

## Minutes of the Meeting of September 24, 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, Assistant Executive Director Jonathan Osimo, General Counsel James O'Leary, Senior Legal Counsel Salvatore Coco, and Executive Assistant Helen Petruzziello.

The meeting was called to order at 9:02 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 August 27, 2021 were reviewed and approved as submitted. Mr. Naughton made a motion, which was seconded by Mr. Liston, 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  
August 27, 2021 are hereby approved as submitted.**

**II. Open Session**

**A. ACCIDENTAL DEATH BENEFITS**

Chairman Rodriguez stated this application for Accidental Death Survivor Benefits was being heard in open session, at the request of the applicant. On behalf of the members of the MTRS Board, Chairman Rodriguez extended his deepest sympathy to the family on the tragic loss of Laurie Melchionda, Director of Health Services with the Weston Public Schools, who was murdered while working from her home on June 17, 2020.

Mr. Coco introduced participants in attendance that included the applicant, Ms. Melchionda's surviving spouse Robert Melchionda, and their daughter Juliana. Attorney Daniel O'Connor, representing Ms. Melchionda's family, and Jennifer Truslow, Ms. Melchionda's immediate supervisor and former Director of Student Services with Weston, were also in attendance. Mr. Coco summarized Ms. Melchionda's typical work schedule, remote work environment and activity on June 17, 2020. He recited the details of the police report and explained that General Laws, Chapter 32, §9 provides an "accidental death benefit" if the board, upon receipt of proper proof, finds that any member in service died as the natural and proximate result of a personal injury sustained or a hazard undergone as a result of, and while in the performance of, [her] duties." He further stated the main issue for the Board's consideration is whether Ms. Melchionda's death occurred "as a result of, and while in the performance of, [her] duties," noting that she answered her home doorbell just prior to being shot. Mr. O'Leary pointed out for the Board that Ms. Melchionda had been texting with colleagues and had brought her cellphone with her to answer the door, despite the fact that the Apple watch she was wearing could itself receive text messages. Mr. Naughton stated his determination that the home should be considered Ms. Melchionda's workplace that day, and that she answered the door while focused on work in her mind to "get this over" so she could finish her work, without ever ceasing the performance of her duties.

Mr. O'Connor laid out the chronology of events Ms. Melchionda experienced that morning, and summarized three reasons why she should be considered to

have been in the performance of her duties at the time she answered the door. Mr. Melchionda thanked the Board for their consideration and introduced his daughter, Juliana who read a statement for the Board.

The Board asked questions to Ms. Truslow regarding Ms. Melchionda's work setting and job duties, stating that Ms. Melchionda's approval for remote work was negotiated with the union. Ms. Truslow answered that Ms. Melchionda was working to secure PPE and supplies needed from the Department of Elementary and Secondary Education. She further stated that Ms. Melchionda held an "on-going, nonstop job" and always made herself available and was constantly in contact with all staff, nurses and administrators.

The Board held a discussion on the reasons they felt that the applicant had met the burden of proof by a preponderance of the evidence. On a motion to approve the application for Accidental Death Survivor Benefits, made by Mr. Naughton and seconded by Mr. Liston, 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 9:35 a.m. the Board recessed and reconvened at 9:43 a.m.

### **III. 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. Liston and seconded by Ms. Wass to enter executive session to consider an application for disability benefits and potential termination of benefits due to non-compliance with 91A. On roll call, the vote was as follows:

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

At 9:43 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 9:55 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.

#### **B. REQUEST FOR ANNUAL WRITE-OFF OF UNCOLLECTIBLE ESTATE ACCOUNTS RECEIVABLE**

Pursuant to G.L. c. 32, § 20(5)(m) and the MTRS Retiree Death Overpayments Recovery Policy, Mr. O'Leary presented the recommendation for the write-off of uncollectible estate accounts receivable that have remained unpaid for at least three years. For fiscal year ending June 30, 2018, there were 24 uncollectible estate accounts receivable cases. Mr. O'Leary had noted the amount of these write-offs has declined each year due to the use of the death match services provided by PBI Research Services. On a motion made by Mr. Naughton, and seconded by Ms. Wass, the Board voted to approve the write-off of estate accounts receivable for the fiscal year period ending June 30, 2018 in the amount of \$38,769.21. 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

