

## Minutes of the Meeting of December 15, 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, Sarah G. Kim, Michael Leung-Tat, Richard L. Liston, Dennis J. Naughton, Anne Wass, Executive Director Erika Glaster, Assistant Executive Director Jonathan Osimo, Assistant Executive Director Sean P. Neilon, 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. 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 November 17, 2023, were reviewed, and approved as submitted. Ms. Wass made a motion, which was seconded by Mr. Naughton to approve the minutes. On roll call, the vote was as follows:

<b>VOTED:</b> Vice Chair Jacqueline A. Gorrie	Yes
Sarah G. Kim	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 November 17, 2023 are hereby approved as submitted.**

## **II. Executive Session**

Before entering Executive Session, the Chairman asked and received oral confirmation 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 Ms. Kim to enter Executive Session to consider applications for disability retirement benefits and to receive an update on a potential termination of benefits due to non-compliance. On roll call, the vote was as follows:

<b>VOTED:</b> Vice Chair Jacqueline A. Gorrie	Yes
Sarah G. Kim	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	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 9:55 a.m. the Board reconvened in Open Session.

## **III. Open Session**

### **A. REQUEST FOR WAIVER OF OVERPAYMENT**

Pursuant to M.G.L. c. 32, § 20(5)(c)(3), the Board reviewed the materials concerning the overpayment of retirement benefits of two members:

**1. Karen McGue**

Mr. Osimo presented the request for waiver of overpayment to Karen McGue in the amount of \$146.40. Mr. Osimo explained that Ms. Gue's retirement benefit was incorrectly calculated including a one-time bonus payment for perfect attendance.

**2. Patricia Perlman**

Mr. Osimo presented the request for waiver of overpayment to Patricia Perlman in the amount of \$663.84. Mr. Osimo explained that Ms. Perlman's retirement benefit was incorrectly calculated based on an incorrect base salary amount provided by the school district on Ms. Perlman's retirement application.

On a motion to approve both waiver requests, made by Ms. Kim, and seconded by Mr. Liston, the Board vote was as follows:

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

**3. Julie Kallikatsos**

At 10:04 a.m. Julie Kallikatsos and her legal counsel Jesse Gibbings, Esq. joined the meeting.

At the November board meeting the Board voted to postpone this matter in order to give Ms. Kallikatsos the opportunity to appear and provide testimony before the Board. Ms. Kallikatsos is a retired MTRS member who had been overpaid \$71,305.65 since her June 30, 2003 retirement date. Ms.

Kallikatsos’s retirement allowance was calculated using the age factor for age 55 based on the birthdate on the birth certificate she submitted during the retirement process, which matched the birthdate she had written on her retirement application. On May 10, 2023 Ms. Kallikatsos contacted MTRS and asked that her birthdate be updated because she is two years younger than reflected in her MTRS records. Ms. Kallikatsos provided updated records supporting the younger age. Based on the new documents, staff concluded that Ms. Kallikatsos’s retirement allowance should have been calculated with the age factor for age 53. Staff reduced her pension accordingly and began a seven-year recovery of the overpayment in June 2023.

Ms. Kallikatsos requested that the Board consider waiving the collection of the overpayment, pursuant to its authority to do so under M.G.L. c. 32, § 20(5)(c)(3). In the event that the Board did not approve the waiver, Ms. Kallikatsos had requested a reduction in her repayment amount to \$200 per month, which would take over 29 years, instead of the current 7-year schedule. The Board asked a series of questions to Ms. Kallikatsos to better understand why she knowingly submitted the erroneous birth certificate with her retirement application and why she signed documents that listed the incorrect date. While the Board members were sympathetic to Ms. Kallikatsos’s explanation of the poor record keeping in Greece in the 1940’s due to the second world war, they noted their fiduciary duty to the system.

On a motion made by Ms. Kim, and seconded by Mr. Leung-Tat, the Board’s roll call vote on the approval of Ms. Kallikatsos’s request for waiver of overpayment was as follows:

<b>VOTED:</b> Vice Chair Jacqueline A. Gorrie	No
Sarah G. Kim	Yes
Michael Leung-Tat	No
Richard L. Liston	No
Dennis J. Naughton	No
Anne Wass	No
Chairman Ventura Rodriguez	No

The Board then held a discussion on Ms. Kallikatsos's request to reduce the monthly repayment amount and thereby increase the repayment period. Mr. Naughton questioned what happens if the member passes away before the full amount is recovered, and Ms. Glaster said that the agency would have to attempt to collect the balance from the retiree's estate. Referring to the Social Security Life Expectancy information in the Board materials, which indicate a projected life expectancy of thirteen years for Ms. Kallikatsos, Ms. Wass made a motion to collect the overpayment over 13 years rather than the current seven year schedule. The motion was seconded by Ms. Gorrie, and the roll call vote was as follows:

<b>VOTED:</b> Vice Chair Jacqueline A. Gorrie	Yes
Sarah G. Kim	Yes
Michael Leung-Tat	Yes
Richard L. Liston	Yes
Dennis J. Naughton	No
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

Ms. Kallikatsos and Attorney Gibbings left the meeting at 10:52 a.m.

The Board recessed at 10:53 a.m. and reconvened at 11:01 a.m.

