

Brockton Contributory Retirement Minutes for January 26, 2021 at 9:00 A.M.

William R. Farmer, Chairman

Archibald Gormley, Jr., Elected

John A. Condon, Appointed

Scott G. Albanese, Elected

Annmarie Raymond, Interim Ex Officio (*absent*)

Executive Director, Jeanne Martineau in attendance

Votes to be recorded as roll call

All Members will be participating remotely via video conference pursuant to 940 CMR 29.10(5).

Join Zoom Meeting

<https://zoom.us/j/92905441302>

Meeting ID: 929 0544 1302

Note: Board Members are clearly audible to each other and all votes shall be roll call.

Anthony Tranghese, FIA present to discuss RFP responses for OCIO

9:20 A.M. – **Meketa**

Daniel Dynan, CFA, Principal, W. Brian Dana, CAIA, Principal, Rafi Zaman, CFA, CIO addressed the Board. Meketa has \$1.5T in assets under management and \$19.7B in discretionary assets. They act as consultant for over 200 clients with 43 OCIO clients. They discussed their competitive advantage, citing their firm and products but specifically they have experience with PERAC and understand their specific procurement rules. They understand that BCRS will need to obtain a new custodian and will assist in the RFP process. They laid out a thoughtful transition process and their implementation plans. They discussed the transition process if the City were to issue Pension Obligation Bonds.

10:20 A.M. – **Russell**

Steve Flynn, Director, Mike Reardon, Director, Erik Ristuben, Global Chief Investment Strategist, addressed the Board. Flynn began with an organizational review, and discussed regulatory compliance. Their OCIO strategy and underlying managers have already been approved through PERAC and they have a full understanding of PERAC's requirements. They cited their manager selection, market research, and five decades of experience in alternatives. They discussed a proposed portfolio structure and fees. They discussed the transition process if the City were to issue Pension Obligation Bonds.

11:20 A.M. – **Cambridge**

David Eisenberg, CFA, CIO, Chris Parker, CFA, Serge Agres, CFA, FSA, Sona Menon, Director addressed the Board. Cambridge cited BCRS current situation and the challenges it faces with a 7.75% return target. They discussed the current portfolio vs. a proposed

January 26, 2021

portfolio structure. They recommend more active management, and cited their extensive research resources. They discussed their due diligence process and what to expect upon transition. They have \$185B assets under management. They discussed the transition process if the City were to issue Pension Obligation Bonds. Upon questions regarding PERAC compliance they stated that they did not think this would be a problem. They stated if they were to be awarded the contract they would make an appointment with PERAC.

12:30

The Board members discussed the three presentations and the challenges they face. Each manager was impressive but the Board was disappointed that Cambridge neglected to contact PERAC in advance to specifically identify the procurement challenges and to ensure that they could comply. Russell has already met PERAC's hurdles and their fees are competitive, yet, when the Board must re-bid, they are again faced with proprietary investments. Meketa has extensive history with PERAC and understands their regulations. If the Board were to cancel the contract with Meketa all of the underlying investments are owned by BCRS.

- Motion by J. Condon, second by S. Albanese to contract with Meketa, upon successful negotiations of fees, to be undertaken by FIA.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

91 A Excess Earnings

Daniel Matukas – present via zoom to discuss his failure to comply with 91A Excess earnings filings. PERAC advised that compliance paperwork is not on file with the Agency. His tax attorney faxed the paperwork to PERAC the prior day, as did this office. PERAC has not confirmed the receipt of the paperwork.

- Motion by S. Albanese, second by A. Gormley to release Mr. Matukas' January pension, however, if all his filings have not been accepted and approved by PERAC in time for the February payroll, to suspend his pay.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

(12:51-1:00 recess)

James P. Sullivan – Derek Moitoso, Counsel for Mr. Sullivan has requested that the Board table the matter until his appeal is heard at the DALA level. Mr. Sullivan's pension is already suspended.

Board Counsel advised that there was no need to table this matter as Mr. Sullivan's pension is already suspended; no further action to be taken.

Minutes:

- Motion by S. Albanese, second by A. Gormley to approve the regular minutes of December 29, 2020.

