

MINUTES FOR THE 1,276th BOARD MEETING

STATE BOARD OF RETIREMENT

DATE: May 30, 2024

TIME: 10:00 A.M.

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

There being a quorum, the May 30, 2024, meeting of the State Retirement Board (“Board”) was called to order at 10:00 a.m. by Deputy Treasurer/General Counsel Sarah Kim.

Deputy Treasurer/General Counsel Sarah Kim announced pursuant to the Commonwealth’s Open Meeting Law pursuant to Massachusetts General Law chapter 30A, §20, as amended by Chapter 107 of the Acts of 2023, 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: Sarah Kim, Deputy Treasurer/General Counsel; Francis Valeri, Elected Member; Joanne Goldstein, Appointed 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 Kathryn Kougias, Executive Director; Sandor Zapolin, Deputy Executive Director/Chief Operating Officer; Micalie Baptiste-Merisier, Office Manager/Executive Assistant; Lisa Zale, Disability Unit Manager; Jasmine Chasse, Disability Retirement Case Counselor; Joisei Horton, Senior Disability Retirement Counselor; Yande Lombe, Associate Board Counsel; Andrew Dickey, Paralegal; Athila Soares-Nunes, Paralegal; Pamela Diggs, Paralegal; Robin Chu, Associate Board Counsel; John Durgin, Associate General Counsel; Brendan McGough, Associate General Counsel; Jennifer Hunt, Associate General Counsel; Paula Daddona, Director of Member Experience, Communications & Operations; Zachary Pierce, Communications Coordinator, II; Diana Reyes, Director of Benefits; Sharon L. Sullivan, Budget & Finance Manager; Stephanie Sicard, Assistant Director of Benefits Services; Tyler Williams, Constituent Service Liaison.

Treasury staff that participated remotely for all or part of the meeting were: Sarah Kim, Deputy Treasurer/General Counsel; Rachel Healey, Hearing Officer; , Alberto Alonzo; Elizabeth Morrocco, Associate General Counsel/Procurement Director; W. Jay Lee, Treasury Hearing Officer; James MacDonald, First Deputy Treasurer.

Members of the public were provided access to the meeting via a call-in number. Those registered as attending were as follows: Jeffrey Black – HSC A/B, DDS; SaraKate Matthews, Department of Correction, Personnel Officer I; David Burnham – Correctional Officer, Essex County Sheriff’s Department; Sean Curran – Job Developer/MRC-DDS Program Coordinator, Valley Collaborative; Lynda Kelly; Lauren Iannelli – Assistant Superintendent II, Essex County Sheriff’s Department; Natalie Bunker; Timothy Smyth; Vincent Murray; Timothy Burke.

Deputy Treasurer/General Counsel Sarah Kim 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.

Deputy Treasurer/General Counsel Sarah Kim 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 April 25, 2024 1,275th Board MEETING

On a motion by Mr. Gormley and seconded by Mr. Valeri the Board voted unanimously to approve the Open Session and Executive minutes of the 1,275th Board Meeting, held on April 25, 2024.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

THE BOARD ENTERS EXECUTIVE SESSION

At 10:05 a.m. the Board entered 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.

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

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

THE BOARD RECONVENES IN OPEN SESSION

TAB 2- GROUP CLASSIFICATIONS

GROUP 2

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

1. **Leonardo Arcotta** – RN III, Massachusetts Mental Health Center, DMH
2. **Elizabeth Bohlin** – Social Worker II, DCF
3. **John Cahill** – Assistant Chief Court Officer, MA Trial Court
4. **Dean Crowley** – Occupational Therapist II, DMH
5. **Sean Curran** – Job Developer/MRC-DDS Program Coordinator, Valley Collaborative
6. **Saovary En** – Social Worker III, DCF
7. **Joseph Hall** – DSW III, Wrentham Developmental Center, DDS
8. **Kelly Krugh** – Social Worker II, DCF
9. **Jonathan Lothrop** – Social Worker III, DCF
10. **Lisa Martino** – Special Education School Nurse, SEEM Collaborative
11. **Carmen Mercado** – Court Officer II, MA Trial Court
12. **Eduarda Medeiros** – MHW IV, Taunton State Hospital, DMH
13. **Lisa Shay** – RN, Hampden County Sheriff's Department

GROUP 2 RECONSIDERATION (Board Review)

1. **Barbara Barrett** – Residential Supervisor II, DDS.

