

Minutes of the Meeting of August 26, 2016

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 Jeff Wulfson, Vice Chair Nicola Favorito, Jacqueline A. Gorrie, Richard L. Liston, Dennis J. Naughton, Anne Wass, Executive Director Erika Glaster, Assistant Executive Director Jon Osimo, General Counsel James Salvie, Disability Case Manager Salvatore Coco and Executive Assistant Helen Petruzzello. Ms. Quinn was absent due to personal reasons.

Before the meeting started, Mr. Salvie introduced the Board to Salvatore "Sam" Coco, who was recently hired to replace Rob Fabino in his role as Disability Case Manager/Associate General Counsel. Additionally, Ms. Glaster introduced and acknowledged Ann MacDonald, Senior Service Representative in Retiree Services, who recently announced her retirement from the agency. The Board expressed their appreciation to Ms. MacDonald for her service to the MTRS members for over 37 years and wished her the best in her future plans.

The meeting was called to order at approximately 9:00 a.m.

The minutes of the previous Board meeting, held on July 29, 2016, were reviewed and approved as submitted on a motion made by Mr. Liston and seconded by Ms. Gorrie. The motion carried 6-0.

VOTED: The Open and Executive minutes of the Board meeting held on July 29, 2016, are hereby approved as submitted.

II. Executive Session

A motion was made by Ms. Wass, and seconded by Mr. Liston, to enter into executive session in order to review applications for disability retirement and termination retirement. On roll call, the vote was as follows:

VOTED: Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	Yes

At approximately 9:01 a.m. the Board went into Executive Session. The Chairman stated that the Board would return to Open Session.

At approximately 9:05 a.m. the Board reconvened in Open Session, awaiting the arrival of the applicant for termination retirement.

III. Open Session

A. FINAL APPROVAL OF REGULATIONS 807 CMR 10.00, 12.00, AND 14.00

Mr. Salvie presented for the Board's final approval the proposed amendments to three Regulations. He presented for their final approval 807 Code Mass. Reg. 10.00, *Maternity Service Purchases*, which the Board had approved at its February 2016 meeting. A public hearing was held on May 3, 2016 and no written comments or testimony were received. Additionally, he presented the amendment to 807 Code Mass. Reg. 12.00, *Rollover Distributions and Trust to Trust Transfers*, which the Board had approved at its January 2016 meeting. A public hearing was held on May 5, 2016 and no one appeared at the hearing and no testimony was offered. Finally, Mr. Salvie presented for the board's final approval the proposed amendment to 807 Code Mass. Reg. 14.00, *Purchase of Creditable Service for Prior Vocational Work Experience*, which the Board had approved at its March 2016 meeting. A public hearing was held on May 4, 2016 and no written comments were received. PERAC approved all three of the proposed amendments on June 28, 2016.

On a motion made by Mr. Liston, and seconded by Ms. Gorrie, the Board voted 6-0 to finally approve the amendments.

**B. PROPOSED AMENDMENTS TO REGULATION 807 CMR 15.00,
CONFIDENTIALITY OF INFORMATION**

Mr. Salvie presented proposed amendments to Regulation 807 CMR 15.00, *Confidentiality of Information*, for the Board's approval. The Board held a discussion regarding the amendments. On a motion made by Mr. Liston, and seconded by Ms. Gorrie, the Board voted 6-0 to publish the proposed amendments for public comment.

C. PRIT UPDATE

Mr. Naughton provided the Board with an update of recent activity at the PRIM Board including personnel changes and honors and awards bestowed upon PRIM staff members.

**D. REQUEST FOR APPROVAL OF OUT OF STATE TRAVEL FOR EXECUTIVE
DIRECTOR**

Pursuant to the provisions of the MTRS travel policy, Ms. Glaster requested the Board's approval to attend the annual conference of the National Council on Teacher Retirement ("NCTR") from Sunday, October 9th through Wednesday, October 12th in Providence, Rhode Island and the annual conference of the National Pension Education Association ("NPEA") being held in Newport Beach, California from Friday, October 21st to Wednesday, October 26th. On a motion made by Mr. Liston and seconded by Ms. Gorrie, the Board voted unanimously to approve the out of state travel.

E. EXECUTIVE DIRECTOR'S REPORT

1. Ms. Glaster pointed out that registration and hotel confirmations for the upcoming NCTR annual conference were provided to the Board members at their places. Additionally, Ms. Glaster provided copies of recent communication to a retiree responding to an inquiry regarding military service purchases.
2. Ms. Glaster provided copies of the Commonwealth's Valuation Report to each board member and noted that the MTRS valuation was expected from

the PERAC actuary in the next month or two and would be reviewed in detail at the November Board meeting.

3. Ms. Glaster noted that included in the board materials was the final version of the MTRS Personnel Policies and Procedures Manual, which included the board's recommendations to update the non-discrimination language.
4. Ms. Glaster reported that the lease for the new office space was signed on August 2nd, and other than the challenges involved in scheduling successful service calls with the phone and data line provider, the buildout was progressing according to schedule.
5. Concerning the ongoing exclusive benefit rule issues, Ms. Glaster updated the Board on the initial feedback from PERAC's outside counsel, Kutak Rock, LLP from Nebraska. Ms. Glaster reported that a call would be set up between Kutak Rock and Board tax counsel, Ice Miller, and an update would be provided at the September Board meeting.
6. Ms. Glaster announced that Deputy General Counsel Jim O'Leary is included on the legal panel at this year's NCTR annual conference.

The Board took a recess at approx. 9:47 a.m. so Board staff could contact the termination retirement applicant and her counsel. The Board reconvened at approximately 9:52 a.m.

F. TERMINATION RETIREMENT

After contacting the termination retirement applicant, Board staff determined that there was a misunderstanding surrounding the board meeting procedures. On a motion made by Mr. Favorito, and seconded by Mr. Naughton, the Board voted unanimously to table the termination application in order to allow the applicant and her counsel the opportunity to be present.

On a motion made by Mr. Liston and seconded by Mr. Naughton, the Board voted unanimously to adjourn the meeting at approximately 9:54 a.m.

Respectfully submitted,

Erika M. Glaster, Executive Director

Date

Documents used in MTRS Board meeting of August 26, 2016

- Agenda for August 26, 2016 MTRS Board meeting
- Cover letter from Executive Director
- Open minutes and executive minutes of July 29, 2016 MTRS Board meeting
- Memorandum and supporting documents pertaining to termination retirement application
- Memorandum and supporting documents pertaining to final approval of Regulations 10.00, 12.00, and 14.00
- Memorandum and supporting documents pertaining to proposed amendments to regulation 807 CMR 15.00
- Memorandum and supporting documents pertaining to request for approval of out of state travel for Executive Director