

**MINUTES FOR THE 1216<sup>th</sup> BOARD MEETING**  
**STATE RETIREMENT BOARD**

**DATE:** May 30, 2019

**TIME:** 10:06 A.M.

**PLACE:** One Winter Street, Boston, MA 02108

The meeting of the State Board of Retirement was called to order with Members present for all or part of the meeting: Sarah G. Kim, Treasury General Counsel / Treasurer's Designee; Francis Valeri, Elected Member; Patricia Deal, Appointed Member.

Board staff present for all or part of the meeting were: Nicola Favorito, Deputy Treasurer/Executive Director; Marianne Welch, Deputy Executive Director; Melinda Troy, Senior Board Counsel; Lori Krusell, Associate Board Counsel; Janice Coen, Executive Assistant / Office Manager; Kathryn Kougias, Finance Director; Paula Daddona, Communications Coordinator; Chanese Brown, Disability Unit Manager; Marceline Vilmont, Disability Unit; Joisei Horton, Disability Unit; Lisa Zale, Disability Unit; Pamela Diggs, Paralegal; Diane Scott, Classification Coordinator; Glenn Aissis, Training Manager; Tom Mancini, Training Unit; Tenzin Latoe, Benefit Calculation Unit; Martha Castillo, Finance Unit; Zhuoxin Tan, Internal Auditor; Geoffrey Scales, Legal Intern.

*There being a quorum present, the meeting was called to order.*

*Ms. 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 attendees of any recording at the beginning of the meeting. She then asked that anyone present who is making any recording identify themselves as doing so. No person present indicated that he/she was making a recording.*

**MINUTES OF THE 1215<sup>th</sup> BOARD MEETING:** On a motion by Ms. Deal and seconded by Mr. Valeri the Board voted unanimously to approve the Regular and Executive Session Minutes of the 1215<sup>th</sup> Board Meeting, April 25, 2019.

**REPORT OF THE EXECUTIVE DIRECTOR**

**1. FY 2020 Commonwealth Appropriation**

Mr. Favorito noted for the Board's reference the annual correspondence issued by PERAC to the Secretary of Administration & Finance summarizing the FY 2020 pension appropriations in accordance with the existing funding schedule. Of the \$2.841b designated under the schedule the MSERS share is \$1.084b.

**2. YTD Fiscal 2019 Operating & Capital Spending Plans**

Mr. Favorito referred the Board to the YTD Fiscal 2019 Operating and Capital Spending Plans vs. actuals reports (through April 30, 2019) which were included as part of the Agenda materials.

Mr. Valeri inquired on the process for handling budgeted funds that are not expended in a fiscal year if the Board were to finish the fiscal year with any surplus. Ms. Kim asked about the 61.39% on FY2019 Operating Expenses. Ms. Kougias explained at this moment in time we are at 61.39%, but will most likely land at 80% of our operating budget due to costs we budgeted for, but will not encumber this year. Ms. Kougias and Mr. Favorito indicated that the Board draws down budgeted operational and capital funds 2-3 times during year based on need and projections. As such, drawing down the entire amount that has been budgeted may not be necessary. In instances where surplus exists the MSRB has the ability to roll funds forward for subsequent use (and encumber less) or may revert funds to PRIM as part of the MSERS assets.

**3. Active Member Annual Statement Mailing**

Mr. Favorito updated the Board on the Member Annual Statement Mailing. More than 87,700 statements had been issued in mid-May to members of the MSERS reflecting their account balances as of December 31, 2018

**4. ORP / Section 60**

Mr. Favorito reported that approximately 550 letters had been sent to transferring participants formerly in the Optional Retirement Program who had elected to join the MSERS. These 550 currently had account balances owed to the MSERS for either creditable service costs or employer asset costs that needed to be transferred. The letter had been developed in conjunction with the Mass. Teachers Association and the Department of Higher Education.

**5. UMass Specialty Pay**

Mr. Favorito reported that work was ongoing with the MSRB and UMass related to issuing statements to current UMass employees determined to owe retirement contributions on specialty pay issued to them from which UMass had not taken retirement deductions. Letters are expected to be issued before the end of June. Board staff had further reviewed additional compensation items including stand-by pay as it was provided across several union agreements and informed UMass that it should be considered “regular compensation”.