After discussion of the available information, the Board on a motion made by Mr. Valeri seconded by Ms. Goldstein voted to approve the reconsideration.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

On a motion made by Mr. Gormley seconded by Mr. Valeri voted to approve the request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

GROUP 2 PRO-RATE

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

1. **Paul Carpenter***
Bristol County Sheriff's Department
Maintenance Engineer – 07/01/2012 - 08/05/2017
Maintenance Engineer Construction - 08/06/2017 - 08/13/2022
Maintenance Engineer IV – 08/14/2022 - 08/2024
2. **Paul Champlin**
UMass Chan Medical School
Mental Health Counselor I - 11/30/1986 - 11/05/1988
Mental Health Counselor II – 11/06/1988 - 05/27/1995
3. **John Efstratios**
Department of Youth Services
Groupworker I – 07/28/1991 - 03/01/1997
Groupworker II – 03/02/1997 - 08/29/2000
Groupworker III – 08/30/2000 - 01/10/2004
4. **Paul Leahy**
Department of Children and Families
Social Worker I – 06/01/1993 - 04/06/1996
Social Worker III – 04/07/1996 - 08/07/1999
Social Worker IV – 08/08/1999 - 12/15/2001
Social Worker D – 12/16/2001 - 04/25/2009
5. **Beth Ann McGlory**
Department of Youth Services
Youth Service Caseworker – 07/08/1990 - 11/16/1996

6. Alfred Totten

Department of Children and Families

Social Worker I – 02/11/1996 - 04/05/1997
Social Worker III – 04/06/1997 - 12/15/2001
Social Worker C – 12/16/2001 - 10/08/2005
Social Worker D – 10/09/2005 - 05/14/2016

7. Cynthia Zerdecki

Department of Mental Health (Westboro State Hospital)

MHW I – 06/10/1990 - 03/11/1995
MHW II – 03/12/1995 - 03/24/2001

*Member established membership after April 2, 2012, and so is required to pro-rate any position that they wish to classify, including the position that they currently hold.

GROUP 2 PRO-RATE (Board Review)

1. John Efstratios

Department of Youth Services

Program Manager II – 1/11/2004 - 09/23/2006
Program Manager III – 09/24/2006 - 06/02/2007
Program Manager IV – 06/03/2007 - 01/17/2015

After discussion of the available information, the Board on a motion made by Mr. Gormley seconded by Ms. Goldstein voted to deny the request for the Program Manager II – 1/11/2004 - 09/23/2006 and Program Manager III – 09/24/2006 - 06/02/2007.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

On a motion made by Mr. Gormley seconded by Ms. Goldstein voted to deny the request for Program Manager IV – 06/03/2007 - 01/17/2015.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

2. Beth Ann McGlory

Department of Youth Services

Program Manager III – 11/17/1996 –
01/14/2012

Manager IV – 01/15/2012 – 12/13/2015

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

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

GROUP 4

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

- 1. Anthony Andrews** – Correction Officer, Suffolk County Sheriff's Department
- 2. Brian Archambault** – Correction Officer III, DOC
- 3. David Burnham** – Senior Correction Officer III, Essex County Sheriff's Department
- 4. Mark Chaklos** – Lieutenant, Essex County Sheriff's Department
- 5. Laura Clarke** – Correction Officer III, DOC
- 6. Michael Colwell** – Superintendent, Suffolk County Sheriff's Department
- 7. Thomas Considine** – Correction Officer I, DOC
- 8. Donald Denomme** – Captain, DOC
- 9. Keith Douty** – Corporal, Hampden County Sheriff's Department
- 10. John Flowers** – Captain, DOC
- 11. Scott Gannon** – Correction Officer I, DOC
- 12. Davd Lampi** – Correction Officer I, DOC

- 13. **William Newcomb** – Correction Officer III, DOC
- 14. **Roberta O’Brien** – ADA, Worcester County District Attorney’s Office
- 15. **Brian Purcell** – Captain, DOC
- 16. **Robert Ranieri** – Correction Officer I, DOC
- 17. **Councilett Sherard** – Captain, Hampden County Sheriff’s Department
- 18. **Derek Stankus** – Correction Officer. Worcester County Sheriff’s Office
- 19. **Robert Sugrue** – Captain, Norfolk County Sheriff’s Office
- 20. **Stephen Vassalli** – Correction Officer III, DOC

GROUP 4 PRO-RATE

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

- | | |
|-----------------------|------------------------------------------------------------------------------------------------------|
| 1. David Britt | <u>Norfolk County Sheriff’s Department</u>
Correction Officer – 01/02/1992 –
04/19/2008 |
|-----------------------|------------------------------------------------------------------------------------------------------|

GROUP 4 PRO-RATE (Board Review).

