

**Massachusetts Teachers' Retirement Board
Meeting of December 11, 2020
9:00 a.m. to 12:00 p.m.
being held at:**

Massachusetts Teachers' Retirement System
500 Rutherford Avenue, Suite 210, Charlestown, MA
And via Teleconferencing Applications
Those interested in virtually attending the meeting can do so by telephone:
Conference Call Line: 1-866-817-5686, enter passcode 2139782#

Agenda for December Board meeting

Regular Matters of Business Tab 1
Open and Executive Minutes of the Regular Meeting held on November 20, 2020

Application for Accidental Disability Retirement* Disability Folder
Executive Session, Physical Condition or Mental Health – Purpose 1

Review and Approval of the FY20 Annual Financial Statement Tab 2

Remote work equipment purchase request Tab 3

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Final 2021 Board meeting schedule

**To be considered in Executive Session*

**Next meeting scheduled for
January 29, 2021
9:00 a.m. – 12:00 p.m.**

Minutes of the Meeting of December 11, 2020

of the

MASSACHUSETTS TEACHERS' RETIREMENT BOARD

I. Regular Matters of Business

In attendance at this regular meeting of the Massachusetts Teachers' Retirement Board ("the Board") were Chairman Ventura Rodriguez, Vice Chair Nicola Favorito, Jacqueline A. Gorrie, Richard L. Liston, Dennis J. Naughton, Michael Ruane, Anne Wass, Executive Director Erika Glaster, Assistant Executive Director Sean Neilon, Assistant Executive Director Jon Osimo, General Counsel James O'Leary, Senior Legal Counsel Salvatore Coco, and Executive Assistant Helen Petruzziello.

The meeting was called to order at 9:09 a.m. by Chairman Rodriguez who stated that in accordance with the Governor's Executive Order in response to COVID-19, all Board members were participating remotely via videoconferencing technology. The MTRS Executive Director and her Assistant were in the Board room at the main MTRS office in Charlestown, which was open to the public. In addition, the meeting was made available to the public via a teleconference line. Other MTRS staff were participating remotely in the same manner as the Board. Chairman Rodriguez asked for all Board members to state their names for the record before speaking and stated that all votes would be conducted via roll call.

The minutes of the previous Board meeting, held on November 20, 2020 were reviewed and approved as submitted. Ms. Gorrie made a motion, which was seconded by Ms. Wass, to approve the minutes. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Michael Ruane	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

**The Open and Executive minutes of the Board meeting held on
November 20, 2020 are hereby approved as submitted.**

II. Executive Session

Before entering Executive Session, the Chairman asked and received oral confirmations from each participant that no other individuals were able to overhear the confidential proceedings at their various locations.

A motion was made by Mr. Naughton, and seconded by Ms. Gorrie, to enter executive session to consider an application for disability benefits. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Michael Ruane	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

At 9:12 a.m. the Board went into Executive Session. The door to the Board room at the MTRS main office in Charlestown was closed and the public teleconference call line was suspended. The Chairman stated that the Board would return to Open Session.

At 11:08 a.m. the Board reconvened in Open Session and the door to the Board room was again opened to the public and the public teleconference line resumed.

III. Open Session

A. REVIEW AND APPROVAL OF THE FY20 ANNUAL FINANCIAL STATEMENT

Marybeth Shaughnessy-Newell, MTRS Compliance Officer, joined the meeting to present the FY20 MTRS Annual Financial Statement for forwarding to the Public Employee Retirement Administration Commission ("PERAC"). Ms. Shaughnessy-Newell reviewed a PowerPoint summarizing the highlights of the report and answered questions from the board members. On a motion made by Mr. Liston,

and seconded by Ms. Gorrie, the Board voted to approve the FY20 MTRS Annual Financial Statement. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Michael Ruane	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

Ms. Glaster cited PERAC Memorandum #17 2020 addressing the challenges the state's retirement boards may experience with signing annual statements due to COVID. She stated that Boards are authorized to submit unsigned statements, and subsequently may submit the minutes reflecting the board members' adoption of the statement. The Board may also pursue having a traditionally signed statement once in-person board meetings resume. Ms. Shaughnessy-Newell left the meeting at approximately 11:20 a.m.

B. REMOTE WORK EQUIPMENT PURCHASE REQUEST

Susan Morgan, Chief Technology Officer, and David Wright, Director of Network Services, joined the meeting to ask for the Board's approval of the cost to purchase equipment for remote work and to replace end of life in-office equipment. Ms. Morgan explained that the current in-office equipment, purchased in 2016, was approaching its 5-year end of life. Also, in order to use this equipment for videoconferencing, webcams/mics and headsets need to be added. Mr. Wright then noted that since the start of the pandemic in March 2020, approximately 50% of MTRS staff have been using their own personal computers to work remotely. He explained the challenges Network Services faces in order to maintain security and support various personal devices. They provided an explanation for their recommended choices for both in-office and remote hardware at a cost not to exceed \$105,000. While this expense was not included in the FY21 IT budget, they proposed repurposing a portion of the \$180,000 that was budgeted for the KPMG GASB field audits that are not being performed this year because PERAC is not performing the 2020 actuarial valuation.

