

SALEM RETIREMENT BOARD  
OPEN SESSION MEETING MINUTES  
AUGUST 30, 2021  
12:00 P.M.

In attendance at this regular meeting of the Salem Retirement Board (“the Board”), via zoom webinar, were Dominick Pangallo (Chair), Anna E Freedman, Sarah M. Hayes, and Matt Veno. Also in attendance were Board Attorneys Thomas F. Gibson and Gerald McDonough, as well as Board Treasurer Kathleen McMahon and Executive Director Paul Findlen.

Remote Participation Announcement

Mr. Pangallo announced that, “pursuant to Governor Baker’s March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §20, and the Governor’s March 15, 2020 Order imposing strict limitations on the number of people that may gather in one place, and the June 16, 2021 signing of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, which includes an extension, until April 1, 2022, of the remote meeting provisions of his March 12, 2020, Executive Order Suspending Certain Provisions of the Open Meeting Law, this meeting of the Salem Contributory Retirement Board is being conducted via remote participation. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings as provided for in the Order. Persons who would like to listen or view this meeting while in progress may do so by visiting <https://zoom.us/join>, entering meeting ID # ‘831 3356 0361’ as directed on the webpage, and clicking ‘Join’. Follow the on-screen instructions to join the meeting. You can also dial a toll-free phone number at 833-548-0276 to join the meeting. When prompted, enter meeting ID # ‘831 3356 0361’ and then follow the instructions to join the meeting. All votes taken by this body shall be by roll call vote. To offer public comment, participants may click the ‘Raise Hand’ button or, if on the phone, may press \*9 to raise their hand to speak.”

The Board held a moment of silence in remembrance of Board Member, and former Executive Director, Marcia A. Pelletier.

**V. Legal Update (taken out of order)**

Attorney Gibson spoke to the vacancy left by the passing of Marcia Pelletier. Attorney Gibson explained that historically, boards have held separate elections for separate seats. However, given the timing of the vacancy, and PERAC’s recent modification to 840 CMR 7.13, which states that “[i]n the event of a vacancy, the board must hold an election within 120 days from the date of vacancy”, coupled with the timing of the election of the 1<sup>st</sup> member of the Board, scheduled for November 29<sup>th</sup>, 2021, holding a simultaneous election would likely be the Board’s best course of action. Mr. Findlen will contact PERAC to solicit advisement on conducting the simultaneous election. On a motion to name Paul Findlen as the Election Officer and to conduct the election of the 2<sup>nd</sup> elected member of the Board simultaneously with the election to elect the 1<sup>st</sup> member of the Board made by Mr. Pangallo and seconded by Mr. Veno, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes.

Attorney Gibson also updated the Board on the proposed increase to the number of hours a retiree may work, pursuant to M.G.L. c. 32 § 91, which would have increased the number of

allowable hours to 1200, and which was not approved by the Governor. Attorney Gibson noted that there may be an effort underway in the House of Representatives to override Governor Baker's veto. Attorney Gibson informed the Board of the new language introduced in Chapter 29 of the Acts of 2021, regarding police officers killed in the line of duty. Section 9 of the Act amends Section 100 to provide that if a police officer is killed or sustains injuries which result in their death while engaged in the performance of their duties while at the scene of an emergency, the officer's spouse shall be eligible for benefits. This change brings makes the language relative to police officers consistent with the language relative to firefighters. Attorney Gibson addressed the proposal contained in HD 1794/ H 2808 to award additional service credit, or an enhanced age factor, to those who were required to work outside of their home during the COVID pandemic state of emergency. While Attorney Gibson expressed his opinion that the proposal was unlikely to pass due to lack of funding, he noted the possibility that the Governor may award one-time payments in consideration for service during the COVID pandemic. Attorney Gibson also discussed 91A termination cases, resulting from disability benefit recipients' non-compliance with the requirement to submit Annual Statements of Earned Income.

Attorneys Gibson and McDonough left at 12:29p.m.

## **I. Regular Matters of Business**

### Meeting Minutes

The minutes of the previous Board meeting, held on July 28, 2021, were reviewed and, on a motion made by Ms. Freedman and seconded by Mr. Veno, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to approve the July meeting minutes as amended.

### Monthly Warrants

The warrants for the month of August were reviewed. On a motion made by Ms. Hayes and seconded by Ms. Freedman, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to approve the August warrants as submitted.

### Applications to Purchase Service

The Board did not take up any new applications to purchase service.