## **B. REVIEW AND APPROVAL OF THE FY23 ANNUAL FINANCIAL STATEMENT**

MTRS Compliance Officer Marybeth Shaughnessy-Newell joined the meeting in order to present the FY23 Annual Financial Statement for the Board's approval. Ms. Shaughnessy-Newell reviewed the highlights of the report and answered questions from the board members. The Board thanked Ms. Shaughnessy-Newell. On a motion to approve the annual financial statement made by Ms. Kim and seconded by Mr. Leung-Tat, the roll call vote was as follows:

<b>VOTED:</b> Vice Chair Jacqueline A. Gorrie	Yes
Sarah G. Kim	Yes
Michael Leung-Tat	Yes

Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Ventura Rodriguez	Yes

Ms. Shaughnessy-Newell left the meeting.

### C. CERTIFICATION OF MTRS BOARD ELECTION RESULTS

Ms. Glaster confirmed that the incumbents, Ms. Gorrie and Mr. Naughton, were the only two candidates who submitted nomination papers for the 2023 MTRS Board election. In addition, she confirmed both submitted the required number of validated member signatures. Therefore, pursuant to the Board's election regulation, since there were only two candidates, no election was held. A motion was made by Mr. Liston and seconded by Ms. Wass to certify that Ms. Gorrie and Mr. Naughton are re-elected to another four-year term ending on 12/31/27. On roll call, the vote was as follows:

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

### D. NATIONAL INSTITUTE ON RETIREMENT SECURITY MEMBERSHIP

Ms. Glaster requested the Board's approval for MTRS to enroll as a member with the National Institute on Retirement Security ("NIRS"). NIRS is a non-profit research and education organization that conducts and distributes research that informs the public debate on retirement policy, with a focus on the role and value of defined benefit pension plans for employers, employees, and the public at large to promote and expand broad based retirement security. Ms. Glaster recommended that MTRS joins as an Associate Member in 2024, and then assess whether they would like to move to the level of "Visionary Circle" by the end of

the year. On a motion made by Ms. Gorrie, and seconded by Mr. Naughton, the Board voted to approve membership with the National Institute on Retirement Security. On roll call vote, the vote was as follows:

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

#### **E. APPROVAL FOR OUT OF STATE TRAVEL FOR EXECUTIVE DIRECTOR**

Pursuant to the provisions of the MTRS Official Travel Policy, Ms. Glaster requested the Board's approval to attend the annual System Roundtable of the National Association of State Retirement Administrators (NASRA) and joint NASRA/NCTR Legislative Conference in Washington, D.C. from February 24 to February 26, 2024. In addition, due to their approval of membership with NIRS, Ms. Glaster requested the Board's approval of one night's additional stay for the NIRS Annual Retirement Policy Conference being held on February 27th at the same hotel as the NASRA/NCTR meeting. On a motion made by Ms. Gorrie, and seconded by Ms. Wass, the Board voted to approve the out of state travel. On roll call, the vote was as follows:

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

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

1. Ms. Glaster congratulated Ms. Gorrie for being appointed to the NCTR Legislative Committee which will be meeting at the joint NASRA/NCTR conference in February in Washington, D.C.
2. Included in the materials was the proposed 2024 Board meeting schedule, which reflected changes following the Board's review at the prior month's meeting. On a motion to approve the schedule made by Ms. Gorrie, and seconded by Mr. Leung-Tat, the roll call vote was as follows:

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

3. Ms. Glaster noted that included in the Board materials were copies of the final 2023 Actuarial Valuation Report from PERAC which showed the MTRS funding at 58.7%, down slightly from last year's 59%.
4. Ms. Glaster announced the FY23 Closeout Supplemental Budget was finally signed into law by Governor Healy on December 4<sup>th</sup>. As Mr. Neilon noted in his monthly report, the budget included the additional \$100M appropriation for the Commonwealth's pension liability fund, which is intended to help reduce the outstanding debt associated with the 2015 early retirement incentive for state employees.
5. The resolution of all the R+ special election cases has begun, and Ms. Glaster stated that letters and invoices will begin to be sent out by Mr. Neilon's team in January. Currently, the team is identifying the various classes of members and subsets of each group based on whether their school district has submitted recent deduction reports verifying necessary rate changes that determine the final amount owed or to be refunded.
6. Ms. Glaster said that preparation for the January 1099-R mailing is underway, with staff completing their testing to ensure that every disbursement type has the appropriate tax reporting. The Communications team is firming up details with the print vendor. Ms. Glaster noted this is not a Benefit Verification year, so only 1099s will be sent to retirees, survivors, and refund recipients by the end of January.



7. Ms. Glaster updated the Board on the annual staff holiday celebration held earlier in the week and wished the Board members a happy holiday season and good health in 2024 and board members reciprocated the well wishes.

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

VOTED:	Vice Chair Jacqueline A. Gorrie	Yes
	Sarah G. Kim	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 11:32 a.m.

Respectfully submitted,

---

Erika M. Glaster,  
Executive Director

---

Date

**Documents used in MTRS Board meeting of December 15, 2023**

- Agenda for December 15, 2023 MTRS Board meeting
- Cover letter from Executive Director
- Open and Executive session minutes of MTRS November 17, 2023 Board meeting
- Memorandums and supporting documents pertaining to Requests for Waiver of Overpayment
- FY23 Annual Financial Statement
- Memorandum pertaining to certification of MTRS Board election results
- Memorandum and supporting documents pertaining to National Institute on Retirement Security Membership
- Memorandum pertaining to Request for Approval for Out of State Travel for Executive Director