

**Intentionally Left Blank**

Brockton Contributory Retirement Minutes for Thursday February 22, 2018 at 1:00 P.M.  
**William R. Farmer**, Chairman  
**Matthew J. McLaughlin**, Appointed  
**MaryLynn Peters Chu**, Ex Officio (*Absent*)  
**Edward P. Mack**, Elected  
**William E. Parlow**, Elected

Board Counsel Greg Galvin, and Executive Director, Jeanne Martineau present

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Votes to be recorded as (Yes- No- Abstain)

Chairman recognized any member of the public who wishes to be acknowledged.  
n/a

### **COLA PUBLIC HEARING**

Chair opens the COLA hearing:

B. Parlow stated that he supports voting a Cost of Living increase up to the maximum allowable by law. Members Mack and McLaughlin agreed.

Chair closed the COLA hearing

- Motion by B. Parlow, second by E. Mack that the Brockton Retirement Board grant the Cost of Living Adjustment effective July 01, 2018 to be set at the maximum allowed by law

**So voted:** (4-0-0)

### **Minutes:**

- Motion by M. McLaughlin, second by B. Parlow to approve the minutes of January 29, 2018

**So voted:** (3-0-1) *EM*

### **Vendor and Payroll Warrant:**

- Motion by M. McLaughlin, second by E. Mack to approve and authorize the payment of bills listed on the warrant of February 28, 2018

**So voted:** (4-0-0)

- Motion by M. McLaughlin, second by E. Mack to approve and authorize the Contributory Pension Payroll for February 28, 2018

**So voted:** (4-0-0)

### **Refunds**

n/a

### **Transfers Out**

n/a

**Retirement Applications:**

<u>Name</u>	<u>Dept.</u>	<u>Type</u>	<u>Effective Date</u>
John P. Hasomeris	Building Dept.	Superannuation	03/02/18
Susan E. Hasomeris	BHA	Superannuation	03/09/18

- Motion by M. McLaughlin, second by E. Mack to accept the Retirement Applications as listed above

**So voted:** (4-0-0)

John E. Beals                      BHA                      Superannuation              02/21/18  
Counsel recommends this matter be tabled and addressed at the next meeting until further information is gathered.

- Motion by B. Parlow, second by M. McLaughlin to withhold action until the next meeting.

**So voted:** (4-0-0)

**Education Opportunities**

N/A

**January**

Warrant Check Series Used: #400045 - 400077  
End Checks (Office Payroll) Series Used: #20700-20704  
End Checks (Office Payroll) Series Used: #20705-20708  
Retiree's Payroll Check Series Used: #400000-400038  
Retiree's Payroll End Check Series Used: 400039,400040, 400042- 4400044  
Replacement Check Series Used: #400078-400082 & 400084  
Void/cancel Checks Used: 400041, 400078  
Misprint/ Void:400083

**Visitors/ Financials**

Review Bank Reconciliation Statement

Director seeks guidance on potential date to schedule for FIA

FIA representative is not available for the March meeting date scheduled, Chair suggests that he visit at the April meeting.

**SEI:** (1:25)

Terry Gerlich present from SEI to discuss Year End Performance for 2017.

Gerlich discussed the 2017 fund performance, stating that the SEI composite is up 17.9% vs. PRIT, 17.7%; gross of fees. With the legacies, the total consolidated portfolio is up 16.89%. He stated that 2017 was a good year in terms of relative returns. The Portfolio started at \$360M, it paid out \$10.5M in benefits and the closing balance resulted in \$407M, which was a realization of \$58M in gains. SEI is monitoring the outside investments, of which many are in final distribution phases. One example being Charles Bank Equity Fund which has a remaining balance of approximately \$6,000. There are other legacy holdings in escrow waiting for final distribution. Soon these will fall out of the portfolio. He discussed Real Estate which realized

only 4% in Brockton for 17, this hurt the portfolio relative to PRIT. Private Equity returned 17% for 2017, but since Brockton's PE plan is rolling off, this hurt the portfolio. He discussed the negative number returns identified in the Alternative Investment side and explained that these numbers become meaningless as the funds liquidate. For example, Invesco stands at only \$8,000, and if there was \$800 in fees paid, it demonstrates that the holding is down 10%. Yet, in fact, that investment had an overall IRR of 15.8% and was a very good investment. As these holdings begin to roll off and become small, the final percentages become distorted in the later years.

**Disability:**

1:30 P.M

PETER LAKE, Cemetery Hoisting Equipment Operator submitted an Accidental Disability Retirement Application under s. 7, Attorney Ryan Benharris representing.

