

**Commission Meeting Minutes
December 12, 2018**

Chairman Philip Y. Brown called the meeting (held at the PERAC Office, 5 Middlesex Avenue, Somerville, Massachusetts) to order at 11:15 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, Kate Fitzpatrick, and Jennifer Sullivan. Commissioner Kathleen Fallon and James Machado participated remotely per the Attorney General's Open Meeting Law 940 CMR 29.10. Therefore, all votes in this meeting were taken by a roll call vote. Commissioner Robert McCarthy was not in attendance.

PERAC Staff Present for all or some of the meeting: Executive Director Joseph Connarton, Deputy Executive Director Joseph Martin, General Counsel and Deputy Director John Parsons, Deputy General Counsel and Managing Attorney Judith Corrigan, Director of Administrative Services Caroline Carcia, Director of Strategic Planning Mike DeVito, Compliance Officer Tom O'Donnell, Compliance Counsel Derek Moitoso, Chief Auditor Caryn Shea, Senior Associate General Counsel Ken Hill, Associate General Counsel Patrick Charles, Project Manager Anthony Tse, Senior Systems Engineer Robert Perez, Communications Director Natacha Dunker, Compliance Analyst Cheryl Johnson, Fraud Prevention Manager Sandy King, Graphic Designer and Editor Karen McMahon, and Senior Executive Assistant Kim Boisvert.

Ms. Boisvert announced the following guests in attendance for all or some of the meeting: Nick Favorito representing the State Retirement Board, John Brown representing Middlesex County Retirement Board and MACRS, Lisa Maloney representing Middlesex County Retirement Board, Tim Smyth, Padriac Lydon, and Natacha Thomas representing the Boston Retirement Board, and Lisa Adams representing the Massachusetts Municipal Association.

Commissioner Fitzpatrick made a motion to adopt the November 14, 2018 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, and Jennifer Sullivan YES, and the minutes were unanimously adopted.

Chairman Brown, on behalf of the Commission thanked Mr. Connarton for his years of public service. He continued that Mr. Connarton is someone who one would look to as an example of a public servant, well respected, and PERAC was very fortunate to have had him to make PERAC what it is today. The Commission is sorry to see Mr. Connarton retire and hopes he enjoys his retirement.

Mr. Connarton appreciates the comments and thanked the Commission for all of the support given to him throughout the years. He feels privileged to have worked here and is very proud of the professionals at PERAC. He wishes Mr. Parsons luck in his future endeavor. He thanked the Commission again and told them he plans on taking a vacation with his wife in the near future.

Ms. Adams, on behalf of the cities and towns and the MMA, echoed Chairman Brown's comments and thanked Mr. Connarton and PERAC for all of the assistance and partnership provided to the MMA and the municipalities throughout the Commonwealth.

Mr. Connarton thanked Ms. Adams and the MMA for its partnership.

Executive Session – Administrative Sub-Committee Update

At 11:20 AM Chairman Brown called for a vote of the Commission to go into Executive Session to discuss and conduct a strategy session in preparation for contract negotiations regarding an Employment Agreement for the new Executive Director, Mr. Parsons. A roll call vote was taken:

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

A roll call vote was taken in Executive Session to return to open session and to adjourn the Executive Session at 12:00 PM.

Open Session

Commissioner Dooling made a motion to adopt the Employment Agreement for Mr. John Parsons as the new Executive Director as discussed in Executive Session. Commissioner Fitzpatrick 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, and Jennifer Sullivan YES, and the Executive Director's Employment Agreement was adopted.

The Commission congratulated Mr. Parsons and welcomed him as the new Executive Director!

Chairman Brown requested Mr. Parsons bring a succession plan back to the Commission for the next Commission meeting. The Commission then recommended that a retreat session be scheduled for the Commission.

Mr. Parsons thanked the Commission for its support.

Commissioner Machado left the meeting as he had a prior commitment.

Legal Update

Ms. Corrigan reported on the matter of *Worcester Regional Retirement Board v. CRAB & others*, 17-P-1535 and Mr. Hill updated the Commission about the case of *Watertown Retirement Board v. Joseph Deignan*, which was heard in the Appeals Court (No. 2017-P-1379) on December 7, 2018.

Legislative Update

Mr. DeVito briefly reported that PERAC's bill, H. 19 regarding continuing education credits flexibility has not moved and is still in the House Committee on Bills in the Third Reading. He also reported that PERAC's 2019-2020 Legislation was filed on November 6, 2018 and that the new Legislative Session will begin on January 2, 2019. Finally, Mr. DeVito reported that PERAC's 50th Edition of the Pension News has been distributed.

Audit Update

Ms. Shea reported that the auditors are currently auditing the Pittsfield, State, and Woburn Retirement Systems. She then reported that the audit reports for Milford and MWRA Retirement Systems and the Brookline Retirement System six-month follow-up report were posted on the PERAC Web Page since the last Commission meeting and then reported about their respective findings.

