

MINUTES FOR THE 1,259th BOARD MEETING
STATE BOARD OF RETIREMENT

DATE: December 29, 2022

TIME: 10:04 A.M.

PLACE: One Winter Street – 8th Floor, Boston, MA

There being a quorum, the December 29, 2022, meeting of the State Retirement Board (“Board”) was called to order at 10:04 a.m. by Treasurer & Receiver General Deborah B. Goldberg, Chair.

Treasurer Goldberg announced pursuant to the Commonwealth’s Open Meeting Law Massachusetts General Law chapter 30A, §20, as amended recently by Chapter 107 of the Acts of 2022, that the meeting of the Board was being held via the internet and was being called to order with the following Members who would be participating remotely for all or part of the meeting and who were identified at this time: Deborah B. Goldberg, Treasurer & Receiver General, Chair; Maureen Valente, Appointed Member; Theresa McGoldrick, Elected Member; Francis Valeri, Elected Member; Archie Gormley, Chosen Member. Unless otherwise noted, all votes taken at the meeting were taken by roll call vote.

Board staff that were present or participated remotely for all or part of the meeting were: Nicola Favorito, Deputy Treasurer/Executive Director; Melinda Troy, Director of Legal Services; Paula Daddona, Assistant Director of Communications & Outreach; Kimberly Griffin, Director of Information Systems & Technology; Micalie Baptiste-Merisier, Office Manager / Executive Assistant; Lisa Leary, Disability Benefits Support Analyst; Lisa Zale, Disability Unit Manager; Joisei Horton, Disability Benefits Support Analyst; Kathryn Kougias, Director of Finance; Zhuoxin Tan, MSRB Internal Auditor; Yande Lombe, Associate Board Counsel; Pamela Diggs, Paralegal; Athila Soares-Nunes, Paralegal; Andrew Dickey, Paralegal; Zachary Pierce, Communications Coordinator, II; Ebenezer Shim, Communications Specialist; Pamela Holloman, Benefit Calculation Disbursement Manager; Venkata Yalangi, Benefits Calculation Support Analyst; Seth Emerson, Benefits Calculation Support Analyst.

Treasury staff that participated remotely for all or part of the meeting were: Sarah Kim, Deputy Treasurer/General Counsel; John Durgin, Associate General Counsel; Lizandra Gomes, Deputy Chief of Staff; Emily Kowtoniuk, Legislative & Policy Director; Al Anzola, Legislative & Policy Analyst; Alexa Michon, Legislative & Policy Analyst; Rachel Healey, Hearing Officer.

Members of the public were provided access to the meeting via a call-in number. Those registered as attending were Attorney Stewart Engel; Ms. Joanne Franchi; Attorney Larry Desilets; Attorney Allison K. Gurley; Ms. Joanne Songy; Detective Mario Oliveira, Rutland Police Department; Dwayne Fortes, Plymouth County Sheriff’s Office; Rhonda Nyman, Plymouth County Sheriff’s Office.

Treasurer Goldberg announced in accordance with the Commonwealth's Open Meeting Law that any person may make a video or audio recording of an open session of a meeting of a public body, and she was obligated to inform participants of any recording at the beginning of the meeting. She then asked that anyone who is making any recording identify themselves as doing so to Treasury staff monitoring the public access platform.

Treasurer Goldberg also announced that for those members of the public accessing the open portion of the Board meeting, that access will conclude when the Board enters Executive Session and resume when the Board returns from Executive Session.

MINUTES OF THE 1258th BOARD MEETING

On a motion by Ms. McGoldrick and seconded by Mr. Gormley the Board voted unanimously to approve the Regular and Executive Session Minutes of the 1,258th Board Meeting, held on November 22, 2022.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Ms. McGoldrick	Yes
Treasurer Goldberg	Yes

THE BOARD ENTERS INTO EXECUTIVE SESSION

At 10:07 a.m. the Board entered into Executive Session to review applications for disability retirement, associated benefits, litigation strategy, and to also consider the reputation, character, physical condition, or mental health of individuals with business before the Board. Treasurer Goldberg indicated the Board would reconvene in Open Session after the Executive Session.

