

# Minutes of the Meeting of August 27, 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, Alicia Fay Daniel, Jacqueline A. Gorrie, Richard L. Liston, Dennis J. Naughton, Anne Wass, Executive Director Erika Glaster, Assistant Executive Director Sean Neilon, General Counsel James O'Leary, Senior Legal Counsel Salvatore Coco, and Executive Assistant Helen Petruzziello.

The meeting was called to order at 9:01 a.m. by Chairman Rodriguez who stated that in accordance with the extension of the Governor's Executive Order Suspending Certain Provisions of the Open Meeting Law, all Board members were participating remotely via videoconferencing. The MTRS Executive Director and Executive 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 July 30, 2021 were reviewed and approved as submitted. Mr. Naughton made a motion, which was seconded by Ms. Wass, to approve the minutes. On roll call, the vote was as follows:

<b>VOTED:</b> Vice Chair Nicola Favorito	Yes
Alicia Fay Daniel	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

**The Open and Executive minutes of the Board meeting held on July 30, 2021 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. Daniel and seconded by Ms. Wass to enter executive session to consider an application for disability benefits. On roll call, the vote was as follows:

<b>VOTED:</b> Vice Chair Nicola Favorito	Yes
Alicia Fay Daniel	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

At 9:04 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 10:12 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. AMENDMENTS TO MTRS PERSONNEL POLICY & PROCEDURES MANUAL**

Rob Fabino, Director of Human Resources and Legal Affairs joined the meeting to review proposed amendments to the MTRS Personnel Policy & Procedures Manual. These amendments reflected recent changes made by the Commonwealth’s Human Resources Division (“HRD”) to various rules governing paid leave and benefits for exempt employees of the Executive Branch due to statutory changes and pursuant to its authority under G.L. c. 7, §

28. Mr. Fabino explained that the changes fall into three categories: statutory, MTRS administrative changes, and Commonwealth Red Book changes. Mr. Fabino reviewed the changes and answered the Board's questions. On a motion to accept the amendments, made by Mr. Liston and seconded by Mr. Naughton, the vote was as follows:

<b>VOTED:</b> Vice Chair Nicola Favorito	Yes
Alicia Fay Daniel	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

## **B. EXECUTIVE DIRECTOR'S REPORT**

1. Ms. Glaster noted that included in the board materials was a copy of the notice from the Comptroller's office confirming the transfer of additional capital gains tax revenue to the PRIT fund, bringing the total to \$61 million.
2. Ms. Glaster included in the board materials a copy of an article regarding the changing cyber insurance market. She explained that the agency's broker put out requests for quotes and received no offers for coverage other than an Extended Reporting Period policy, which only provides coverage for a breach that was initiated during the past fiscal year's policy term. Ms. Glaster noted that the agency is having a similar challenge with renewing our fiduciary insurance policy due to a significant rise in claims related to class action suits regarding investment fees. While MTRS does not manage investments, it is included in the same pool as systems that do. Ms. Glaster stated that Susan Morgan, Chief Technology Officer, and David Wright, Director of Network Services, will share with the Board a summary of the protective and preventive measures in place, for both our network and MyTRS, and the response plan in the event of a cyber event. Ms. Glaster stated that she will bring a recommendation to the Board regarding fiduciary insurance and cyber security coverage at the next meeting.
3. As noted in Mr. Neilon's Legislative report, Ms. Glaster reiterated the state budget was finalized. The Governor agreed to the Legislature's proposal to make an additional payment of \$250 million to the pension fund, as well as an additional \$350 million to the Student Opportunity Act Fund. The

amounts will be paid on a periodic payment schedule that could be changed if revenues do not meet benchmarks. The Governor vetoed the bill that would have increased the post-retirement employment limit from 960 to 1200 hours.