- Motion by B. Parlow, second by E. Mack to enter Executive Session for purposes of discussing medical information.

Roll Call: B.P. (I), E. M. (I), M.M. (I), W.F. (I)

1:40 P.M.

- Motion by B. Parlow, second by E. Mack to exit Executive Session

Roll Call: B.P. (I), E. M. (I), M.M. (I), W.F. (I)

- Motion by B. Parlow, second by E. Mack to accept the ADR Application of Peter Lake, and request that PERAC convene a regional medical panel.

**So voted:** (4-0-0)

PAUL LAPIERRE, JR. - Medical Panel Certificates authored by Drs. Donahue, Nairus, and Drinker, with the first two answering all questions in the affirmative, and Dr. Drinker answering no to causality.

- Motion by B. Parlow, second by E. Mack to accept the majority findings of the Medical Panel, award the ADR, and to forward the Disability Transmittal to PERAC

**So voted:** (4-0-0)

ROBERT A. HAYDEN, JR., School Custodian submitted an Accidental Disability Retirement Application under s. 7.

- Motion B. Parlow, second by E. Mack to table this application until the March meeting

**So voted:** (4-0-0)

**OLD BUSINESS**

Michael P. Varano - Requesting retirement benefits to be reinstated.

Board Counsel sent letter to Varano denying retirement benefit re-instatement at this time.

1. Counsel Opinion regarding Membership request for Printing Specialist Hau Nguyen.

- Motion B. Parlow, second by E. Mack to authorize the reinstatement of this member's Brockton Retirement deductions

**So voted:** (4-0-0)

**90A- HALF PAY**

Study still in progress as the office is waiting on the Police Contract settlement details

**NEW BUSINESS**

2. City of Brockton Contributory Retirement Pension Benefit Allocation for the fiscal year ended 6/30/2017.

3. Election Schedule

- Motion E. Mack, second by M. McLaughlin to adopt the Election timeline as put forth by the Executive Director

**So voted:** (4-0-0)

Director distributed a memo to the Board demonstrating that she met her objectives for the year 2017. Her goals remain the same as originally distributed at the February 2017 meeting.

**NON ACTION ITEMS**

**Notice of Deaths**

Jane F. Perry deceased February 5, 2018, no further payment shall be made in her name after the date of death.

Lillian I. Pilalas deceased February 5, 2018, Option C survivor benefits will be made to Anne Marie Juliano.

Lillian I. Pilalas, Option C Beneficiary deceased February 5, 2018, no further payment shall be made in her name after the date of death.

Francis R. Spadea deceased February 7, 2018, no further payment shall be made in her name after the date of death.

**Retirement Approvals**

<u>Name</u>	<u>Dept.</u>	<u>Type</u>	<u>Effective Date</u>
Ellen M. Garfield	School Dept.	Superannuation	12/26/17
Jane E. Fitzsimmons	Library	Superannuation	12/05/17
Victor M. Parziale	Fire Dept.	Superannuation	11/18/17
John J. Lonergan	Police Dept.	Superannuation	12/15/17

**Other Business**

**4. Letters from Director regarding 1099 corrections**

Received email dated 02/21/18 from NCPERS regarding change in dues (*prev emailed to Bd 02/21/18*)

**IT**

Director updates the Board on software conversion process

Payroll and bank transfers are being performed in house, no longer by a third party or the Treasurer's office. Member payroll deductions are encrypted and transferred over from the City and School, and imported into the database on a timely basis.

**5. Director's examples of Written Procedures and Manuals**

Executive Director is beginning process of writing manuals and procedures, along with control worksheets. They may be evaluated and amended as she and the staff need.

**PERAC Memos**

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

# 11-2018 Investment Related Issues and Concerns

# 12-2018 PERAC v. CRAB & other SJC No. 12331 (*prev. emailed to Bd. 02/20/18*)

Board authorized Executive Director to work with Counsel to address the matter of Supplemental Pay to Workers' Compensation (PERAC MEMO 12-2018). Executive Director has a draft letter in to counsel for review.

**REMINDER:** SFI's are due in to PERAC by May 01, 2018

Next meeting March 29, 2018:


- Motion by E. Mack, M. McLaughlin to adjourn the meeting

**So voted:** (4-0-0)

Meeting adjourned (2:20):



William R. Farmer, Chairman



Edward P. Mack, Elected



Matthew J. McLaughlin, Appointed



William E. Parlow, Elected

ABSENT

MaryLynn Peters Chu, Ex Officio