

Minutes of the Meeting of March 27, 2009

of the

MASSACHUSETTS TEACHERS' RETIREMENT BOARD

I. Regular Matters of Business

Chairman Jeff Wulfson presided at this regular meeting of the Massachusetts Teachers' Retirement Board ("the Board"). Also in attendance were: Vice Chair Linda Ruberto, Ellen Hargraves, John A.M. Dow, Jr., John W. Parsons, Nicola Favorito, Executive Director Joan Schloss, Deputy Executive Director Erika Glaster, Assistant Executive Director Sean Neilon, General Counsel James Salvie, and Executive Assistant Virginia Hemeon.

The meeting was called to order at approximately 9:36 a.m. by Chairman Wulfson.

The minutes of the previous Board meeting, held on February 27, 2009, were reviewed and approved as submitted, on a motion by Ms. Ruberto and seconded by Ms. Hargraves. The motion carried 6 – 0.

VOTED: The Open and Executive Session minutes of the Board meeting held on February 27, 2009, are hereby approved as submitted.

A motion was made by Ms. Hargraves, and seconded by Ms. Ruberto, to bring matters relating to disability retirement and forfeiture into Executive Session. On a roll call, the vote was as follows:

VOTED: Vice Chair Linda Ruberto	Yes
Ellen Hargraves	Yes
John W. Parsons	Yes
Nicola Favorito	Yes
John A.M. Dow, Jr.	Yes
Chairman Jeff Wulfson	Yes

II. Executive Session

At approximately 9:39 a.m., the Board went into Executive Session for the purpose of considering applications for disability retirement benefits and forfeiture of retirement benefits.

III. Open Session

At approximately 11:30 a.m., the Board reconvened in Open Session and Chairman Wulfson announced the Board's actions during Executive Session on

applications for accidental disability retirement and accidental death benefit cases, as well as on the case regarding forfeiture of retirement benefits.

ACCIDENTAL DISABILITY RETIREMENT AND ACCIDENTAL DEATH BENEFITS

1. Yvette Russell

Accidental disability retirement and accidental death benefits

The application of Yvette Russell for accidental disability retirement benefits, including medical panel reports and other information, was reviewed. On a motion to deny the application of Yvette Russell, made by Ms. Hargraves and seconded by Mr. Parsons, the roll call vote was as follows:

VOTED: Vice Chair Linda Ruberto	Yes
Ellen Hargraves	Yes
John W. Parsons	Yes
Nicola Favorito	Yes
John A.M. Dow, Jr.	Yes
Chairman Jeff Wulfson	Yes

The application of Yvette Russell for accidental disability retirement benefits was DENIED.

The application of the survivors of Yvette Russell for accidental death benefits was also reviewed. On a motion to deny the application for accidental death benefits, made by Ms. Hargraves and seconded by Ms. Ruberto, the roll call vote was as follows:

VOTED: Vice Chair Linda Ruberto	Yes
Ellen Hargraves	Yes
John W. Parsons	Yes
Nicola Favorito	Yes
John A.M. Dow, Jr.	Yes
Chairman Jeff Wulfson	Yes

The application of the survivors of Yvette Russell for accidental death benefits was DENIED.

2. Jonathan Hirst

Accidental disability retirement benefits

The application of Jonathan Hirst for accidental disability retirement, together with medical panel reports and other information, was reviewed. On a motion made by Mr. Parsons and seconded by Mr. Dow to approve the application of Jonathan Hirst, with the stipulation to request that PERAC perform a re-examination within one year, the roll call vote was as follows:

VOTED: Vice Chair Linda Ruberto	Yes
Ellen Hargraves	No
John W. Parsons	Yes
Nicola Favorito	Yes
John A.M. Dow, Jr.	Yes
Chairman Jeff Wulfson	Yes

The application of Jonathan Hirst for accidental disability retirement was APPROVED.

FORFEITURE OF RETIREMENT BENEFITS

1. Ronald Garney

On a motion by Mr. Favorito and seconded by Ms. Hargraves, the Board made findings of fact and conclusions of law with regard to the forfeiture of Ronald Garney's retirement benefits. Ms. Ruberto did not participate in this matter, and the roll call vote was as follows:

VOTED: Ellen Hargraves	Yes
John W. Parsons	Yes
Nicola Favorito	Yes
John A.M. Dow, Jr.	Yes
Chairman Jeff Wulfson	Yes

TERMINATION RETIREMENT BENEFITS

1. Patricia Medeiros

According to the documents submitted by the employer, Ms. Medeiros was terminated for cause in 1997, specifically for insubordination, incapacity to fulfill responsibilities of a classroom teacher, and conduct unbecoming a teacher. The school provided evidence to support a finding that the reasons for Ms. Medeiros' termination constituted a violation of the laws, rules and regulations applicable to her position, thereby rendering her ineligible for a termination retirement benefit.

The Board reviewed the materials, and a motion to deny the application was made by Mr. Favorito and seconded by Ms. Hargraves. The motion carried, 6–0.

VOTED: The termination retirement application of Patricia Medeiros was DENIED.

