

Minutes of the Meeting of January 29, 2021

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, Alicia Fay Daniel, 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 Petruzzello.

The meeting was called to order at 9:03 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.

Chairman Rodriguez announced that this would be the last meeting for Michael Ruane who is leaving the State Auditor's Office, as he had accepted another position. He thanked Mr. Ruane for his service over the past years. Mr. Ruane thanked Auditor Bump for appointing him as her designee. He thanked the Board and staff members for welcoming him at a difficult and sad time due to Ms. Joannah Quinn's untimely passing and knew they would do the same for his replacement. The Chairman welcomed Alicia Fay Daniel as Mr. Ruane's successor.

The minutes of the previous Board meeting, held on December 11, 2020 were reviewed and approved as submitted. Mr. Liston made a motion, which was seconded by Mr. Naughton, 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 December 11, 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 Ms. Wass, and seconded by Mr. Liston, to enter executive session to consider an application for disability benefits and a potential forfeiture of 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 9:09 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 11:40 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. POST-RETIREMENT EXCESS EARNINGS

Joel Antolini joined the meeting at this point.

Pursuant to the Board Governance Policy for Hearing Officer Procedures and Subpoena Authorizations, Mr. O'Leary reported to the Board on the Section 91 hearings and the Hearing Officer's recommendation on the case for retired MTRS member Joel Antolini. The Board had been provided with a copy of the hearing officer's report. The Board did not choose to further review the case, and as a result under the policy the Hearing Officers' reports were deemed adopted.

B. PROPOSED AMENDMENTS TO MTRS SECURITY POLICIES

After the MTRS IT unit conducted its annual review, Ms. Glaster presented their proposed amendments to two of the security policies in the MTRS Board Governance Policy manual that require updating. The first policy, the MTRS Computer Data and Media Disposal policy, had been updated to more specifically address the proper disposal requirements for third parties who receive MTRS data pursuant to statutory requirements or contractual agreements. Mr. Ruane made a suggested change to the amendments because other government agencies that may receive MTRS data, such as the State Auditor's Office, must abide by their own statutory data retention schedules. Ms. Glaster agreed to edit the policy accordingly and bring back to the Board at the February meeting. The second policy, the MTRS Security Incident Response policy, had been updated with "housekeeping" changes to include changes made by the Executive Office of Technology Services and Security ("EOTSS").

A motion was made by Mr. Naughton and seconded by Ms. Wass to postpone action on the MTRS Computer Data and Media Disposal policy and to approve the amendments made to the MTRS Security Incident Response policy. 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

C. PRIT UPDATE

Dennis Naughton, Board-elected member to the PRIM Board, gave an update to the Board on the “very good quarter” status of the PRIT fund and personnel activity at the Pension Reserves Investment Management Board (“PRIM”). The Chairman stated that he was excited to see the article included in the Board materials regarding the recently signed legislation to increase diversity of managers and consultants at PRIM.

D. EXECUTIVE DIRECTOR’S REPORT

1. Ms. Glaster reminded the Board that when they approved the FY 2021 operational budget at the May 29, 2020 Board meeting, they had asked that the agency hold off on implementing any salary increases from the approved three percent reserve until there was a better understanding of the economic impact of the COVID-19 pandemic. Ms. Glaster asked for the Board’s approval to implement increases now as she reviewed the positive outlook on state budget issues that directly impact the membership, including the approval of the FY 21 state budget with the full \$3.1B pension appropriation and 3.5% higher revenue projections for next year’s budget. Mr. Naughton questioned whether any members experienced a loss of creditable service due to furloughs, and Ms. Glaster was unaware of any but did state that stipends may not have been paid for coaching and other additional services that were not performed due to school closures last spring. Ms. Glaster also praised the efforts of staff members and managers who have demonstrated extraordinary commitment by continuing to come into both offices, maintaining all essential services to MTRS members, and staying on schedule with the V10 upgrade project. Mr. Ruane asked how the raises are determined. Ms. Glaster explained that from the 3% reserve, 1.5% would be used for a cost-of-living adjustment and the remaining 1.5% would be allotted for merit increases based on the results of the FY20 performance evaluations. Mr. Ruane voiced the State Auditor’s concern with the

public perception that the raises would be considered too much of an increase in today's climate. No other Board members raised any concerns. On a motion made by Mr. Liston and seconded by Mr. Naughton, the Board voted to approve the implementation of salary adjustments, retroactive to July 1, 2020. 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

Chairman Rodriguez notified the Board that the Executive Director compensation will be taken up at the February board meeting.