- | | |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. <u>David Britt</u> | <u>Norfolk County Sheriff’s Department.</u>
Investigator Officer – 04/20/2008 –
05/22/2011
Task Force Officer – 05/23/2011 –
05//07/2018 |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

20/50

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

1. **Todd Bernard** – Correction Officer I, DOC
2. **Eric Hauck** – Correction Officer, Barnstable County Sheriff's Office
3. **Bryan Marks** – Sergeant, Norfolk County Sheriff's Department
4. **Mark Ruane** – Senior Correction Officer, Middlesex Sheriff's Office

20/50 (Board Review)

1. **Lauren Iannelli** – Assistant Superintendent II, Essex County Sheriff's Department

After discussion of the available information, including a sworn affidavit submitted by Sheriff Kevin F. Coppinger received after publication, the Board on a motion made by Mr. Gormley seconded by Mr. Valeri voted to approve this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	No
Mr. Gormley	Yes
Ms. Kim	No

Since the motion to approve did not receive a majority of the vote, it is deemed denied

Further discussion ensued specific to Ms. Iannelli's' title and DALA case law relative to the title and classification eligibility. Subsequently, the Board on a motion made by Mr. Valeri seconded by Mr. Gormley voted to table this request.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

TAB 3: REPORT OF THE EXECUTIVE DIRECTOR

Ms. Kougias presented **PERAC Regulation 15.01**. The PERAC 840 CMR Regulation 15.01 Attestation of Retirement Members and Beneficiaries, as amended, was adopted on March 29, 2024. As reported at the April meeting, the regulation relieves the Board from administering the biennial Benefit Verification Process. The amended regulation stipulates that the Board will perform a data match of demographic information and status of current retirees and beneficiaries receiving benefits no less than semi-annually by a third-party entity contracted through an approved selection process.

After discussion of the available information, the Board on a motion made by Mr. Valeri seconded by Mr. Gormley voted to approve PERAC Regulation 15.01 as amended and adopted on March 29, 2024.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

The **Commonwealth Appropriation memorandum for Fiscal Year 2025** issued by PERAC was reviewed for the Board by Ms. Kougias. The Fiscal Year 2025 Appropriation is \$4,499,854,757. This amount reflects the triennial funding schedule filed on January 13, 2023. Each year through FY28, total payments increase by 9.63% and from FY2029 through FY2036 the remaining unfunded liability is amortized on a 4.0% annual increase. The January 1, 2022, Commonwealth actuarial valuation was used to determine the funding schedule.

The **Comptroller's letter of May 16, 2024**, was included in the Board materials notifying the Treasurer of the upcoming audit that includes the Information Technology System Review, specifically of MARIS. MSRB staff are involved and will work with the Comptroller's team and its independent audit firm Clifton Larson Allen (CLA). Due to the scope of the audit, this first stage of the audit is underway before the fiscal year 2024 is closed out.

The **PERAC Triennial Audit** field work is wrapping up for the audit period of July 1, 2018, through June 30, 2021. This audit examines a four-year period rather than the regular three-year period. PERAC has staff and schedule constraints, and because the process was deferred for a year, an additional year was added to the process. It has been a comprehensive process that has required significant work from all units. We anticipate the audit to conclude by month's end, followed by an exit interview and ultimately a final document.

Ms. Kougias noted that a vote was not needed by the Board on **Section 8 – Benefit Suspension** memorandum specific to an accidental disability retiree’s compliance. Since publication, the member in question met the PERAC requirements and has complied.

The Board was updated by Ms. Kougias of the **Member Self-Service (MSS)**. The MSS procurement team led by Elizabeth Morrocco and members of SRB Management met with four vendors from May 6 through May 9. Each vendor was scheduled for a four-hour session to present its product and services in accordance with the March 2024 RFP that was posted. The sessions were engaging with active participation from our team. A follow-up meeting was held on Friday, March 10, to debrief and plan the next steps. Tentatively, a recommendation for a vendor for the multi-million-dollar project will be made to the Board in June.

Ms. Kougias summarized the **Workforce Update**, noting that an application support analyst was hired in the Information Systems/IT Unit. There were no resignations during May 2024.

