

Commission Meeting Minutes

April 8, 2026

Chairman Philip Y. Brown called the meeting (held at the PERAC Offices, 10 Cabot Road, Suite 300, Medford, MA 02155) to order at 11:01 AM. Present for all of the meeting at the PERAC offices were Commissioner Kate Fitzpatrick and Commissioner Michael Leung-Tat. Present for all or part of the meeting but participating remotely were Chairman Philip Y. Brown, and Commissioners James Guido, Kathleen Fallon, and Jennifer Sullivan. Commissioner Richard MacKinnon was not in attendance. Because of remote participation on the part of some of the Commissioners, the Chairman explained that all motions made at this meeting will be voted on by roll call vote. The Chairman also announced the meeting was being recorded.

PERAC Staff in attendance at the PERAC offices: Executive Director Bill Keefe, First Deputy Executive Director Caroline Carcia, Deputy Executive Director Kenneth Hill, Assistant Deputy Director Patrick Charles, General Counsel Judith Corrigan, Director of Audits Caryn Shea, Systems Architect Anthony Tse, Senior Associate General Counsel Felicia Barrufi, Associate General Counsel Daniel Taylor, and Compliance Manager John Galvin.

PERAC Staff attending remotely: Actuary John Boorack, Communications Director Natacha Dunker, Deputy Compliance Manager Sarita Yee, and Fraud Prevention Manager Sandra King.

Guests attending in person: Tom Gibson representing the Middlesex County and Belmont Retirement Systems.

Guests participating remotely: John Brown representing the Middlesex County Retirement System and MACRS, Rachel Grimaldi representing the Worcester Regional Retirement System, Tim Smyth representing the Boston Retirement System, Attorney Charles Matthews, Attorney Linda Champion of Murphy, Hesse and Toomey, C. McLaughlin, and from the Worcester Retirement Board, Chair Elizabeth Early and director Lisa Poske.

Commissioner Kate Fitzpatrick made a motion to adopt the minutes of the Commission meeting of March 11, 2026. Commissioner James Guido seconded the motion, and a roll call vote was taken as follows:

Chairman Philip Brown YES, Commissioners Kathleen Fallon YES, Kate Fitzpatrick YES, James Guido YES, and Michael Leung-Tat YES. The minutes were unanimously adopted. Commissioner Jennifer Sullivan had no recorded vote.

Administrative Sub-Committee Update

An Administrative Sub-Committee meeting was held immediately prior to the Commission Meeting. Chairman Philip Brown, who is also the Chair of the Sub-Committee, reported that the purpose of the Sub-Committee meeting was to discuss the Executive Director's performance evaluation for the period of March 13, 2025 through March 13, 2026. The Chairman explained that the Sub-Committee finalized the evaluation form which outlines key competencies and success indicators for the period and provided additional comments to be included in the narrative. Chairman Brown indicated that following the tallying of each of the key competencies, Mr. Keefe has an Excellent/Outstanding score.

He further reported that the Sub-Committee members discussed how effective Bill's communications skills are, ensuring clear coordination with colleagues and interested parties. Bill demonstrates a strong work ethic, professionalism, and a commitment to excellence. He approaches tasks with a positive attitude and remains reliable under pressure. Over the past year, several unplanned key issues arose externally and internally, and Bill handled them professionally and with a positive attitude. He further added Mr. Keefe keeps the Commissioners up to date on key issues and is always accessible. Mr. Keefe's transition into the Executive Director's role has been impressive and the Commissioners are very pleased with his performance, and he has exceeded their expectations.

Mr. Keefe thanked the Commissioners for their kind words and trust in him. Mr. Keefe indicated that he is proud of the work of the staff and the support of the Commission.

Chairman Brown then discussed that the Sub-Committee reviewed the memorandum from Caroline Carcia to the Sub-Committee outlining PERAC's salary compensation practice and a compilation of salaries of other Commonwealth Agency Heads, Constitutional Officers, and several Retirement Board Administrators. Mr. Brown reported that the Sub-Committee recommends a 2% salary increase effective on his anniversary date of March 13, 2026, to be followed by a COLA increase on August 1, 2026 when the percentage is determined with the Fiscal Year 2027 Budget.

Motion was made by Commissioner Kate Fitzpatrick to adopt the recommendation of the Administrative Sub-Committee and approve the Executive Director's performance evaluation as written and provide for a 2% salary increase on his anniversary date of March 13, 2026 to be followed by a COLA increase on August 1, 2026 when the percentage is determined with the Fiscal Year 2027 Budget. Commissioner Michael Leung-Tat seconded the motion, and a roll call vote was taken as follows:

Chairman Philip Brown YES, Commissioners Kathleen Fallon YES, Kate Fitzpatrick YES, James Guido YES, and Michael Leung-Tat YES. The motion was unanimously adopted. Commissioner Jennifer Sullivan had no recorded vote.