A motion was made by Mr. Liston and seconded by Ms. Wass to approve the funds to purchase in-office and telework computer equipment for staff at a cost not to exceed \$105,000. The roll call vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Michael Ruane	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

Ms. Morgan and Mr. Wright left the meeting at 11:38 a.m.

C. EXECUTIVE DIRECTOR'S REPORT

1. Ms. Glaster asked the board members to approve the edited version of the 2021 Board meeting schedule. Due to a conflict, a change was made in the April Board meeting date from the originally proposed date. On a motion made by Mr. Liston and seconded by Mr. Ruane, the Board voted to approve the final schedule. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Michael Ruane	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

2. With the FY 21 state budget on the Governor's desk awaiting final approval, Ms. Glaster noted that the budget includes the retiree COLA, the full pension appropriation established last January, and a continuation of the lifting of the time and earnings restrictions on working after retirement during the COVID state of emergency. Ms. Glaster reported on the preparations being made with the expectation that the budget will be approved before the closing of the December warrant, including communications through the check stub message,

broadcast emails and website updates. Ms. Glaster reviewed two challenges that the retroactive COLA brings. She reported the Treasury check stub will only list \$32.50 on the COLA line and the remaining retro COLA amount of \$162.50 in the base figure which could be confusing to the members. In addition, despite best efforts, the MyTRS system could not be programmed to withhold federal taxes correctly on the retro COLAs without introducing regression issues. Thus, the withholding amount could be short by up to \$40, depending on individual tax brackets. Ms. Glaster expects that these issues could increase call volume and plans have been made to have several managers on site to assist the call center representatives with the calls.

Noting the uncertain impact of the state budget on state agencies and the unsettled federal stimulus package, Ms. Glaster postponed the discussion on the FY 21 COLA and merit increases for staff until the January meeting.

3. Ms. Glaster noted the consensus revenue hearing for FY22 is scheduled for December 15 and looked forward to learning of projections from economic experts.
4. In legislative news, Ms. Glaster noted that an Early Retirement Incentive (“ERI”) bill may be proposed by the MTA in response to a recent legislative priorities survey of their local leadership. Some of the board members had heard of it, and Ms. Glaster stated that Mr. Neilon will stay in touch with the legislative liaison staff from the MTA for any updates.
5. In operational news, Ms. Glaster reported that the executive staff members have been working on updates to the agency’s Strategic Management Plan and with the Chairman’s approval, is planning on sharing a draft of the plan at the January board meeting.
6. Ms. Glaster announced that the MTRS agency had its first case of COVID-19 among its staff members during Thanksgiving week, adding that the staff member is now doing well. Taking advantage of the timing with the planned skeleton force day that Friday after Thanksgiving, the decision was made to shut down the office to have it deep cleaned and sanitized. Through contact tracing, only two employees were considered in close contact, and both received negative test results. With increases in positivity rates and the Governor’s recent rollback to Phase 3, Step 1 of the state reopening plan, the decision was made to maintain reduced staff (15%) in the office, which allows staff to perform all necessary on-

site functions while maximizing social distancing, through the first week in January. The executive staff members will reassess the plan in January.

7. Ms. Glaster recalled for the board that for many years, the agency had participated in the Giving Tree program at the holiday season. MTRS staff would purchase three gifts each for 25 children under the care of the Department of Children and Families (“DCF”). This year, due to the pandemic, DCF is unable to provide physical gifts. Instead, they have asked that donations be made to the Wonderfund, which is a local charity for DCF children.
8. Ms. Glaster implemented skeleton force days on Christmas Eve and New Year’s Eve, giving staff members the ability to choose one of those days off. Ms. Glaster thanked the board members for their support throughout the past year and wished them and their families a happy and safe holiday season, looking forward to a better 2021.

On a motion made by Ms. Wass and seconded by Mr. Liston, the Board voted to adjourn the meeting. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Michael Ruane	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

The meeting was adjourned at 11:54 a.m.

Respectfully submitted,

Erika M. Glaster,
Executive Director

Date

Documents used in MTRS Board meeting of December 11, 2020

- Agenda for December 11, 2020 MTRS Board meeting
- Cover letter from Executive Director
- Open and executive session minutes of MTRS November 20, 2020 Board meeting
- Draft of the Annual Financial Statement of the Financial Condition of the MTRS FY20
- Memorandum pertaining to Remote work equipment purchase request
- Proposed 2021 Board meeting schedule