## **6. MSRB Organizational Assessment**

Treasury had informed Mr. Favorito that since only one response had been received by May 2, 2019 to the RFR posted at the end of March for the organizational assessment that it was recommending re-posting. With this development it was expected proposals would now be received by July 2, 2019.

## **7. PRIM Update**

Mr. Favorito directed the Board's attention to the performance results provided by PRIM for the period concluding April 30, 2019. The net asset value of the MSERS stood at \$28.072b up from \$27.66b at the end of March. Calendar year performance to date gross of fees was 8.23%.

## **8. Board Legal Update**

Attorney Troy summarized some recent decisions that have been received involving the MSRB, including two related to the Middlesex County Sheriff's Office related to "regular compensation" determinations.

## **9. Disability Unit - 2018 Activity**

Mr. Favorito indicated that since the Board had decided to receive updates related to the MARIS implementation quarterly he would be asking managers of the various MSRB teams to present to the Board on a rotating basis highlighting their efforts. Chanese Brown manager of the Disability Unit reviewed data with the Board reflecting the number of disability retirement applications her team had processed in calendar year 2018, the number considered by the Board, approvals & denials and the agencies from which the applicants had worked. As expected agencies involved in corrections and social services provided the largest number of applications.

The Board members appreciated the information and looked forward to hearing from other MSRB teams.

## **10. Board / Staff Communications**

Mr. Favorito noted to the Board that second quarter Training Opportunities were recently issued by PERAC and that all Board members had filed their SFI's with PERAC.

He also noted a provision contained in an FY 2019 supplemental budget proposal filed by the Governor that would limit the amount of worker's compensation benefits a superannuation retiree could receive. He had discussed the language with HRD and suggested modifications if it was likely to advance.

Mr. Favorito referenced a copy of correspondence sent by the Massachusetts Association of Public Pension Attorneys (to which MSRB attorneys belong) to the Chair of CRAB highlighting the challenges for retirement systems and their members due to the ongoing backlog of cases before DALA and CRAB.

Lastly, Mr. Favorito reviewed some Board communications including several member emails related to customer service provided by the MSRB staff.

#### **11. Board / Staff Out of State Travel**

Mr. Favorito requested Board approval for staff attorney to attend the annual National Association of Public Pension Attorney's Legal Conference in June in San Diego. On a motion by Ms. Deal and seconded by Mr. Valeri the travel was approved.

**THE BOARD GOES INTO EXECUTIVE SESSION.** At 10:45 a.m. the Board entered Executive Session to review applications for disability retirement, associated benefits, and to also consider the reputation, character, physical condition or mental health of individuals with business before the Board. The Board indicated that it would return to Open Session after the Executive Session.

**Mr. Valeri made a motion to enter Executive Session. Ms. Deal seconded the motion.**

#### **ON ROLL CALL THE VOTE WAS AS FOLLOWS:**

Ms. Kim	Yes
Ms. Deal	Yes
Mr. Valeri	Yes

#### **BOARD RETURNS TO OPEN SESSION** **(Roll call required)**

**THE BOARD COMES OUT OF EXECUTIVE SESSION:** At 12:11 p.m., Ms. Deal made a motion to come out of Executive Session and return to Open Session. Mr. Valeri seconded the motion.

#### **ON ROLL CALL THE VOTE WAS AS FOLLOWS:**

Ms. Kim	Yes
Ms. Deal	Yes
Mr. Valeri	Yes

(Unless otherwise noted, all votes taken are unanimous.)

### **REQUEST TO PURCHASE CONTRACT SERVICE**

1. Sandy Carter
  - **Denied**; Motion by Ms. Deal; seconded by Mr. Valeri.

### **REQUEST TO PURCHASE NON-MEMBER SERVICE**

1. Richard Desautel
  - **Denied**; Motion by Ms. Deal; seconded by Mr. Valeri.
2. Tim Flynn
  - **Denied**; Motion by Ms. Deal; seconded by Mr. Valeri.