Lastly, the Chairman then discussed that the Sub-Committee will be reviewing the Executive Director's employment contract as it is due to expire on March 13, 2027 and it has been past practice of the Commission to extend the employment contract one year before it is set to expire. In addition, the Administrative Sub-Committee discussed including merit/bonus compensation in the contract which will not be included in the base salary but would instead be a one-time payment based on the performance review. Commissioner Fitzpatrick will provide the Chairman with suggested language for consideration at the next Administrative Sub-Committee meeting.

Legal Update

Judith Corrigan reported on the recent Lowell District Court decision in the matter of *Michael McLaughlin v. Chelsea Retirement Board & PERAC*, Lowell District Court, Docket No. 2211CV000803 which was issued on March 13, 2026. This matter has been going on since 2011, when Michael McLaughlin ("Mr. McLaughlin") resigned as the Executive Director of the Chelsea Housing Authority amid various allegations of wrongdoing. Cases regarding the possible forfeiture of his pension are pending in various forums. This District Court decision involves only Chapter 32, Section 15(7), which provides that a retirement allowance may not be based "upon a salary that was

intentionally concealed from or intentionally misreported to the commonwealth, or any political subdivision, district or authority of the Commonwealth, as determined by the Commission...”

The Lowell District Court found that the determinations of both the Chelsea Retirement Board and PERAC “that [Michael] McLaughlin intentionally concealed and misreported (and was required to report) his compensation was supported by substantial evidence.” In so finding, the Court agrees that Chapter 32, Section 15(7) should apply in this case. Ms. Corrigan explained that Mr. McLaughlin has until approximately May 12, 2026 to seek further judicial review of this decision. If he does not seek such review, the amount of his possible pension forfeiture will be ascertainable, and we will be able to go into the next phase of the pension forfeiture proceedings. If he does seek review, the next phase will need to be halted as this decision makes its way up on appeal.

Legislative Update

Mr. Charles reported that the Legislature’s review period has lapsed regarding the proposed amendments to 840 CMR 28.00 *Electronic Signatures* and the final step in the process is a vote of the Commission to submit the final version to the Secretary of State for promulgation.

Motion was made by Commissioner Michael Leung-Tat to submit proposed regulation 840 CMR 28.00 *Electronic Signatures* to the Secretary of State for promulgation. Commissioner Fitzpatrick seconded the motion, and a roll call vote was taken as follows:

Chairman Philip Brown YES, Commissioners Kathleen Fallon YES, Kate Fitzpatrick YES, James Guido YES, Michael Leung-Tat YES, and Jennifer Sullivan YES. The motion was adopted.

Mr. Charles then reported that we have filed for initial publication amendments to 840 CMR 6.00 *Standard Rules for Disclosure of Information* with a virtual public hearing scheduled for May 21, 2026 and written comments being accepted through May 22, 2026.

Mr. Charles reported that House Minority Leader Bradley Jones of North Reading will not be seeking reelection. He also reported that Andrew “Dru” Tarr won the special House election to succeed Representative Ann-Margaret Ferrante, who passed away in November.

Mr. Charles then told the Commission that the Department of Revenue (DOR) Commissioner Geoffrey Snyder announced that preliminary revenue collections for March 2026 totaled \$4.355 billion, \$164 million or 3.9% more than actual collections in March 2025, and \$64 million or 1.5% above benchmark. The FY26 year-to-date collections totaled approximately \$30.66 billion, which is \$980 million or 3.3% more than actual collections in the same period of FY2025, and \$653 million or 2.2% above the year-to-date benchmark.

Compliance Update

John Galvin reported that PRIM’s returns for February 2026 were 1.15%. The calendar year returns through February 28, 2026 were 2.83%. The fund balance as of February 28, 2026 was \$126.7 billion.

Mr. Galvin further reported that we have received 380 Statements of Financial Interest (“SFIs”) from active board members. The SFIs are due on May 1, 2026.

Mr. Galvin reported that the Securities and Exchange Commission (“SEC”) issued its first cryptocurrency guidance clarifying when such assets qualify as securities.

Audit Update

Caryn Shea reported that since the last Commission meeting, PERAC has released the Easthampton, Norwood, and West Springfield Retirement System Audits and a follow-up audit of the Plymouth County Retirement System. She discussed that both the Easthampton and West Springfield Retirement Systems had no findings. She then discussed the four findings reported from the audit of the Norwood Retirement System. Ms. Shea reported that the three findings from the Plymouth County follow-up audit have been partially resolved. Ms. Shea then reported that Auditor Connor Allan will be presenting at the Spring MACRS Conference and that the audit staff have been reviewing Annual Statements submitted by retirement boards. Ms. Shea further discussed the status of other board audits as outlined in the Audit Tracking Log.