Compliance Update

Mr. O'Donnell reported that the Compliance Unit is preparing to send out vendor notifications for 2018 disclosures which are due March 1. He also reported that the SFIs for retirement board members will be going out shortly and they will be due back by May 1.

Communications Update

Ms. Dunker reported that there are four people working in the Communications Unit: Graphic Designer Karen McMahon, Webmaster Michael Litvack, Communications Specialist Benjamin Polatin, and herself. She then introduced Karen McMahon to the Commission. Ms. Dunker explained the two most recent redesigns of the Website and provided statistics regarding visits to PERAC's website as well as other state agencies. She then explained some of the information housed on Mass.gov/PERAC includes annual reports, appropriations, funding schedules, valuation reports, audit reports, local options and supplemental regulations, including basic board information for each retirement board as well as educational opportunities and Commission information.

Chairman Brown stated that he doesn't care for the new mass.gov format, as he finds it difficult to find the particular information he is looking for while conducting an internet search. Ms. Dunker stated that her team is working within the limitations imposed by mass.gov to make the website more usable and if the Commission had any suggestions she would attempt to make the changes.

Commissioner Dooling inquired if PERAC utilized any social media. Ms. Dunker responded that PERAC does have a LinkedIn page but she believes that Twitter would be more helpful. She then stated that there is an opportunity for individuals to join PERAC's email list through the website to receive notifications, memos, and newsletters with about 200 people who have registered to date.

Mr. Connarton reported that the Communications Unit is a hidden jewel of the agency and appreciates all the publications the Unit produces, and all the work it does with the website and exploring the possibility of a greater social media for the Commission.

Executive Director's Report

Mr. Connarton reported the staff activities since the last Commission meeting. He specifically discussed a meeting with the State Police Colonel Gilpin regarding the processing of accidental disabilities in regard to State Troopers. Mr. Connarton recapped the meeting and reported that Colonel Gilpin took the information under consideration. His suggestion is to work with the Rating Board – not to replace it. He hopes that PERAC and Colonel Gilpin could come to an agreement, however, PERAC would need to adjust the process slightly.

Mr. Connarton stated that the proposed schedule of Commission meetings for 2019 was included in the monthly package. The meetings would be held on the second Wednesday of each month at 11:00 AM. If the members approve the schedule, it will be posted on the website.

Commissioner Dooling made a motion to adopt the 2019 Commission meeting schedule. Commissioner Fitzpatrick 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, and Jennifer Sullivan YES, and the 2019 Commission meeting schedule was adopted.

Mr. Connarton next updated the Commission about the Consensus Revenue hearing held on December 5, 2018. He reported that Treasurer Goldberg discussed pension funding and the investment rate of return. Mr. Connarton stated that the Administration and the Commonwealth should be congratulated for its commitment of meeting the annual appropriation for several years.

Mr. Connarton reported that PERAC has received an Open Meeting Law complaint stating that the Commission listed candidate numbers instead of names on the Agenda for November 14, 2018 regarding the Executive Director Search process. He made note that the complaint was not signed and sent in anonymously. He further stated that Mr. Moitoso has spoken with the Attorney General's Office about this. As the complaint was not filed with the Attorney General's Office and was sent in anonymously, there are no further steps that PERAC needs to take.

Mr. Connarton stated that the Center for State and Local Government Excellence (SLGE) has issued a new report regarding Post-Retirement Employment Policies for large retirement systems across the United States. The report is intended to be used as a resource for the public employer's ability to recruit, retain and retire its workforce.

Mr. Connarton finally stated that Mr. Parsons and he have been meeting regularly to prepare for the transition. Mr. Connarton stated that this is the last Commission Meeting that he would be attending as the Executive Director and again thanked the Commission for all of the support that he has received during his tenure.

Other Business

Chairman Brown stated that the next Commission meeting will be held on January 9, 2019 at 11:00 AM.

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

Chairman Philip Brown YES, Commissioners Timothy Dooling YES, Kathy Fallon YES, Kate Fitzpatrick YES, James Machado YES, and Jennifer Sullivan YES, and the motion was unanimously adopted. The meeting adjourned at 12:30 PM.

Commission Meeting Documents

Commission Agenda for the meeting of December 12, 2018
Commission Minutes from November 14, 2018

Administrative Sub-Committee Update

Bullet points from December 3, 2018 meeting

Legal Update

Other information:

Worcester Regional Retirement Board v. CRAB & Others, 17-P-1353

Legislative Update

Monthly Legislative Agenda and bullet points outlining legislation

Audit Update

Recent PERAC audits and six-month follow-up reports

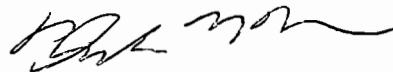
Executive Director's Report

Updated Staff Activities Memo

2019 Proposed Commission Meeting Schedule

Center for State and Local Government Excellence (SLGE) Post Retirement Article and Study

Approved:



Philip Y. Brown, Chairman
Public Employee Retirement
Administration Commission