### **REQUEST FOR WAIVER**

1. Suzanne Bigda
  - **Approved**; Motion by Ms. Deal; seconded by Mr. Valeri.
2. Stephen Cristello
  - **Approved**; Motion by Ms. Deal; seconded by Mr. Valeri.
3. Paul Langley
  - **Denied**; Motion by Ms. Deal; seconded by Mr. Valeri.

### **RETROACTIVE RETIREMENT DATE**

1. Diana Hunter
  - **Approved**; Motion by Ms. Deal; seconded by Mr. Valeri.
2. Adele Ramos
  - **Approved**; Motion by Ms. Deal; seconded by Mr. Valeri.

### **REQUEST FOR VETERAN STATUS**

1. John Mathews
  - **Approved**; Motion by Ms. Deal; seconded by Mr. Valeri.

## **REQUEST TO PURCHASE VETERANS SERVICE**

1. Timothy Byrne

- **Approved**; Motion by Mr. Valeri; seconded by Ms. Deal

## **RETROACTIVE VETERANS BONUS REQUEST**

1. Alfred Rego

- **Denied**; Motion by Ms. Deal; seconded by Ms. Kim. Mr. Valeri abstained.

## **TAB 3: GROUP CLASSIFICATIONS**

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

1. Pamela Allison – DSW 3, Wrentham Developmental Center, DDS-
2. Anthony Brownstein – Social Worker 2, DCF-
3. William Burgess -Court Officer 3, MA Trial Court-
4. Daniel Corcoran – Court Officer 3, MA Trial Court -
5. Suzanne Corsini – Residential Supervisor C, Milford location, DDS-OD Approval-
6. John Donnelly – Court Officer 2, MA Trial Court-
7. Suzanne Dougherty – RN, Hampden County Sheriff's Department-
8. Elisabeth Fisk – Physical Therapy Assistant, Lower Pioneer Valley Ed., Collaborative-
9. Jeffrey Fogle – Social Worker 3, DCF-
10. Gail Gullifer – Recreational Therapist I, Hogan Regional Center, DDS-
11. Carol Ann McCaw – Habilitation Coordinator A/B, Templeton Community Svcs., DDS
12. Susan McDonough – Probation Officer, MA Probation Service
13. William McKenna – Probation Officer, MA Trial Court
14. Nilda Medina – Youth Service Caseworker, DYS
15. Suzanne Nolan – Physical Therapy Assistant, North Shore Education Consortium
16. Kevin O'Neil – Chief Probation Officer, MA Trial Court
17. Ruth Ouma – RN 2, Worcester Recovery Center & Hospital, DMH
18. Patricia Pye – RN 2, Pappas Rehabilitation Hospital, DPH
19. Diane Ramos-Gray – Assistant Chief Court Officer, MA Trial Court
20. Maria Williams – RN 2, Worcester Recovery Center & Hospital, DMH

### **GROUP 2 TO BOARD**

1. Wendy Jean Chevalier – Recreation Therapist 2, Holyoke Soldiers Home
  - **Denied**; Motion by Ms. Deal; seconded by Ms. Kim

2. **Rochelle LaCouture** – HSC C, Plymouth location, DDS
  - **Denied**; Motion by Ms. Deal; seconded by Ms. Kim
3. **William Martinuk** – Contract Specialist 2, MA DOT
  - **Denied**; Motion by Ms. Deal; seconded by Ms. Kim
4. **Thomas Monteleone** – Clinical Social Worker D, MA Mental Health Center, DMH
  - **Denied**; Motion by Ms. Deal; seconded by Ms. Kim
5. **Debra Towns** – Vocational Instructor C, Regional Employment Svcs., Central, DDS
  - **Tabled**; Motion by Mr. Valeri; seconded by Ms. Deal

#### **GROUP 2 TABLED TO BOARD**

1. **Robert Anderson** – Chief of Inspections/Building & Engineering, Office of Public Safety/Division of Professional Licensure (Tabled April 2019)
  - **Approved**; Motion by Ms. Kim; seconded by Mr. Valeri.
2. **Russell Wright** – Physical Therapist Assistant, Lemuel Shattuck Hospital, DMH
  - **Denied**; Motion by Mr. Valeri; seconded by Ms. Deal