January 26, 2021

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

Vendor and Payroll Warrant:

- Motion by S. Albanese, second by A. Gormley to approve and authorize the payment of bills listed on the warrant of January 29, 2021.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

- Motion by S. Albanese, second by A. Gormley to approve and authorize the Contributory Pension Payroll for January 29, 2021.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

Refunds

<u>Name</u>	<u>Dept</u>
-------------	-------------

n/a

Transfers Out

n/a

Retirement Applications Received:

<u>Name</u>	<u>Dept.</u>	<u>Type</u>	<u>Effective Date</u>
-------------	--------------	-------------	-----------------------

n/a

DECEMBER

Retiree's Payroll Check Series Used:	402201 - 402233
Retiree's Payroll End Check Series Used:	402204 - 402208
Warrant Check Series Used:	402209 - 402233
Void/cancel Checks:	402063/402150; 402078/402153;
402061/402149/402190/402201	
Replacement Check Used:	# 402199/402200
Replacement Checks for Cash Project:	# n/a

Financials

SEI Financials November report (*prev. emailed to bd 1/22/21*)

January 26, 2021

Review budget for 2021

- Motion by S. Albanese, second by A. Gormley to approve the 2021 budget.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

Education

n/a

OTHER BUSINESS

Death Benefits

Caroline Barnett, spouse of the late RICHARD BARNETT §7 retiree, is eligible for §101 benefits

- Motion by S. Albanese, second by A. Gormley to award Caroline Barnett §101 benefits as she meets the criteria.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

Board received letter from Greg Galvin to the City Legal Department, dated January 18, 2021 discussing regular compensation for purposes of employee-settlements

Director seeks guidance from the Board regarding regular compensation on lump sum payment as it relates to creditable service

- Motion by S. Albanese, second by A. Gormley to pro-rate pension deductions up to the date of resignation for MaryLynn Peters Chu and to refund the remaining portion taken.

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

Business not reasonably anticipated by the Chair-

NON-ACTION ITEMS

Notice of Deaths

Retirees:

Evelyn Burchard, widow of Lloyd, passed on November 14, 2020; no further benefits shall be paid after the date of her death.

January 26, 2021

Linda M. Peckham, retired Board of Health employee, passed on November 20, 2020; no further benefits shall be paid after the date of her death.

MaryAnn Sena, School Department retiree, passed on November 29, 2020; refund B paid to beneficiary.

Chester Berglund, Water Department retiree, passed on December 05, 2020; no further benefits shall be paid after the date of his death.

M. Frederick Hasssan, Housing Authority retiree, passed on December 25, 2020; no further benefits shall be paid after the date of his death.

Robert S. Lenoci, retired Brockton Police Officer, passed on December 27, 2020; no further benefits shall be paid after the date of his death.

Richard Barnett, retired Brockton Police Officer, passed on January 05, 2021; s. 101 Survivor benefits to be granted to Spouse.

Ursula Haynes, Survivor of Charles, passed on January 06, 2021; no further benefits shall be paid after the date of her death.

Gerald N. Dufresne, retired Brockton Fire Fighter, passed on January 10, 2021. No further benefits shall be paid in his name.

Russell I. Gillpatrick, retired Brockton Fire Captain, passed on January 20, 2021; no further benefit payments shall be paid after date of death.

PERAC Retirement Calculation Approvals

<u>Name</u>	<u>Dept.</u>	<u>Type</u>	<u>Effective Date</u>
Robert H. Malley	City-Parking	Superannuation	09/01/2020

Other Business

Email dated 01/06/21 from Mass Retirees; Today's Town Hall Meeting with Boston Mayor
(prev. emailed to Bd 1/6/21)

Email dated 01/08/21 from Mass Retirees; Off and Running in 2021 *(prev. emailed to Bd 1/8/21)*

Email dated 01/18/21 from Mass Retirees; Healthcare Savings 101 *(prev. emailed to Bd 1/18/21)*

Email dated 01/25/21 from Mass Retirees; GIC recommends no Insurance Changes *(prev. emailed to Bd 1/25/21)*

Email dated 01/07/21 from NCPERS: January Monitor Now Available *(prev. emailed Bd 01/07/21)*

January 26, 2021

PERAC Memos

<http://www.mass.gov/perac/forms-pubs/memos/>

PM 38-20 Questions arising from the Gomes decision

PM 01-21 Review of Medical Testing Fees

PM 02-21 Reg Compensation Limits under c. 46 Acts of 2002

PM 03-21 Reg Compensation Limits under S 23, Chapter 131, Acts of 2010

PM 04-21 COLA Notice

PM 05-21 PROSPER SFI Training

PM 06-21 Interest Rate set at .1%

PM 07-21 Buybacks and Makeups

Next meeting/s February 24, and March 30, 2021 1:00 P.M.

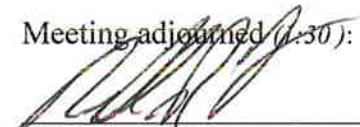
Schedule COLA Hearing pursuant to s. 103(i) 30 days notice required.

March 30, 2021 1:00 P.M.

- Motion by S. Albanese, second by A. Gormley to adjourn the meeting

So voted: S.A.(I), A.G.(I) J.C.(I), B.F.(I)

Meeting adjourned (1-30):



William R. Farmer, Chairman



Archibald Gormley, Jr. Elected



John A. Condon, Appointed



Scott G. Albanese, Elected

ABSENT

AnnMarie Raymond, Interim Ex Officio

January 26, 2021