Mr. Gormley made a motion to enter Executive Session, Ms. McGoldrick seconded the motion.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Ms. McGoldrick	Yes
Treasurer Goldberg	Yes

Each Board member confirmed that no other person was present with them and/or able to hear the discussion at the remote location.

At 11:44 a.m. the Board concluded Executive Session and voted to reconvene in Open Session.

Ms. McGoldrick made a motion to conclude the Executive Session and reconvene in Open Session, Ms. Valente seconded the motion.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Ms. McGoldrick	Yes
Treasurer Goldberg	Yes

EXECUTIVE SESSION CONCLUDES AND THE BOARD RETURNS TO OPEN SESSION

(The Board immediately entered into a brief recess and resumed the meeting at 11:52 a.m.)

(Mr. Valeri joined the meeting)

AGENDA ITEMS

REQUEST FOR WAIVER OF OVERPAYMENT

1. Anthony Carruthers

Mr. Carruthers retired from the University of Massachusetts Medical School. When he retired, Board staff determined that his salary violated the so-called anti-spiking provisions of G.L. c. 32, §5(2)(f). Ultimately the Contributory Retirement Appeal Board determined that the upward salary adjustment made prior to his retirement did not qualify as “regular compensation” because it was a payment made in contemplation of retirement. As a result, Mr. Carruthers’s benefit was adjusted downward. However, he requested a waiver of the overpayment of his benefit from the date of his retirement until the date that the adjustment was made.

After discussion of the available information, the Board on a motion made by Ms. McGoldrick and seconded by Mr. Gormley voted to approve this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Treasurer Goldberg	Yes

GROUP CLASSIFICATIONS

GROUP 2

Pursuant to the Board's Classification Policy the following are reported as approved for Group 2 Classification:

1. **Joseph Andrade-Burgo** MHW III, Taunton State Hospital, DMH
2. **Lisa Ciullo** Social Worker III, DCF
3. **Ellen Cunha** LPN 1, DDS
4. **Leah Davis** Social Worker II, DCF
5. **Susan DeMello** LPN II, Taunton State Hospital, DMH
6. **John DiNicola** Social Worker II, DCF
7. **Marc Marcel Dumont** Court Officer II, MA Trial Court
8. **Justin Fasano** Probation Officer, MA Trial Court
9. **Laura Humphrey** Social Worker I, DCF
10. **Delores Johnson** Probation Officer, MA Trial Court
11. **Elizabeth Johnson** Social Worker II, DCF
12. **Sarah Kagacha** RN I, Hogan Regional Center, DDS
13. **Mark Lorkiewicz** Police Officer, UMass Medical School
14. **Mauricio Martinez** Group Worker II, DYS
15. **Jennifer Morales** Social Worker II, DCF
16. **Romuald Romulus** RN III, Tewksbury Hospital (A5), DMH
17. **Suzanne Silvia** Social Worker C, DCF
18. **Edriss Volmar** Nursing Assistant II, Hogan Regional Ctr., DDS

GROUP 2 (BOARD REVIEW)

1. **Laurie Brown** Nurse Practitioner, Tewksbury Hospital (E2), DPH

After discussion of the available information, the Board on a motion made by Ms. Valente and seconded by Ms. McGoldrick voted to approve this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

2. **Marc DuBois** DSW IV, Wrentham Dev. Center, DDS

After discussion of the available information, the Board on a motion made by Ms. McGoldrick and seconded by Mr. Gormley voted to deny this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

3. **Thomas Neville** Superintendent, DOC

After discussion of the available information, the Board on a motion made by Mr. Gormley and seconded by Ms. McGoldrick voted to approve this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