## C. EXECUTIVE DIRECTOR'S REPORT

1. Ms. Glaster had included in the board materials a brief memo and a supporting document pertaining to her approval of a write-off in the amount of \$428.81, pursuant to the Board's Retiree Death Overpayment Recovery Policy, in the case of deceased MTRS member Mary Lanigan. After multiple billings, MTRS eventually recovered \$2,205 directly from the estate. The amount of the write-off represented the fee from the collection agency.
2. Also included in the board materials, Ms. Glaster summarized a memo from Mr. O'Leary regarding an update on the status of the agency's pursuit of Cyber and Fiduciary Liability Policies. Since the August board meeting, the agency has learned that we may be able to procure a cyber insurance policy through a different broker, and issued an RFR for brokerage services a couple of weeks ago, as there is no state contract for brokerage services. Bids are due in early October, so Ms. Glaster hopes to have coverage offers for the board to consider at an upcoming meeting. MTRS Chief Technology Officer Susan Morgan and Director of Network Services David Wright will attend the October Board meeting to present the improvements to the agency's network security since the migration to Amazon Web Services "AWS." Despite the unfavorable renewal terms on its current fiduciary insurance policy, Mr. O'Leary recommended retaining this type of coverage. He proposed the possibility of trying to increase the coverage amount in an effort to receive favorable bids. Ms. Glaster reported that after requesting the agency's broker to obtain additional bids from other insurers, they had just received 5 bids the day before that they would need to review before making any recommendations. Therefore, she expected to have a proposal for the Board at the next month's meeting.
3. As noted in Mr. Neilon's report, Ms. Glaster reiterated that tax revenues continue to rise and exceed projections. By mid-October the Comptroller's Office will establish a schedule of payments for the additional \$250M contribution to the Commonwealth pension liability fund and the \$350M for the Student Opportunity Fund.
4. In legislative news, Ms. Glaster reported that the Public Service Committee held a hearing on September 1<sup>st</sup> on the Massachusetts Teachers Association's (MTA) Early Retirement Incentive (ERI) bill as well as their RetirementPlus transfer-in bill, which is identical to the MTRS version. There was extensive testimony by MTA leadership members in favor of both bills. The question

of the cost of the ERI bill came up but was not answered. So far, the Committee has not taken any action on either of the bills.

In breaking news just received that morning, Ms. Glaster announced the House unanimously overrode the Governor's veto of the increase in the working after retirement hours limit. If the Senate also overrides the veto, the limit will increase to 1200 hours.

5. Ms. Glaster stated that she had not yet received the final report on the recent audit conducted by the State Auditor's Office.
6. Ms. Glaster commended staff for an excellent job in completing the first 8 weeks of user acceptance testing for the *MyTRS* upgrade. She added they completed this contractual obligation for testing during the busiest season for most units (retirements, refunds, enrollments, and annual statements) and are presently conducting retests as Vitech addresses the reported issues. Ms. Glaster stated that at this time it appears the agency is ready to "go live" with the new system at the end of November.
7. Ms. Glaster reported that she had extended invitations to Michael Trotsky, Chief Investment Officer and Executive Director of the Pension Reserves Investment Management (PRIM) Board and John Boorack, State Actuary of the Public Employee Retirement Administration Commission to present the PRIM update and the MTRS 2021 actuarial valuation, respectively, at the November 19, 2021 board meeting. Once she receives confirmation from both, "save the date" notices will be sent to constituent group leaders.
8. In COVID-related news, Ms. Glaster stated the agency is currently in the process of implementing Executive Order 595, the Governor's vaccine mandate process. Staff members must submit an attestation form online, and Ms. Glaster reminded the Board that 96% of staff members reported they were vaccinated in a recent survey. For the few staff members who are not vaccinated, there is a medical or religious exemption application process. Rob Fabino, Director of Human Resources, is working with staff on that procedure. Ms. Glaster stated that the Commonwealth has not yet determined what extra steps staff members who have exemptions will need to take but she presumes it will be regular testing. A recent email from the Commonwealth's Human Resources Division explained the repercussions that will apply to state employees who refuse to be vaccinated and do not receive an exemption.
9. Ms. Glaster reported that now the cities of Boston and Springfield have reverted to mask mandates, which the MTRS has maintained throughout the

pandemic without any interruption. She credited this practice, along with social distancing, for no in-office spread of COVID.

10. In an update on the agency's reopening plan, Ms. Glaster reminded the Board that MTRS started their Phase 1 of the plan at the end of June, which required all non-management staff members to work in the office at least one day a week, at least two days a week for managers. On October 4<sup>th</sup>, the agency began Phase 2, which requires all staff to work in the office at least 2 days a week, and remotely for the remainder of the week. This phase will continue until at least the end of the calendar year, and possibly longer, depending on disease trends throughout the holiday season. Ms. Glaster reported that she has been attending all the individual unit meetings to give staff members an opportunity to provide feedback on the reopening plans in a smaller group setting. As issues are raised, Ms. Glaster stated that she addresses them with the entire staff but reported that so far, most staff members have responded that they are very comfortable working in the office and enjoy the hybrid schedule.

The Board held a discussion on the retention of teachers and the challenge in educating new members about the value of contributing to a defined benefit plan. Ms. Glaster announced that the agency has produced a video to help new members understand the system. Ms. Daniel suggested showing other types of retirement plans may also help in illustrating the value of a defined benefit plan. It was also suggested to forward the video to superintendents in each school district who could incorporate the video into orientation sessions at the beginning of the school year.

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

VOTED: 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 10:35 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 September 24, 2021**

- Agenda for September 24, 2021 MTRS Board meeting
- Cover letter from Executive Director
- Open and executive session minutes of MTRS August 27, 2021 Board meeting
- Memorandum and supporting documents pertaining to Application for Accidental Death Survivor Benefit pursuant to G.L. c. 32, §9
- Memorandum pertaining to Annual Write-off of Uncollectible Estate Accounts Receivable
- Memorandum and supporting document pertaining to Write-off pursuant to Retiree Death Overpayment Recovery Policy
- Memorandum and supporting document pertaining to Insurance Update-Cyber and Fiduciary Liability Policies