#### **GROUP 2 HSC A/B TO BOARD**

1. **James Ansart** – HSC A/B, Metro Region, DDS
  - **Approved**; Motion by Ms. Deal; seconded by Ms. Kim.
2. **Louise Chadborne** – HSC A/B, Central MA Area, DMH
  - **Approved**; Motion by Ms. Deal; seconded by Ms. Kim.
3. **Ann Duffy** – HSC A/B, Cape Cod & Islands, DDS
  - **Approved**; Motion by Ms. Deal; seconded by Ms. Kim.
4. **Diane Nylen** – HSC A/B, North Central Area, DDS
  - **Approved**; Motion by Ms. Deal; seconded by Ms. Kim.
5. **Robert Reed** – HSC A/B, SE Region, DDS
  - **Approved**; Motion by Ms. Deal; seconded by Ms. Kim.

**GROUP 2 ASSOCIATE PROBATION/COURT OFFICER TO BOARD**

1. **Roland Collard** – Associate Court Officer 2, MA Trial Court
  - **Approved**; Motion by Mr. Valeri; seconded by Ms. Deal.

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

1. **Lori Ann Bertram**                      **Department of Children & Families**  
Social Worker 3, 5/26/87 – 9/16/89  
Social Worker 4, 9/17/89 – 8/7/99
2. **Anthony Cooper**                      **Department of Youth Services**  
Youth Services Caseworker, 11/1/87 – 1/10/04
3. **Andree Duval**                      **Hampden County Sheriff's Department**  
Adult Basic Education Teacher, 11/10/92 – 10/31/99
4. **Cheryl Hampton**                      **Department of Developmental Services** (DMR)  
Assistant Speech Therapist, Fernald State School  
3/2/86 – 3/8/88  
Service Coordinator I, Solomon Carter Fuller  
3/9/88 – 11/4/98
5. **Steven McCabe**                      **Department of Developmental Services** (DMR)  
DSW I, 5/31/92 – 7/9/94  
DSW 2, 7/10/94 – 3/10/01
6. **Joni Thomas**                      **Department of Developmental Services** (DMR)  
MRW I, 4/21/91 – 4/18/92  
MRW 2, 4/19/92 – 1/6/96

**GROUP 2 PRO RATE TO BOARD**

1. **Andree Duval**                      **Hampden County Sheriff's Department**  
Education Manager, 11/1/99 – 6/12/04
  - **Denied**; Motion by Ms. Deal; seconded by Ms. Kim



**Franklin County Sheriff's Office**

Education Coordinator, 7/25/16 – present

- **Denied;** Motion by Ms. Deal; seconded by Ms. Kim

2. **Steven McCabe**

**Department of Developmental Services** (DMR)

DSW 3, 3/11/01 – 6/25/16

- **Denied;** Motion by Mr. Valeri; seconded by Ms. Deal

3. **Maura Squires**

**Department of Developmental Services** (DMR)

RN 2, Monson Developmental Center -2/8/87 – 7/14/95

- **Approved;** Motion by Ms. Deal; seconded by Ms. Kim.

Nurse Practitioner, Holyoke Area Office, Group Homes-  
4/28/01 – 5/1/2014

- **Denied;** Motion by Ms. Deal; seconded by Mr. Valeri

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

1. **Robert Baddeley** – CO I, DOC
2. **Daphne Betts** – CO, DOC
3. **Jeffrey Brown** – CO, DOC
4. **Jeremiah Cain** – CO/Corporal, Hampden County Sheriff's Department
5. **Cliff Carney** – Assistant Superintendent, Suffolk County Sheriff's Department
6. **Earlene Cooley** – Industrial Instructor I, DOC
7. **James Coppi** – Jail Officer Lieutenant, Suffolk County Sheriff's Department
8. **Mark Cassola** – Assistant Superintendent 4, Essex County Sheriff's Department
9. **Charles Dwyer** – CO, DOC
10. **Kevin Farley** – CO 2, DOC
11. **Paul Gavoni** – Assistant Deputy Superintendent, Plymouth County Sheriff 's Department
12. **George Hatch** – CO 3, DOC
13. **Paul Kuplast** – Head Cook I, DOC
14. **Wayne LaRoche** – Industrial Instructor 3, DOC
15. **David Litchfield** – CO 3, DOC
16. **Mary Lynch** – CO 3, DOC
17. **William Manduca** – Captain, DOC (posthumous)
18. **Joseph Mathieu** – CO I, DOC