GROUP 2 PRO-RATE

Pursuant to the Board's Classification Policy the following are reported as approved for Group 2 Pro-Rated Classification:

1. **Myrielle Cesar** **Department of Children and Families**
Social Worker I – 02/09/92 – 07/31/93
Social Worker III – 08/01/93 – 09/14/96

Social Worker IV – 06/06/99 – 12/29/01
Social Worker D – 12/30/01 – 07/23/16

2. **Irene Daley-Horgan** **Suffolk County Sheriff’s Department**
Caseworker – 09/07/88 – 06/01/94

3. **John Harrington** **Department of Developmental Services**
MRW I – 09/28/86 - 10/10/98
Storekeeper III – 10/08/03 - 06/30/04
Storekeeper III 10/31/04 - 02/01/14
Facility Service Worker IV - 07/01/04 - 10/30/04

GROUP 2 PRO-RATE (BOARD REVIEW)

1. **Myrielle Cesar** **Department of Children and Families**
Case Reviewer – 09/15/96 – 06/05/99

After discussion of the available information, the Board on a motion made by Ms. McGoldrick and seconded by Ms. Valente voted to deny this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

GROUP 4

Pursuant to the Board’s Classification Policy the following are reported as approved for Group 4 Classification:

1. **Robert Beuparlant** Correction Officer I, Department of Correction
2. **Donald Paul Beauvais** Correction Officer I, Department of Correction
3. **Frank Chlastawa** Shift Supervisor /CO II, Hampden County Sheriff’s Dept.
4. **Andrew Clark** Correction Officer, Barnstable County Sheriff’s Office
5. **William Goudey** Sergeant, Middlesex Sheriff’s Office
6. **Ronald Gover** Correction Officer, Middlesex Sheriff’s Office
7. **Maurice Mark Lareau** Correction Officer I, Department of Correction
8. **Arnold Larson III** Captain, Department of Correction
9. **Suzanne Olson** Field Parole Officer, MA Parole Board

- 10. **Scott Oriola** Correction Officer/Sergeant, Plymouth County Sheriff's Department
- 11. **Derek Parker** Jail Officer – Lieutenant, Suffolk County Sheriff's Department
- 12. **Alexander Rodriguez** Correction Officer I, Department of Correction
- 13. **Steven Souza** Superintendent, Bristol County Sheriff's Office
- 14. **Julio Tavares** Correction Officer, Bristol County Sheriff's Office

GROUP 4 (BOARD REVIEW)

- 1. **Gregory Centeio** Assistant Superintendent I/Operation Assessment Development, Bristol County Sheriff's Department

After discussion of the available information, the Board on a motion made by Ms. McGoldrick and seconded by Mr. Gormley voted to table this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

- 2. **Dwayne Fortes** Assistant Deputy Superintendent/Training, Plymouth County Sheriff's Department

After discussion of the available information, the Board on a motion made by Mr. Gormley and seconded by Ms. Valente voted to table this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

- 3. **Scott Lennon** Assistant Superintendent/HR, Middlesex Sheriff's Office

After discussion of the available information, the Board on a motion made by Ms. McGoldrick and seconded by Mr. Gormley voted to table this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

4. **Robert McCrea** ABE/ASE Teacher/Program Coordinator, Hampshire County Sheriff's Department.

After discussion of the available information, the Board on a motion made by Ms. McGoldrick and seconded by Ms. Valente voted to deny this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Ms. Sarah Kim	Yes

GROUP 4 Correctional Program Officer (BOARD REVIEW)

1. **Robert Carlson** Correctional Program Officer A/B, DOC

After discussion of the available information, the Board on a motion made by Mr. Valeri and seconded by Mr. Gormley voted to approve this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Mr. Gormley	Yes
Mr. Valeri	Yes
Ms. McGoldrick	Yes
Treasurer Goldberg	Yes

Pursuant to the Board’s Classification Policy the following are reported as approved for 20/50 Classification:

