

## Minutes of the Meeting of July 28, 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, Vice Chair Jacqueline A. Gorrie, Michael Leung-Tat, Richard L. Liston, Dennis J. Naughton, 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. Sarah Kim and Anne Wass had previously notified the Board that they were unable to attend due to personal reasons.

The meeting was called to order at 9:04 a.m. The Chairman 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 June 23, 2023, were reviewed, and approved as submitted. Ms. Gorrie 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> Vice Chair Jacqueline A. Gorrie	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Abstain
Chairman Ventura Rodriguez	Yes

**The Open and Executive Session minutes of the Board meeting held on June 23, 2023 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 retirement benefits. On roll call, the vote was as follows:

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

At 9:06 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 10:17 a.m. the Board reconvened in Open Session. The Board room was again opened to the public and the public teleconference line resumed.

## **III. Open Session**

### **A. FALL 2023 MTRS BOARD ELECTION: REQUEST FOR APPROVAL OF RECOMMENDED ELECTION SERVICES AND VENDOR**

Pursuant to MTRS Board Governance Operational Policy 1.0, Delegation of Authority to Executive Director, the Board must approve any procurements for amounts greater than \$50,000. Therefore, Ms. Glaster requested the Board's approval of the procurement for election services and vendor necessary to conduct

the 2023 MTRS Board election. This includes printing, data processing, mail services, online voting services and paper/electronic tabulation services as well as postage costs and the renewal of services with the election services provider, YesElections, per the 2019 contract. The estimated expense of the total project is \$139,854.20.

On a motion made by Mr. Liston, and seconded by Ms. Gorrie, the Board voted to approve the expenditure for recommended election services. On roll call, the vote was as follows:

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

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

1. In the board materials, Ms. Glaster had included a copy of the notice from the Public Employee Retirement Administration Commission ("PERAC") to the Secretary of Administration and Finance ("ANF") dated June 28<sup>th</sup>, amending the distribution of the FY24 pension appropriation between the MTRS, MSERS and Boston Teachers to add an allocation for the costs of administering the Commonwealth's deferred compensation plan pursuant to Chapter 126 of the Acts of 2022, as well as an increase in the PERAC FY24 operating budget. Ms. Glaster also included the original appropriation notice dated May 12<sup>th</sup> noting that the MTRS allocation was decreased by \$10,967, or one-third of the amount of the increase in PERAC's operating budget.
2. Ms. Glaster stated that a news mailer that included notice of the MTRS Board election was sent out the previous week to those retired members who do not have an email address on file. On July 31<sup>st</sup> the agency plans to send notice via email to all other retired and active members. Nomination papers will be available on August 1<sup>st</sup> and are due, with at least 100 valid MTRS member signatures, on October 16<sup>th</sup>.
3. With the State budget still in pending status, Ms. Glaster reported the agency was not able to pay the Cost of Living Adjustment (COLA) in the July payments. In order to pay the COLA in the August check, retroactive to July

- 1<sup>st</sup>, the budget must be approved before the pension warrant cutoff on August 19<sup>th</sup>. Notice of the delay was sent out via broadcast email and published on the MTRS website. In addition, the MA Retirees Association sent word out to their members.
4. Ms. Glaster announced that earlier in the month, she, Mr. Neilon and Ms. Wass met with Frank Valeri and Shawn Duhamel from the MA Retirees Association to discuss the possibility of legislation to establish a special commission to study and recommend reforms to the COLA benefits for MTRS and MA state retirees, who are the only MA public retirees whose COLA base is set by the Legislature instead of by their respective retirement board. The group discussed ideas and possible funding sources for an interim COLA increase and will continue to meet for this purpose.
  5. Referring to Mr. Neilon's monthly report, Ms. Glaster noted that one of the issues before the budget conference committee is a proposal to change the distribution of excess capital gains that would increase the percentage allocated to the pension fund from 5% to 20%. Ms. Glaster also noted that the Senate had just approved an amended version of the FY23 supplemental budget previously approved by the House, which includes an extra \$100M appropriation to the pension fund.
  6. Ms. Glaster reported on the status of the negotiations of the Vitech contract. She has asked Vitech to make a presentation to the Board at its August meeting, and will be asking for the Board's approval of the contract amount as it will exceed the \$50,000 threshold.
  7. The R+ Transfer-in election window closed on June 30<sup>th</sup> and Ms. Glaster announced the final statistics with 5,268 (66.5%) of the 7,920 eligible members registering their votes, of which, 4,005 opted IN, and 1,259 opted OUT. Ms. Glaster commended the various business units that worked on the project. Ms. Glaster added there is still significant work to do to make all the necessary rate changes and issue corresponding refunds/invoices, which will take several months.
  8. Ms. Glaster reported the third and final mailing of the Benefit Verification Forms (BVF's) was sent out at the end of June to the 1,821 benefit recipients who had not yet responded. While the vendor processed the final mailing, the returns were directed to the MTRS main office for processing. Staff pulled the July pension checks for approximately 700 benefit recipients who did not respond to the final mailing. Insurance and taxes deductions were still

- processed, but paper checks for the net benefits are held at the office until a response is received.
9. Per Mr. Osimo's quarterly member services report, Ms. Glaster noted the agency continues to receive retirement applications, but the pace has slowed. To date, Ms. Glaster reported 1,468 applications were received between both offices, which represents an 18% reduction from the previous year. Of that number, 908 new benefit inceptions are included on the July warrant. Mr. Osimo's team met their service goal for processing all the on-time filers for June retirements and will continue to process the remaining cases. Ms. Glaster commended his team on a job well done.
  10. Ms. Glaster reminded Board members of upcoming dates, including PERAC's Emerging Issues Forum on Thursday, September 21<sup>st</sup> and NCTR Annual Conference on October 8-11<sup>th</sup> in LaJolla, CA, as well as the in-person Strategic Planning Session on Friday, September 29<sup>th</sup> from 9am to 3 pm.

### **C. EXECUTIVE DIRECTOR'S EVALUATION**

Chairman Rodriguez summarized the two-step process for reviewing the Executive Director's performance over the past fiscal year. He noted this year included the introduction of a new evaluation tool that included goals and objectives that Ms. Glaster had set for the agency and progress towards those items. He opened the floor for a discussion of each board member's evaluation results.

Board members summarized their individual written evaluations of Ms. Glaster's performance over the past year, using the new form, and provided a recap of their individual ratings. A copy of each Board member's evaluation will be forwarded to Ms. Petruzzello and included in the materials to be used in a review of the Executive Director's compensation at the next month's Board meeting.

Ms. Glaster thanked the Board for their positive feedback and support and commended the MTRS staff for their collective efforts. She urged Board members to send any feedback on the new evaluation tool to her attention. She stated she was grateful to work with a Board who cares deeply about its members, as well as its fiduciary duty to the system.

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

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

The meeting was adjourned at 10:56 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 July 28, 2023**

- Agenda for July 28, 2023 MTRS Board meeting
- Cover letter from Executive Director
- Open and Executive session minutes of MTRS June 23, 2023 Board meeting
- Memorandum pertaining to Request for approval of recommended election services and vendor
- Supporting documents pertaining to Executive Director Evaluation