

Fall River Retirement Board

Date: February 16, 2022 @ 8:30 AM
At: 21 Father DeValles Blvd., Suite GR1, Fall River, MA 02723

Board members present: Jennifer Argo, David Machado,, Robert Camara, vice-chair
Also present for Board: Michael Pasternak; Executive Director, Michael Sacco; Attorney

V. Chairman Camara called the meeting to order at 8:30 a.m.

V. Chairman Camara advised all present that pursuant to the Open Meeting Law any person may make an audio or video recording of this public meeting or may transmit the meeting through any medium. Attendees are therefore advised that such recordings or transmissions are being made whether perceived or unperceived by those present and are deemed acknowledged and permissible.

Prior Minutes:

The board reviewed the minutes from the January 26th board meeting.
On a motion by Ms. Argo and second by Mr. Machado the Board voted to approve the January 26th minutes.
Motion passed 3 - 0.

Increase COLA base:

In response to recent inquiries by several board members, the Executive Director contacted PERAC's actuarial unit to request an approximate cost of an increase to the COLA base. PERAC reported back that an increase in the COLA base from \$12,000 to \$13,000 would increase the estimated actuarial liability on 1/21 by approximately 0.5% or \$3.8 million. The unfunded actuarial liability (UAL) would increase by the same dollar amount but it would increase by more than 0.5% on a percentage basis PERAC estimated that the UAL would increase approximately 1%. In regards to an increase from \$12,000 to \$14,000 it was determined that if everything else was maintained from the Board's current schedule, it would extend one year to FY36. The payments under the schedule would be the same as the Board's current schedule except the FY35 payment would increase to \$96.5 million from \$85.11 million and the FY36 payment would increase to \$31.2 million from \$17.9 million.

The director went on to say that as of the 1/21 valuation the FRRB had a funded ratio of 41.8%, one of the lowest in the state, however assets increased during 2021 by nearly \$60 million dollars due to record gains by PRIM. The director noted at the outset of 2021 the state retirements systems had COLA bases broken down as follows 22 with a \$12k base, 22 with a \$13k base, 31 with a \$14k base, 12 with a \$15k base, 7 with a \$16k base, 2 with a \$17k base, 8 with a \$18k base. The director also noted the following assuming an average pension of \$26,643 that individual would receive a 1.3% increase on a \$12k COLA base, 1.4% increase on a \$13k COLA base, 1.6% increase on a \$14k COLA base. The director also informed the Board that the ultimate decision on raising the COLA branch is the local legislative body, in Fall River's case, the City Council.

On a motion by Ms. Argo and second by Mr. Machado the Board voted to forward a request to the City Council to increase the COLA base to \$14,000
Motion passed 3 - 0.

Warrants:

The following warrants were reviewed and signed by the Board.

The Board signed Warrant #2203 for January retirement allowances in the amount of \$3,730,997.84.

The Board signed Warrant #2204 totaling \$25,818.28 acknowledging payment of the January staff payroll

The Board signed Warrant #2205 totaling \$1,899,546.42 acknowledging payment of the February 14th Vendor payments (including \$1,804,779.96 to MTRS for 3-8c reimb)

The Board signed Warrant #2206 totaling \$142,099.33 acknowledging payment of February Refund payments .

On a motion by Mr. Machado and second by Ms. Argo, the warrants noted above were approved / authorized for payment.

Motion passed 4-0

The Director informed the board of the recent changes due to the Vernava II decision from the SJC, specifically that Vernava was more of a regular comp issue than a retirement type issue and that any supplemental pay along with worker's comp should not be used in retirement calculation as it is not considered regular compensation. Mr. Pasternak stated he expected further guidance from PERAC regarding calculations.

The following were distributed to Board for acknowledgement and/or discussion :

PRIM – Performance Summary for December 2021
FRRS Accounting Reports –December 2021 (Pre-close)
PERAC 2022 Memo #7 Buyback and Make-up worksheets
PERAC 2022 Memo #8 Actuarial Data

Retirement Benefits

Superannuation:

William Ronca – Dept. of Community Maint. – eff 2/24/2022

Ronald Furtado – FRPD – eff 1/14/2022

Paul Cote – FRFD – eff 3/31/2022

Timothy Barrow – FRHA – eff 3/31/2022

Nancy Tobin – FRSD – eff 1/31/2022

Option D

Joanne Carreiro – spouse of Michael Carreiro - 11/20/2021

On a motion by Ms. Argo and a second by Mr. Machado the board voted to convene in executive session pursuant to M.G.L c. 30A, § Section 21(a)(3) to discuss litigation strategy.

By Roll Call Vote

Meeting adjourned at 8:55a.m.

 David Machado

 Robert Camara

Jennifer Argo