REQUESTS FOR WAIVERS OF OVERPAYMENT

- 1. Danvers retirees:** Antoinette E. Corkery; Kathleen M. Picone; Richard S. Abbott; David E. Pauley; Margaret E. Kelly; Margo L. Maione; and, Patricia A. Cullinane

The Board reviewed and discussed the materials concerning overpayments of retirement benefits to Antoinette E. Corkery for \$613.17; Patricia A. Cullinane, \$593.98; Margaret E. Kelly, \$705.06; David E. Pauley, \$624.22; Kathleen M. Picone, \$335.58; Richard S. Abbott, \$353.25; and, Margo L. Maione, \$670.92. The Board found that in all instances the error had persisted for more than one year, and that the members—by giving advanced written notice of their intended dates of retirement, pursuant to Settlement Agreement #6 of the Danvers 2005–08 collective bargaining agreement—possessed reason to know of the error. A motion to deny the request for a waiver of the overpayment of each of the above-named members was made by Mr. Parsons, and seconded by Ms. Hargraves. The motion carried, 6–0.

VOTED: The overpayment waiver requests of Antoinette E. Corkery, Kathleen M. Picone, Richard S. Abbott, David E. Pauley, Margaret E. Kelly, Margo L. Maione and Patricia A. Cullinane were DENIED.

OTHER MATTERS OF BUSINESS

- 1. Amendment to 807 CMR 3.04: Part-time Service Regulation**

The Board next reviewed the General Counsel’s memorandum of the proposed amendment to regulation 807 CMR 3.04, the part-time service regulation. The Board held a discussion and decided to continue the discussion, and directed MTRS staff to contact the Massachusetts Teachers Association and the American Federation of Teachers of Massachusetts and let them know of the Board’s consideration of this issue.

- 2. Appointment of Hearing Officer in the Elaine Kevgas matter**

In response to the PERAC request to terminate the ordinary disability retirement benefit of Elaine Kevgas for failure to participate in the required evaluation

process without good cause, as required under M.G.L. c. 32, § 8, the Board held a discussion and Ms. Ruberto moved to appoint Aaron Morrison as Hearing Officer. The motion was seconded by Ms. Hargraves and carried unanimously. Attorney Morrison will send notice of the hearing to Ms. Kevgas via certified mail, conduct the hearing with a stenographer present, and issue a fact-finding report.

VOTED: To appoint Aaron Morrison as Hearing Officer in the matter of Ms. Kevgas.

3. Amendments to 807 CMR 10.00: Maternity leave service purchases

In response to certain legislative changes to the application of interest on specific buybacks and repayments provided in M.G.L. C. 32, §§ 4 and 105, the Board had considered amendments to 807 CMR 10.00 at its meeting of January 30, 2009. As a result, a public hearing was held on Friday, March 20, 2009, at which no one appeared to testify and no written comments were received. Accordingly, the Board held a discussion and Ms. Ruberto moved to approve the amendments; Ms. Hargraves seconded the motion, and it motion carried, 6 – 0.

VOTED: To adopt amendments to 807 CMR 10.00.

EXECUTIVE DIRECTOR'S REPORT

1. Proposed FY2010 Operating and Project Budgets

The Executive Director distributed the proposed FY2010 Operating and Project Budgets. The operating budget being recommended is in the amount of \$8,443,590. Ms. Schloss stated that the operating budget is a maintenance-spending plan that is level-funded with the final FY2009 operating budget. Ms. Schloss reviewed certain budget details, pointing out that the staff believes that the proposed budget will protect the core services that are currently being provided to members and employers. She noted that the budget does not include any salary increases for staff and does not require any staff layoffs or furloughs. Ms. Schloss also gave a brief overview of the proposed project budget for MyTRS, which includes the costs associated with the services, hardware and software provided by the vendor, Vitech, as well as the costs incurred by MTRS that are a result of the project. Along with the summary of the two budgets, Ms. Schloss handed out a copy of an email she received from Governor Deval Patrick wherein he requested that quasi-public agencies freeze all management salaries until a public review of salary and benefits be completed.

2. MyTRS Update:

Progress Report on Rollout 1, Imaging and Backfile Conversion

The Executive Director next gave a status report on the progress of Rollout 1, the

imaging implementation and deployment. Training for all staff had been completed and feedback from staff was excellent. Backfile conversion had also begun and it was anticipated that images of certain files would be available for staff sometime in late April. In addition, the network vulnerability accessibility testing had been successfully completed for this rollout.

The Executive Director did note that the project schedule for Rollout 2 was experiencing delays and the original projected schedule was, in all likelihood, going to be revised. Ms. Schloss stated that she would have additional information on this at a later meeting.

3. Federal Stimulus Plan and New Tax Withholding Tables

Further, the Executive Director announced that the new tax tables as a result of American Recovery and Reinvestment Act of 2009 have been updated in the system and described the plan to communicate these changes to retirees.

4. Pension Reform Efforts: Update

The Executive Director then updated the Board regarding the meeting with the newly appointed Chairs of the Public Service Committee that she and Sean Neilon had, during which she and Sean reviewed the Board's priorities for pension reform.

The Executive Director ended her report stating that the first meeting of the Special Commission on Pension Reform had been scheduled for March 31 and she would be giving the Board a report on its activities at the April meeting.

CONCLUDING REMARKS

Chairman Wulfson noted that the process for evaluating the Executive Director's performance would soon begin, and asked that Board members forward to him any comments or suggestions on revisions to the process from last year.

At approximately 1:25 p.m., with the Board having no further business to conduct, a motion was made by Ms. Ruberto, and seconded by Ms. Hargraves, to adjourn the meeting. The motion carried unanimously.

Respectfully submitted,

Joan Schloss, Executive Director

Date