### Recent Enrollments

All recent new enrollments were reviewed. On a motion made by Ms. Hayes and seconded by Mr. Veno, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to acknowledge the new enrollments as submitted.

### Benefit Calculation Results

All benefit calculation results for the month of August were reviewed and, on a motion made by Ms. Hayes and seconded by Mr. Veno, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to approve the August benefit calculation results for Stephen Bona; Michael Levesque; Edward Vaillancourt; Kate DeRosa; Jonathan Bedard; Jeffrey Bachmann; Peter Harrington; Francis Pelletier; Suzanne Landry; and Patricia Yelverton, as submitted.

## **II. Treasurer's Report**

The Board reviewed the reconciliation report for the month of July, prepared by Board Treasurer, Kathleen McMahon. On a motion made by Ms. Hayes and seconded by Ms. Freedman, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to accept the Treasurer's Report as submitted.

## **III. Executive Director's Report**

Mr. Findlen presented the Board with a report on all cash receipts for the month of July, a trial balance for the month of July, and a monthly expenditure report for the Board's review. Mr. Findlen also presented the Board with a monthly expenditure report for the month of July for the Board's review. The Board reviewed monthly statements of the SCRB's investment in the PRIT Core Fund, prepared by the MA PRIM Board. The PRIT Core Fund grew by approximately 0.75% in the month of July, raising the fund's return to 12.32% growth for the calendar year. The Board was also provided with the PRIM Board Quarterly Update for Q2 of 2021. PRIM Executive Director and Chief Investor Office Michael G. Trotsky, CFA, noted that the PRIT Fund "recorded the highest fiscal year performance in PRIM's entire history with a return of 30.0% (29.5%, net), surpassing the previous high in 1986 when the Fund returned 25.6%." Mr. Trotsky went on to say in his remarks that "I believe this year's achievements are particularly remarkable because the COVID pandemic was a major distraction, if not a major headwind, to our efforts. It was an extremely difficult year. I could not be prouder of this team and how we responded during the crisis and how we overcame the challenges to deliver these strong results". On a motion made by Mr. Veno and seconded by Ms. Hayes, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to acknowledge the Executive Director's Report.

## **IV. PERAC Memos**

The Board reviewed PERAC memo 24, which addressed the aforementioned amendment to M.G.L c. 32 § 100, as a result of Section 9 of Chapter 29 of the Acts of 2021, as well as other recent PERAC news.

## **VI. Old Business**

Mr. Pangallo addressed a comment made during the Annual Staff Review/Performance Evaluation conducted at the July regular meeting of the Board, in which it was suggested that staff raises be limited because, "while the COVID pandemic presented challenges over the course of the last year, staff had more time to spend with their families". Mr. Pangallo made it clear that the opinion of the majority of the Board was that the precautions taken by staff amidst a global pandemic were not a benefit to staff, and they were in no way meant to act as a substitute for compensation in consideration of the value provided by the staff, and that the extra measures that were required to remain fully functioning during the state of emergency were, in fact, appreciated by the Board. Mr. Findlen commended Mr. Pangallo and the Board on their efforts to clarify the statement made at the July meeting and noted that the statement itself was erroneous, as the SCRB staff's contact with family was limited by the pandemic during the state of emergency. Mr. Findlen also noted that it would be a disservice to the members of the system to suggest that any of the measures taken to remain fully functioning during the pandemic, by SCRB staff or others, could be characterized as a benefit.

**VII. New Business**

The Board confirmed the scheduling of the next regular meeting, which will be held on Tuesday, August 28<sup>th</sup>, 2021, at 12:00 p.m.

On a motion made by Mr. Veno and seconded by Ms. Freedman, the Board voted by roll call: Ms. Freedman, yes, Ms. Hayes, yes, Mr. Pangallo, yes, Mr. Veno, yes, to adjourn the meeting at 12:53 p.m.

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Dominick Pangallo, Chair

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Anna E. Freedman

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Sarah M. Hayes

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Matthew Veno

Documents used in SCRB Board meeting of July 28, 2021

- Agenda for August 30, 2021 SCRB Board meeting
- Open Session minutes of July 28, 2021 SCRB Board meeting
- August Cash Disbursements Warrant
- New Member Enrollment Report
- Benefit Calculations Results Report
- July Treasurer's Report
- July Cash Receipts
- July Trial Balance
- July monthly expenditure report
- PRIT Fund July Statement
- PRIM Performance Update
- Q2 2021 PRIM Board Quarterly Update
- PERAC Memo 24.2021