

**Minutes of the Meeting of January 27, 2023**

**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, Jacqueline A. Gorrie, Michael Leung-Tat, 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 Petruzzello.

The meeting was called to order at 9:04 a.m. Chairman Rodriguez stated that in accordance with Section 4 of Chapter 107 of the Acts of 2022, all Board members and Board staff were participating remotely via videoconferencing. The MTRS Executive Director, and the 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. Any individual with a matter before the Board who chose to participate was participating remotely in the same manner as the Board and staff. 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 December 16, 2022, were reviewed and approved as submitted. Ms. Wass made a motion, which was seconded by Mr. Leung-Tat to approve the minutes. On roll call, the vote was as follows:

<b>VOTED:</b> Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

**The Open and Executive Session minutes of the Board meeting held on December 16, 2022 are hereby approved as submitted.**

The Chairman noted that with no one serving as the Treasurer’s designee, there is the possibility of a tie in voting matters. In addition, he announced that the Accidental Death Benefit item would not be heard as originally scheduled and will provide more details in Executive Session.

**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. Gorrie and seconded by Ms. Wass to enter Executive Session to consider applications for disability retirement benefits and potential termination of benefit due to non-compliance. On roll call, the vote was as follows:

<b>VOTED:</b> Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

At 9:07 a.m. the Board went into Executive Session. The public teleconference call line was suspended. The Chairman stated that the Board would return to Open Session.

At 10:41 a.m. the Board reconvened in Open Session and went into recess until 10:52 a.m. At that time, the door to the Board room was again opened to the public and the public teleconference line resumed.

**III. Open Session**

**A. REQUESTS FOR WAIVER FOR OVERPAYMENT**

1. Pursuant to M.G.L. c. 32, § 20(5)(c)(3), the Board reviewed the materials concerning the overpayment of retirement benefits in the amount of \$488.05

to Mary C. Quillen. Mr. Neilon explained that an audit necessary for 3(8)(c) and benefit adjustment processing showed that her retirement benefit was calculated based on erroneous information supplied on her retirement application by Worcester Public Schools. The error persisted for more than one year, Ms. Quillen did not have knowledge of it, and did not have reason to believe that her benefit amount was in error. On a motion made by Mr. Liston, and seconded by Ms. Gorrie, the Board voted to approve the waiver. On roll call, the vote was as follows:

<b>VOTED:</b> Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

**B. REGULATION FOR RETIREMENTPLUS TRANSFERS**

With the notice and comment period ending on January 10, 2023, Mr. O’Leary asked for the Board’s final approval of amendments to 807 CMR 13.00-Transfer of Membership of RetirementPlus Members. He reviewed the written comments received from the Massachusetts Teachers Association (“MTA”) after their review of the proposed regulation concerning the regulatory definitions of “election” and “makeup payments” and the manner in which contributions for transferees are accounted for, should they later transfer back out. Mr. O’Leary reviewed MTRS responses to each concern. Upon the Board’s questioning, Mr. O’Leary confirmed that he will send the responses to the MTA after today’s meeting but wanted to share them with the Board first. The Board asked several questions regarding their concerns on the importance of communication efforts with both members and employers for all actions that impact members’ benefits. As it relates to the Chapter 134 R+ election, Ms. Glaster noted that in addition to mailing the election ballots to the eligible members, the agency also sent out emails to every superintendent with a list of their district’s eligible members, and requested that they and their payroll/HR staff emphasize to their employees the importance of responding to the MTRS R+ election mailing, regardless of their current contribution rate. In addition, Mr. Neilon noted the agency is hosting employer training seminars on February 1<sup>st</sup> and February 7<sup>th</sup> that will be recorded and posted. Mr. Neilon confirmed that there is an Employer Services staff member assigned to each school district. Upon their

request, the board members will be forwarded the employer training meeting link. On a motion made by Mr. Liston, and seconded by Ms. Gorrie, the Board voted to approve the regulation. On roll call, the vote was as follows:

<b>VOTED:</b> Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

### **C. SELECTION OF VICE CHAIR**

In December, Board members were asked to identify themselves if they were willing to assume the Vice Chair position, vacant due to Mr. Favorito's departure from the Board. Chairman Rodriguez announced that Ms. Gorrie agreed to serve in that capacity. Therefore, Mr. Liston nominated Ms. Gorrie to serve as the MTRS Vice Chair. On roll call, the vote was as follows:

<b>VOTED:</b> Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

Ms. Gorrie thanked the Board for their support. Mr. Naughton questioned whether a replacement for Mr. Favorito as the designee for Treasurer Goldberg had been selected. Ms. Glaster responded that she had reached out to the interim Executive Director, Kathryn Kougias, who did not have any information on a replacement and could only confirm that she would not be serving in that role.

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

1. Ms. Glaster introduced newly hired Chief Technology Officer Joseph Patuto, who started on January 3<sup>rd</sup>, replacing Susan Morgan, now retired. Mr. Patuto commended the efforts of Ms. Glaster, Mr. Fabino, and others involved in the comprehensive hiring process. He is looking forward to working with MTRS's

talented IT team as he conducts assessments of the technology infrastructure and major applications and hopes to bring strategic technology initiatives to the Board in the future.