4. In Legislative news, Ms. Glaster announced that the Massachusetts Teachers Association's early retirement bill, as well as their Retirement Plus transfer-in bill, nearly identical to the MTRS version, will be heard on September 1 at 1:00 pm by the Joint Committee on Public Service. Ms. Glaster will forward the login information to the Board members.
5. In operational news, Ms. Glaster reported that the summer retirement applications are now approximately 2% higher than last year's figures at this time. After reaching their service goal of processing almost 1,000 on-time filers on the July warrant, the Member Services unit, led by Mr. Osimo, added another 280 to the August warrant. There are still approximately 500 cases to process for September and October. Ms. Glaster stated that if a member needs their payment before their pension is finalized, there is a pension advance system in place.
6. Ms. Glaster stated that starting last week, annual MTRS account statements were mailed out. On August 19<sup>th</sup>, 38,000 statements were mailed to those members with no beneficiary on file. The remaining statements were mailed on August 26<sup>th</sup> to over 110,000 active and inactive members. In addition, letters were sent to 2,169 members who have not yet completed their online MTRS enrollment process. The letters provide instructions on how to enroll and once that is completed, the member will be able to view their account statement online in their MyTRS account.
7. In reference to Governor Baker's Executive Order mandating vaccinations for all state employees issued in the prior week, Ms. Glaster shared the results of an anonymous survey sent to MTRS staff a couple weeks ago asking for their vaccination status. Ms. Glaster reported that 96% of staff members replied that they were fully vaccinated. Ms. Glaster forwarded the Governor's directive to staff last week and asked any who wish to apply for an exemption due to medical reasons or religious beliefs to reach out to Mr. Fabino. Implementation details are expected from the state's Human Resource Division in the coming weeks.
8. Ms. Glaster noted that despite the lifting of restrictions, the agency has always maintained an in-office mask mandate. However, there has been an allowance for staff members to remove their masks while seated at their desks, or in their offices. A notice from HRD was just received stressing the

need to ensure agencies are following local mandates regarding the wearing of masks. Ms. Glaster stated they would review the City of Boston requirements to ensure that MTRS is complying. In addition, she stated she will be meeting with the building management later that day to discuss several items, including this topic.

9. Based on the increasing rates of COVID from the Delta variant, Ms. Glaster announced that the agency has decided to delay Phase II of its re-opening plan. Phase II was originally planned for Labor Day week and involved increasing the number of days in the office for all staff members. It has been postponed until October.
10. Ms. Glaster asked the Board members to notify her if they were planning to attend the upcoming annual conference of the National Council on Teacher Retirement (“NCTR”) and whether they would consider serving as a delegate. In addition, Ms. Glaster announced that she has been nominated to serve as the next Treasurer of NCTR, which puts her on the path to become President-Elect and then President. She stated that unless Board members had concerns, she plans to accept the nomination at the October NCTR conference. Board members congratulated her on her nomination.

### **C. EXECUTIVE DIRECTOR EVALUATION**

Chairman Rodriguez explained that this year’s Executive Director’s evaluation was much more in line with the normal timeline as compared to last year’s delay due to the uncertainty surrounding COVID and the state budget. The Chairman asked for input from the Board members on determining the FY22 compensation for Ms. Glaster, the final step of the two-step process of the annual performance review. Copies of Board members’ individual performance evaluation reviews, originally discussed at the July 2021 board meeting, were included in the Board materials for reference. The Board held a brief discussion, noting the positive reviews from each Board member’s written evaluation. Mr. Naughton made a motion, which Mr. Liston seconded, to grant Ms. Glaster a 3% increase to her salary retroactive to July 1, 2021, with an additional 1% increase implemented at the midpoint of the fiscal year. Ms. Glaster respectfully declined that offer, preferring to receive an adjustment in the same manner as MTRS staff members who do not receive additional mid-year increases. Therefore, Mr. Naughton amended his original motion to grant Ms. Glaster a 3% increase retroactive to July 1, 2021, which Mr. Liston seconded. The roll call vote was as follows:

<b>VOTED:</b>	Vice Chair Nicola Favorito	Yes
	Alicia Fay Daniel	Yes
	Jacqueline A. Gorrie	Yes
	Richard L. Liston	Yes
	Dennis J. Naughton	Yes
	Anne Wass	Yes
	Chairman Ventura Rodriguez	Yes

Ms. Glaster thanked the Board for their ongoing support, praised the MTRS staff, and encouraged Board members to reach out to her with any feedback in the future.

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

<b>VOTED:</b>	Vice Chair Nicola Favorito	Yes
	Alicia Fay Daniel	Yes
	Jacqueline A. Gorrie	Yes
	Richard L. Liston	Yes
	Dennis J. Naughton	Yes
	Anne Wass	Yes
	Chairman Ventura Rodriguez	Yes

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

Respectfully submitted,

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Erika M. Glaster,  
Executive Director

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Date

**Documents used in MTRS Board meeting of August 27, 2021**

- Agenda for August 27, 2021 MTRS Board meeting
- Cover letter from Executive Director
- Open and executive session minutes of MTRS July 30, 2021 Board meeting
- Memorandum and supporting document pertaining to Amendments to MTRS Personnel Policy & Procedures Manual
- Individual Board Member's Performance Evaluations of the Executive Director