

**Minutes of the Meeting of May 31, 2024**

**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 Chair Iraida J. Álvarez, Vice Chair Jacqueline A. Gorrie, Sarah G. Kim, Michael Leung-Tat, Richard L. Liston, Dennis J. Naughton, Anne Wass, Executive Director Erika Glaster, Deputy Executive Director and Chief Benefits Officer Jonathan Osimo, Assistant Executive Director and Chief Financial Officer Sean P. Neilon, General Counsel and Chief Legal Officer James O'Leary, Senior Legal Counsel Salvatore Coco, Senior Legal Counsel Ashley Freeman, and Senior Retirement Specialist Kaileigh Hintlian.

The meeting was called to order at 9:03 a.m.

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 Senior Retirement Specialist, 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. Chair Álvarez 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 April 19, 2024, were reviewed, and approved as submitted. Mr. Liston made a motion, which was seconded by Mr. Naughton, to approve the minutes. Mr. Leung-Tat abstained due to his absence from the meeting. On roll call, the vote was as follows:

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

Michael Leung-Tat	Abstain
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chair Iraidia J. Álvarez	Yes

**The Open and Executive Session minutes of the Board meeting held on April 19, 2024, are hereby approved as submitted.**

At this time, newly appointed Executive Director of the Public Employee Retirement Administration Commission, Bill Keefe, joined the meeting and introduced himself to the Board. The Board welcomed him in his new role and said they look forward to working with him in the future. Mr. Keefe left the meeting at 9:12 a.m.

## **II. Executive Session**

Before entering Executive Session, the Chair 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. 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
Chair Iraidia J. Álvarez	Yes

At 9:13 a.m. the Board went into Executive Session. The public teleconference call line was suspended. The Chair stated that the Board would return to Open Session.

At 9:45 a.m. the Board reconvened in Open Session.

### III. Open Session

#### A. APPLICATION FOR TERMINATION RETIREMENT

Mr. Osimo presented the Termination Retirement Application of Laura Larson, a 56-year-old teacher from Palmer Public Schools with an accrual of 26.3 years of creditable service that she earned working in the Springfield public schools and the Gill-Montague Regional public schools, and more recently in Palmer. Ms. Larson received a notice on June 1, 2023 that stated her contract would not be renewed. Ms. Larson's position was eliminated. Mr. Osimo stated that after review, he believed that there was no moral turpitude or collusion surrounding Ms. Larson's termination, which was completely involuntary. Mr. Osimo confirmed that Ms. Larson meets all the eligibility criteria for a termination retirement benefit.

On a motion made by Ms. Wass and seconded by Mr. Liston, the Board voted to approve the termination retirement. 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
Chair Iraida J. Álvarez	Yes

#### B. MTRS FY25 OPERATIONAL BUDGET

Ms. Glaster presented the proposed FY 2025 Operating Budget, totaling \$21,030,101, which is 2.78% higher than the FY 2024 Operating Budget. Ms. Glaster noted that since the proposed budget is less than 3.0% above the prior year's budget, the Legislature requires a thirty-day review period. Ms. Glaster reviewed the line items for the main categories and answered Board members' questions. On a motion made by Ms. Gorrie, and seconded by Mr. Liston, the Board voted to approve the proposed budget. 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
Chair Iraida J. Álvarez	Yes

### C. EXECUTIVE DIRECTOR SEARCH TIMELINE

Ms. Glaster reviewed the draft of the timeline of the internally managed national search for an Executive Director that was based on the Board’s responses to questions at the April Board meeting. Ms. Glaster answered questions from the Board. On a motion made by Ms. Kim, and seconded by Mr. Liston, the Board voted to approve the proposed timeline. 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
Chair Iraida J. Álvarez	Yes

### D. PRIT UPDATE

Serving as the Board’s representative, Mr. Naughton provided an update on recent activity at the PRIM Board. Mr. Naughton noted that the PRIT fund recently reached the largest balance in its history at over \$100B. He shared that PRIM CIO and Executive Director Michael Trotsky will receive The Allocator’s lifetime achievement award this fall, and many others on PRIM’s highly skilled staff have also won awards in their asset classes. Mr. Naughton invited Board members to let him know if they would like updates on any other topics related to PRIM or the PRIT fund.