Executive Director’s Report

Bill Keefe went over the staff activities that have occurred since the last Commission meeting on March 11, 2026. He highlighted that PERAC’s finance unit continues to attend “MOSAIC” trainings since MOSAIC’s inception on February 23, 2026 and will be concentrating on Part Two of the Commonwealth’s project which is the Human Resources, Payroll, and Time and Attendance system. Natacha Dunker attended the NCPERS Communications Roundtable. Judith Corrigan participated in a status conference with DALA regarding the Brennan case. John Boorack and Bill Keefe presented on pension funding at the Massachusetts Municipal Auditors and Accountants Association Conference at UMass Amherst. John Boorack also attended and participated in the Commonwealth’s Investor Conference Call and presented funding issues and actuarial assessments at the Berkshire Regional Retirement Seminar/Treasurers’ meeting. Felicia Baruffi and Bill Keefe presented at a webinar for Professional Firefighters of Massachusetts’ retired members group. Michael Litvack attended Accessible Data Visualization Training. Patrick Charles and Bill Keefe met with House Ways and Means Counsel to discuss the COLA Commission report and legislation, and Bill Keefe attended several retirement board meetings.

Mr. Keefe provided an update regarding the Quincy Retirement Board (“Board) reclassifying a city hall security guard from Group 1 to Group 4. He indicated that the board reversed its decision to reclassify the security guard into a higher pension group, Group 4. Also, the Quincy Retirement Board updated its assumption rate from 6.75% to 7.25% for the 2024 valuation report and changed its funding schedule and have now met its Fiscal Year 2026 appropriation.

Mr. Keefe discussed that the Inspector General released a report on March 11, 2026 regarding the Former CEO of the Worcester Regional Retirement System. The report is included in the Commission package along with communications from the former CEO’s attorney, Chairman of the Worcester Regional Retirement Board, a newspaper article, and a follow-up from the Inspector General’s Office. Mr. Keefe indicated that this involves a contractual relationship between the board and its former employee and PERAC has no statutory powers in regard to such a relationship. However, PERAC conducts various training courses on the Open Meeting Law, procurements, and other trainings to assist Retirement Boards.

Mr. Keefe reported on PERAC Memorandum #14/2026 which is included in the Commission packet notifying retirement boards of the 2nd Quarter Education Training offerings. He further reported on PERAC Memorandum #15/2026 addressing proposed amendments to the *Standard Rules for Disclosure of Information* Regulations 840 CMR 6.00. PERAC will hold a hearing on the proposed regulations on Thursday, May 21, 2026 at 10:00 a.m. Written comments will be accepted through May 22, 2026.

The Chairman then announced that the next meeting of the Commission will be held on Wednesday, May 13, 2026, at 11:00 AM.

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

Chairman Philip Brown YES, Kathleen Fallon YES, Kate Fitzpatrick YES, James Guido YES, Michael Leung-Tat YES, and Jennifer Sullivan YES. The motion was adopted.

The meeting was adjourned at 11:42 A.M.

Commission Meeting Documents

Commission Agenda for the meeting of April 8, 2026

Commission Minutes dated March 11, 2026

Administrative Sub-Committee Update

Executive Director's Performance Review Form

Memorandum to Admin Sub Members RE: PERAC's Salary Practice

Compilation of Department Head, Constitutional, Retirement Board salaries

Legal Update

Michael McLaughlin v. Chelsea Retirement Board & PERAC, Lowell District Court – Docket No. 2211CV000803

Legislative Update

Proposed Regulation 840 CMR 28.00 – *Electronic Signatures*

Memorandum regarding Legislative updates

Compliance Update

Memorandum regarding Compliance updates

PRIM's PRIT Fund Performance Summary as of February 28, 2026

Securities and Exchange Commission Press Release Article dated March 17, 2026 – "SEC Clarifies the Application of Federal Securities Laws to Crypto Assets"

Audit Update

Easthampton Retirement System Audit

Norwood Retirement System Audit

West Springfield Retirement System Audit

Plymouth County Retirement System Follow-up Audit

Audit Tracking Report

Executive Director's Report

Staff Activities Memorandum

Office of Inspector General Report dated March 11, 2026 – “Former CEO of Worcester Regional Retirement System Abused Public Funds”

Worcester Telegram & Gazette article dated March 11, 2026 titled – “Former Worcester area retirement CEO abused public funds, report finds”

Statement from Worcester Regional Retirement System, Chairman Kevin Blanchette at a Public Meeting on March 17, 2026

Letter to Inspector General dated March 24, 2026 from Attorney Leonard H. Kesten from Brody Hardoon Perkins & Kesten, LLP

Letter to Attorney Leonard H. Kesten dated April 1, 2026 in response to letter dated March 24, 2026 PERAC Memorandum #14/2026 – 2nd Quarter Mandatory Retirement Board Member Training.

PERAC Memorandum #15/2026 – Proposed Amendment to the *Standard Rules for Disclosure of Information* Regulations 840 CMR 6.00

Article from iBerkshires.com dated April 1, 2026 titled “Adams Fire Questions Impact of Retirement Mandate”

Approved:



Philip Y. Brown, Chairman
Public Employee Retirement
Administration Commission