2. Ms. Glaster explained that as part of his on-boarding process, Mr. Patuto has been conducting 1-on-1 meetings with the IT team as well as executive staff and unit managers, hearing much about the pain caused by the issues with the MyTRS upgrade during the past year. In addition, he has met virtually with Vitech's project lead, Brian McKinney, and the project team from Vitech. In order to hear Vitech's vision for how they will improve MTRS services, Mr. Patuto recommended an in-person meeting with the Vitech Executive Leadership team, which will be held on February 9<sup>th</sup>. Ms. Glaster stated that after this meeting, she will determine the best time for Vitech to come before the Board, either at the March or April meeting. She added that while the new contract does not need to be executed until the summer, the associated costs will be included in FY24 budget proposal this spring.
3. Ms. Glaster included a copy of the letter sent to Governor Healey on January 9<sup>th</sup> from the Chair encouraging the Governor to support the "alternative 5" funding schedule, which calls for a balloon payment in the first year and a 4% schedule beginning in 2025. Ms. Glaster additionally included a copy of the funding schedule recommendation dated January 13<sup>th</sup> that the Governor's new Secretary of Administration & Finance ("A & F") sent to the House and Senate Chairs of Ways & Means, which recommends the "alternative 4" schedule that the Public Employee Retirement Administration Commission ("PERAC") had recommended to A & F. While she expressed her disappointment that they did not go with the Board's recommended schedule, Ms. Glaster was pleased and sees it as a positive development that there was a note included in the Secretary's letter stating that a 4% annual increasing schedule is considered a sustainable schedule by actuarial professionals.
4. Also included in the materials was a copy of the PERAC Memorandum notifying retirement boards of the reinstatement of the Working after Retirement restrictions, which went back into effect as of January 1, 2023. The Chairman expressed his surprise at this action, noting the educator shortages in districts. Ms. Glaster noted that once the new administration settles in, a further suspension of the rules may be considered.
5. In Legislation news, as noted in Mr. Neilon's report, Ms. Glaster reiterated that bills had been filed to reopen the original RetirementPlus ("R+") election window. She reported one bill, filed by Representative Peisch, would open the R+ window and also allow employees of the Department of Elementary and

Secondary Education (“DESE”) and the Executive Office of Education (“EOE”) who are vested in the MTRS to remain in the MTRS so that they do not lose their R+ benefits. Ms. Glaster and Mr. Neilon will keep track and update the board on the progress of these bills.

6. Ms. Glaster reported that the election materials for the R+ Transfer-In special election were mailed to the approximately 8,000 eligible members on January 13<sup>th</sup>. Emails were sent the day before to every superintendent with a list of their district’s employees who are eligible for the election with instructions to share with payroll officials. The communication emphasized the importance of the election and encouraged participation in MTRS webinars on the subject. MTRS will be posting a “decision tree” on its dedicated R+ Resource page on its website providing members with information to aid their decision-making process. Ms. Glaster reported that as of the day before, 825 total online votes were received, with 774 voting IN, and 51 voting OUT. Employer webinars will be held on February 1<sup>st</sup> and February 7<sup>th</sup> and a member webinar will be offered during school vacation week. These webinars will also be recorded. In addition, the election materials were shared with the MTA and the American Federation of Teachers (“AFT”) and Mr. O’Leary sent them to the Division of Administrative Law Appeals (“DALA”).
7. Ms. Glaster reminded the Board of the National Council on Teacher Retirement (“NCTR”)-sponsored World Economic Forum being offered on Monday, February 6 from 1:30 to 4:00. PERAC has approved three continuing education credits for participation in the webinar.
8. In personnel news, Ms. Glaster reported that in addition to the three Retirement Analysts hired in the Springfield office, two of three Retirement Analysts, three of four Employer Reporting Analysts, and one Transfers, Refunds, and Enrollments Account Analyst have been hired in the Charlestown office to fill those open positions. In addition, application reviews and interviews are underway for the remaining Retirement Analyst and Administrative Assistant positions in the Legal and Member Services units. Ms. Glaster commended the efforts of Mr. Fabino, Ms. Petruzzello, Mr. Osimo, Mr. Neilon and their respective managers for their work on the interview process, and the orientation and training of the new hires.

Mr. Naughton shared that the IT team at PERAC detected something nefarious on his computer and blocked his repeated efforts to log into PROSPER after last month’s meeting. He thanked Ms. Glaster for intervening on his behalf to get the matter resolved.

The Board members asked questions on the most recent legal case summaries included in the board materials.

Chairman Rodriguez asked Board members to submit their Visioning Exercise responses in the next week for a possible discussion at the February meeting, or in a later month.

Mr. Leung-Tat announced that newly elected Auditor Diana DiZoglio is replacing current executive staff members at the State Auditor's office and therefore, he is being replaced as General Counsel and Deputy Auditor. He further stated it is likely that he will not be attending February's Board meeting. Coming from a family of educators, Mr. Leung-Tat thanked the Board for the valuable work they do on their behalf. He thanked Board members for graciously welcoming him last year. Each Board member expressed their appreciation for Mr. Leung-Tat's valuable contribution to the Board in a short period of time. Ms. Glaster thanked Mr. Leung-Tat for his service to the MTRS and for his advocacy for responsible pension funding as a Commissioner at PERAC. The Chairman thanked Mr. Leung-Tat and wished him well in the future.

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

VOTED: Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

The meeting was adjourned at 11:56 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 January 27, 2023**

- Agenda for January 27, 2023 MTRS Board meeting
- Cover letter from Executive Director
- Open and Executive session minutes of MTRS December 16, 2022 Board meeting
- Memorandum and supporting documents pertaining to Request for Waiver for Overpayment
- Memorandum and supporting documents pertaining to Regulation for RetirementPlus Transfers