## EXECUTIVE DIRECTOR'S REPORT

1. Ms. Glaster included in the Board's materials a copy of the memo from Bill Keefe to A&F Secretary Gorzkowicz providing the allocation of the FY25 pension appropriation between MTRS, Massachusetts State Employees Retirement System (MSERS), Boston Teachers, local COLAs, PERAC's budget, the state's contribution to the higher education ORP, and the newly added administrative costs associated with the state employees deferred compensation plan. For historical and informational purposes, Ms. Glaster included a spreadsheet detailing the allocation of the pension appropriation during the last ten years, noting that the MTRS portion ranged from 54-57%. According to the current and former state actuaries, the percentage allocated to the MTRS, MSERS and Boston teachers is designed to ensure that all systems all reach full funding at the same time.  
Mr. Naughton expressed dissatisfaction with the use of the pension appropriation funds for purposes other than funding or administering the pension systems. Ms. Glaster explained that the arrangement, which was codified via an amendment to c. 32, § 22C, was the result of multiple years of work between the MTRS, MSERS, the State Comptroller, A&F and our respective tax counsels as a means of complying with the IRS exclusive benefit rule.
2. In cyber security news, Ms. Glaster reported that Concord and Concord-Carlisle Public Schools experienced a recent cyberattack. Pursuant to standard practice, we suspended their access to *MyTRS* until they provide the required third party certification of mitigation. Concord has been cleared and the regional district is very close, just waiting for certification materials.
3. On Ms. Glaster's request, Mr. Neilon provided an update on the state budget and the MTRS-sponsored 4(1)(p) legislation, which was reported favorably out of House Ways & Means that week.
4. Pursuant to the Board's strategic plan goal to engage external stakeholders in plan design discussions, Ms. Glaster reported that she, Mr. Neilon and Mr. Osimo recently held a meeting with the leadership of the Massachusetts Association of School Superintendents ("M.A.S.S.") to discuss issues of educator recruitment and retention as they relate to the pension system. The M.A.S.S. representatives shared the challenges they face with recruitment

and retention, and made suggestions for plan changes that may mitigate them. MTRS will send a summary of the discussion along with a series of additional questions, which M.A.S.S. will distribute to their membership for additional feedback. Ms. Glaster noted her intention to engage with additional stakeholders, including the teacher unions.

- 5. In operational news, Ms. Glaster was happy to announce that *Your MTRS Benefits* in-person seminars are back after a long hiatus due to the pandemic. Sessions are being held in Norton and Wilbraham in the next couple of weeks with more planned for the fall. In addition, virtual retirement counseling sessions for retiring members are being offered. Registration is available for members on the MTRS website.
- 6. Ms. Glaster updated the Board on the status of employer deduction reporting, stating that the day before the meeting an email was sent directly to the superintendents of the 115 (30%) districts that still have outstanding reports for calendar year 2022. The agency continues to escalate and follow up with individual districts to address ongoing delays.
- 7. In personnel news, Ms. Glaster announced that Chief Technology Officer Joe Patuto resigned in order to take a position with the Everett Public Schools. She stated that the position would be posted quickly.

On a motion made by Ms. Kim, and seconded by Mr. Liston, 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
	Chair Iraida J. Álvarez	Yes

The meeting was adjourned at 11:08 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 May 31, 2024**

- Agenda for May 31, 2024 MTRS Board meeting
- Cover letter from Executive Director
- Open and Executive session minutes of MTRS April 19, 2024 Board meeting
- Memorandum and supporting documents pertaining to MTRS FY25 Operational Budget
- Memorandum and supporting documents pertaining to Executive Director Search Timeline