the Governor. He continued that staff is effectively working remotely due to PROSPER having the ability to schedule medical and CME appointments, approve benefit calculations, disabilities, and other tasks.

Mr. Parsons stated that there would be an Administrative Sub-Committee meeting next month prior to the Commission meeting to discuss the Executive Director's evaluation and he expects that there will be an Executive Session at the next Commission meeting.

Chairman Brown explained to Commissioner MacKinnon the membership of the several different Sub-Committees and further stated that if there are any requests to adjust sub-committees to notify Ms. Boisvert.

### **Other Business**

Chairman Brown reported that the next meeting will be held on Wednesday, February 10, 2021 at 11:00 AM.

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

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

### **Commission Meeting Documents**

Commission Agenda for the meeting January 13, 2021  
Commission Minutes from December 9, 2020

### **Legal Update**

*Winchester Retirement Board and Philip Coss v. PERAC*, CR-19-0267,  
Chart of the Commission's Executive Session meetings

### **Legislative Update**

Memorandum regarding Legislative updates

**Audit Update**

Cover page

Stoneham Retirement System audit findings

Franklin Regional Retirement System follow up letter

Audit Tracking Log

**Compliance Update**

Memorandum regarding Compliance updates

**Executive Director's Report**

Staff Activities

Approved:



Philip Y. Brown, Chairman  
Public Employee Retirement  
Administration Commission