- | | |
|---------------------------------|--|
| 1. <u>Daniel Dumont</u> | Correction Officer I, Department of Correction |
| 2. <u>Kimberly Erwin</u> | Captain, Department of Correction |
| 3. <u>Thomas Medrano</u> | Jail Officer – Sergeant, Suffolk County Sheriff’s Department |
| 4. <u>James Rabideau</u> | Correction Officer, Middlesex Sheriff’s Office |
| 5. <u>Greg Turner</u> | Sergeant, Essex County Sheriff’s Department |

REPORT OF THE EXECUTIVE DIRECTOR

1. MSRB Operations

Mr. Favorito provided information to the Board on several MSRB operational activities.

The December pension warrant closed the afternoon of December 22, 2022. MSRB staff were able to add 342 new payees, of which 305 were superannuation and disability retirees. Through December 2022 approximately 3,746 new payees have been added in this calendar year of which 3,129 are retirees. With December’s payments on the 30th more than \$2.93b in benefits will have been issued this calendar year.

For the period November 17, 2022 through December 21, 2022, approximately 131 benefit adjustments were completed associated with retro-active pay increases previously reported for existing retirees. For the calendar year more than 1,412 benefit adjustments have been completed.

The Business Support Unit executed **accelerated benefit payments** for December for 137 new retirees totaling \$2,040,915.56 in gross retro-benefits approved for payment on November 15, 2022. For calendar year 2022, 1,407 accelerated payments were issued totaling over \$25m in retro payments. These members received their retro-active benefit payments (from their retirement date through November 30th). These members are receiving their regular December benefit payment at the end of the month.

Through the payroll periods running November 18, 2022 through December 16, 2022, the **MSRB Disbursement Unit** processed 430 refunds / rollovers / transfers totaling approximately \$9m in net funds issued. Through the December 23, 2022, warrant the

Disbursement Unit has processed 3,216 refunds / rollovers / transfers for the calendar year totaling over \$67.1m in net funds issued.

With regard to workforce activity, since the November Board meeting several new staff joined the MSRB in the areas of Service Purchases and Member Account Management. Also, Lisa Zale has been promoted to the position of Disability Manager. Staff did depart from the Finance Unit, Benefit Calculation, and Member Services / Call Center teams. The MSRB currently has several vacancies we are working to fill including Budget & Finance Manager, Associate Board Counsel (2), Audit Associate, and Chief Operating Officer.

MSRB staff reported that 113 members accessed our drop off hours in Boston for the period November 17, 2022 through December 21, 2022. More than 948 members have visited to drop off materials and speak MSRB staff since the beginning of March.

November data reflects almost 8,500 telephone calls received by MSRB staff that were made to the main department extensions. More than 4,700 calls were taken by the Call Center. Nearly 1,200 calls were taken by our Member Account Management and Benefit Account Management Units. (This data does not take into consideration those calls made directly to staff extensions).

Since the last Board meeting, MSRB Communication staff hosted member 6 webinars. For 2022 the MSRB has hosted 75 webinars with 5,387 attendees.

Communications & Outreach staff report for the calendar year so far approximately 16,209 total views of videos across our various platforms, which include Facebook, Twitter and YouTube.

As of mid-December, there are 51,928 retirees/survivors who subscribe to the monthly MSRB Retiree eNews Bulletin.

Finally, Mr. Favorito noted that Board staff finalized semi-annual payments in December to 113 local retirement systems totaling \$5,425,032.78 in COLA reimbursements that the Commonwealth funds for local retirees between 1984-1996.

2. YTD Fiscal 2023 Operating & Capital Spending Plans

Mr. Favorito highlighted spending plan information summarizing the YTD Fiscal 2023 Operating and Capital Spending Plans vs. actual expenditure reports (through November 30, 2022).