2. Ms. Glaster included in the materials a copy of PERAC Memorandum #5/2021 announcing that the Statement of Financial Interest Filing can now be submitted by Board members through the PROSPER application. Dates were provided for online training sessions on the process in which participation will grant Board members three continuing educational credits.
3. Ms. Glaster notified the Board that she will be participating in the annual NASRA/NCTR winter meeting and Joint Legislative Conference on February 22-February 24, which will be held virtually instead of its usual Washington, DC location. The Board questioned if the NCTR Annual Conference meeting will also be held virtually, and Ms. Glaster said that decision has not yet been made.
Ms. Glaster added that the MTRS had been highlighted in the "NCTR FYI" communications from Leigh Snell.
4. Ms. Glaster reported that the MTA is still planning to file an early retirement incentive ("ERI") bill, and the deadline to file had been extended. Mr. Neilon continues to stay in touch with MTA's legislative liaison staff on the ERI bill and on MTA's refiling of their *RetirementPlus* bill, which mirrors the MTRS bill, to address *RetirementPlus* elections for members who transfer into the MTRS from other Massachusetts contributory retirement systems.

5. In sad news, Ms. Glaster announced that MTRS's oldest retired member, Concetta Julia Rando, passed away on Christmas day at the age of 109. She retired from Lynn public schools, after serving that district for 41 years.
6. In operational news, Ms. Glaster reported that it had been a very busy week for phone calls due to the 1099-R and Benefit Verification forms being received by members. Many members expressed their gratitude for the decision made by the Board to accept witness signatures instead of a notary public certification this year.
7. Ms. Glaster added that the January benefit payments were being deposited into retirees' accounts that day and would most likely result in increased calls as the January payment will be lower than the December deposit, which had included retroactive COLAs. In addition, the new 2021 federal tax withholding tables had been implemented which reduced most retirees' withholding by a small amount. A broadcast email had been sent out and materials were posted on our website; however, many retirees prefer to call. In addition to the Call Center representatives, Ms. Glaster reported staff members and managers are helping with the calls when they are in the office and doing a great job.
8. While she had hoped to have a draft of the Strategic Management Plan for the Board at this meeting, Ms. Glaster stated that more time was needed and will plan to have it ready for the February board meeting. Anticipating an extended meeting schedule until approximately 1:30 pm may be needed, she asked Board members to check their schedules. Board members each confirmed they could accommodate an extended meeting schedule for February.
9. Ms. Glaster announced that the final stage of the migration of the agency's network infrastructure to the cloud with Amazon Web Services ("AWS") is scheduled to occur the last weekend of January. She commended David Wright and his Network Services team for their significant efforts working with the migration vendor over the past several weeks making and testing all the necessary configuration changes. This change will improve network performance and provide enhanced security.
10. Unfortunately, Ms. Glaster reported the agency had three more positive COVID cases among its staff members, bringing the total for the agency to four positive cases. Fortunately, all affected staff members are doing

okay and there was no in-office spread due to the measures in place in both offices. In addition, because the infected staff members were not in either office within the time frames prescribed by the CDC, it was not necessary to repeat the misting procedure that was done after the first case. Ms. Glaster anticipates keeping in-office staffing under the 25% capacity guideline directed by the Governor and to re-assess with executive staff every two weeks based on disease trends for at least another month. This level allows for necessary in-office functions to be performed while maximizing social distancing.

The Board members once again thanked Mr. Ruane for his service and welcomed Alicia Fay Daniel.

On a motion made by Mr. Ruane 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 12:33 p.m.

Respectfully submitted,

Erika M. Glaster,
Executive Director

Date

Documents used in MTRS Board meeting of January 29, 2021

- Agenda for January 29, 2021 MTRS Board meeting
- Cover letter from Executive Director
- Open and executive session minutes of MTRS December 11, 2020 Board meeting
- Memorandum and supporting documents pertaining to Post-Retirement Excess Earnings
- Memorandum and supporting documents pertaining to Proposed amendments to MTRS Security policies
- Article pertaining to law requiring MassPRIM to increase diversity of managers, consultants
- Memorandum pertaining to FY 2021 MTRS staff salary increases
- PERAC Memorandum #5/2021 regarding PROSPER SFI online submission