Manager positions for the Benefit Calculation and Refunds teams are almost completed. There are quality candidates for the Board accountant position. Job listings are available on masscareers.org and other employment websites applicable for member services representatives, benefit calculation positions, communications specialists, disability analysts, legal associates, and deputy general counsel.

We have submitted HR requisitions to add a business lead and data analyst position, justification to enhance the disability positions, and recommended promoting internal candidates on different teams.

Ms. Kougias reviewed the **Monthly Operations Reports** included in the Board materials on page 297 for the month ending April 2024 and verbal updates of May information where available.

The monthly warrant was processed for \$246,197,144, a total member of 71,125, and 193 first retiree payments. It included 44 estimated initial benefit payments. There were 80 retirement payments processed through the accelerated payment program. There were 132 benefit adjustments completed. The disbursement warrant totaled \$8,799,027 with payments made to 379 members who left state service.

Through April, the telephone call volume on page 298 reflects a consistency of 9,806. In-person visits were 137. We continue to have success with the monthly webinars and other social media outreach.

As of May 31, 2024, the **Operating expenses** were \$12,209,104.42, or 55.18% when compared to the Board approved budget. The **Capital expenses** through May 31, 2024, were \$439,621.75 or 13.78% when compared to the approved budget for FY2024.

A summary accompanied the **PRIT Fund Investment statement** as of April 2024. The total PRIT Fund is over \$102b with MSERS at \$36b and MTAERS at \$159m.

Legal Update

The following cases were summarized by Ms. Kougias and based on the May 2024 memorandum included in the Board materials. The full report is on pages 312 – 316.

- **Kim Giampietro v State Board of Retirement:** A member employed by the Committee for Public Counsel Services (CPCS). The member argued that the intent of the anti-spiking law is to prevent the artificial inflation of a member's salary to get a larger pension, and her salary increase was due to an agency-wide salary increase, and therefore, the anti-spiking would be contrary to the intent of the law. The magistrate noted that the intent to inflate a soon-to-be retiree's pension of the anti-spiking is not required to take effect. DALA affirmed SRB's application of the anti-spiking law.
- **Diane McGuire v State Board of Retirement:** A member employed by the Office of the State Treasurer. Ms. McGuire argued that SBR did not apply the anti-spiking law appropriately and should have used a different salary amount, which was the salary she received because of the MCAD settlement. The magistrate ruled that the change in position exemption was not applicable to Ms. McGuire's salary increase because the exemption "does not provide relief for pay increases earned after (or before) the member changes position, and her salary adjustment did not happen when she was promoted to her new position of Help Desk Manager." DALA affirmed SRB's application of the anti-spiking law.
- **Deborah Tierney v State Board of Retirement:** Ms. Tierney was the spouse of Mr. Tierney who was an employee of DOT. They were married until Mr. Tierney died on April 22, 2021, but were living apart when Mr. Tierney died. The spouse contested the Board's decision to deny benefits pursuant to M. G. L. c. 32, §12(2)(d). The circumstances presented that "the separation was not caused by a marital wrong on the part of Mr. Tierney, and Ms. Tierney was not eligible to claim surviving spouse benefits under the law."
- **Maria Cassidy v State Board of Retirement:** Maria Cassidy an employee as a Residential Supervisor II/C (RS II/C) with the Department of Developmental Services (DDS). The Board denied Ms. Cassidy's application for Group 2 classification, specifically for the RS II/C position. DALA magistrate reversed the Board's denial and found that although Ms. Cassidy had some administrative and supervisory duties, she credibly testified that direct care of clients took up more than 50% of her time.

- **Maribel Fournier v. State Board of Retirement:** The member was employed as a Program Manager IX/Deputy State Fire Marshal in 2020 and applied for a Group 4 classification. DALA commented, “it is unlikely that DALA has jurisdiction over the appeal.” Nevertheless, the magistrate concluded that Ms. Fournier’s position is not entitled to Group 4 classification.

The May 2024 **Retiree eNews Bulletin** highlights topics of interest such as the House proposal of a 3% COLA for FY2025. The Bulletin is mailed electronically to our members at month end.

On a motion by Mr. Gormley and seconded by Mr. Valeri the Board voted to adjourn the meeting at 1:55 p.m.

On the Roll Call the Vote was as follows:

Mr. Valeri	Yes
Ms. McGoldrick	Absent
Ms. Goldstein	Yes
Mr. Gormley	Yes
Ms. Kim	Yes

The next meeting of the State Board of Retirement is scheduled for Thursday, June 27, 2024.