3. Section 91 Update

Mr. Favorito updated the Board 35 retirees who had failed to comply with their reporting requirements under Section 91A for 2021 have had their benefits terminated / suspended.

4. Benefit Verification Update

Mr. Favorito updated the Board that the third mailing of the 2022 BVF's had recently been issued to 2,606 outstanding benefit recipients with a return date of January 20, 2023.

5. PRIM Update

The Board reviewed PRIM performance materials related to the MSERS and the former Turnpike Retirement System as of November 30, 2022.

PRIM's total assets were reported at \$93.466b up from \$90.2b at the end of October 2022. The calendar year to date performance was reported as -9.32% gross of fees, one year performance stood at -6.58%. MSERS assets were reported at \$33.818b up from \$32.655b as of October 31, 2022. Mass Turnpike assets were stated at \$157,378m up from \$152.653m.

6. MSRB Information Systems / MARIS Update

Mr. Favorito informed the Board on activity related to two pieces of retirement legislation since the last Board meeting. HB-5124 was signed into law by the Governor on November 16, 2022 and authorizes local retirement systems to implement a retiree COLA of up to 5% for FY 2023 on their respective COLA bases, subject to local approval.

Also, §253 of the recently passed HB-5374 was returned by the Governor with amendments. This measure relates to the former §90G³/₄ of c.32, which was repealed in 2017. Prior to its repeal, the section required an active member of a retirement system who wanted to continue to make contributions past the age of 70, to affirmatively elect to do so. Upon making that election, the member would then be able to accrue credible service and factor salaries earned in those years into their retirement calculation.

Section 253 would allow members to buy back their post-70 years if they did not previously elect to continue their contributions past 70. As drafted, members would be entitled to buy back those years by paying the total amount of contributions they would have made after turning 70, if they had elected to continue making payments. The section required that before this option becomes available to members, the MSRB must determine whether an Internal Revenue Service ("IRS") ruling is needed

to determine if this buyback jeopardizes IRS compliance for the Commonwealth's retirement systems; it also instructs the MSRB to seek such an IRS ruling if necessary.

The Governor's return message noted (1) PERAC should be the agency that makes the determination on IRS compliance on behalf of all the systems in the Commonwealth; (2) creditable service buyback typically requires the member purchasing the service to pay interest on the amount of the contributions they would have made and the payments should include the actuarial assumed interest rate; (3) as drafted the language seems to allow a member to choose the specific periods of time after they turned 70 to be bought back rather than proposing that the option to purchase must be for all service time accrued after a member has attained the age of 70.

7. MSRB Legal Update

Mr. Favorito turned the Board's attention to the summaries of recently issued Court and DALA decisions. Ms. Troy noted a DALA decision related to non-teaching employees of charter schools seeking to be found eligible to participate in the MSERS. DALA found no authority for such membership.

8. Board Member Communications

Mr. Favorito noted the upcoming First Quarter 2023 educational opportunities published by PERAC for retirement system trustees and the schedule for which was included in the Board's meeting materials.

Also, at the request of Board members interested in attending Mr. Favorito noted the upcoming NCPERS Legislative Conference scheduled to take place January 22-24, 2023 in Washington, D.C.

After discussion, on a motion by Ms. McGoldrick and seconded by Mr. Valeri the Board voted to approve the out of state travel request for Board members and staff interested in attending the NCPERS Legislative Conference.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Ms. McGoldrick	Yes
Mr. Valeri	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

ADJOURNMENT

ON A MOTION BY MS. VALENTE AND SECONDED BY MS. MCGOLDRICK THE BOARD VOTED TO ADJOURN THE MEETING.

THE MEETING ADJOURNED AT 12:43 P.M.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Valente	Yes
Ms. McGoldrick	Yes
Mr. Valeri	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

THE NEXT REGULAR BOARD MEETING OF THE STATE RETIREMENT BOARD IS SCHEDULED TO BE HELD ON Thursday January 26, 2023 starting at 10:00 AM.