19. **Shawn McDonald** – CO, DOC
20. **Gail McKenna** – Assistant District Attorney, Plymouth D.A.’s Office
21. **Kevin McNeaney** – CO Chef, DOC
22. **Kimberly Myers-Dawley** – Assistant Deputy Superintendent, Hampshire Sheriff’s Office
23. **Mark O’Brien** – CO 2, DOC
24. **Edward Porter** – CO I, DOC
25. **David Prendergast** – CO, Plymouth County Sheriff’s Department
26. **David Reardon** – CO, Plymouth County Sheriff’s Department
27. **James Redd** – CO 3, DOC
28. **Michael Sarrette** – Industrial Instructor 2, DOC
29. **Edward Sybertz** – CO I, DOC
30. **Jay Sylvia** – CO 2, DOC
31. **John Taylor** – CO, Hampden County Sheriff’s Department

#### **GROUP 4 TO BOARD**

1. **Michael Dell’Isola** – Senior CO, Middlesex Sheriff’s Office
  - **Approved for Group 4 for purposes of further District Court proceedings related to G.L. c. 32, §15;** Motion by Mr. Valeri; seconded by Ms. Deal.
2. **Dianne Jimenez** – CO, Hampden County Sheriff’s Department
  - **Approved;** Motion by Ms. Deal; seconded by Mr. Valeri.
3. **Wilfredo Reyes** – CO/Residential Supervisor 9, Hampden County Sheriff’s
  - **Approved;** Motion by Ms. Kim; seconded by Mr. Valeri.

#### **GROUP 4 CORRECTIONAL PROGRAM OFFICERS TO BOARD**

1. **Robert Mulrey** – Correctional Program Officer A/B, DOC
  - **Approved;** Motion by Ms. Deal; seconded by Ms. Kim.
2. **Donald Stewart, III** – Correctional Program Officer C, DOC
  - **Approved;** Motion by Ms. Deal; seconded by Mr. Valeri.

**Pursuant to the Board's Classification Policy the following is reported as approved for Pro-Rated Group 4 Classification:**

1. **Wesley MacGregor**                      **Suffolk County Sheriff's Department**  
Jail Officer, 1/23/91 – 4/5/93
  - **Approved;** Motion by Ms. Deal; seconded by Mr. Valeri.
2. **Gerald O'Neill**                      **Department of Corrections**  
CO I, 8/12/89 – 4/3/93
  - **Approved;** Motion by Ms. Deal; seconded by Mr. Valeri.

**GROUP 4 PRO-RATE TO BOARD**

1. **Andree Duval**                      **Hampden County Sheriff's Department**  
Assistant Deputy Superintendent, 6/13/04 – 9/23/06  
Assistant Deputy Superintendent, 9/24/06 – 9/10/09
  - **Tabled;** Motion by Mr. Valeri; seconded by Ms. Deal

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

1. **Donald Evans** – Sergeant, Essex County Sheriff's Department
2. **Robert Hamond** – CO, DOC
3. **Dean Hardy** – CO I, DOC
4. **Mou Lee** – Jail Officer, Suffolk County Sheriff's Dept.
5. **William Lewis** – CO 2, DOC
6. **Matthew Nasif** – CO 3, DOC
7. **Kenneth O'Brien** – CO/Sergeant, Essex Sheriff's Department
8. **Anthony Saitta** – CO, Suffolk County Sheriff's Department
9. **Richard Verrier** – CO 3, DOC
10. **Rodney Viera** – CO, Barnstable County

**ON A MOTION BY MS. DEAL AND SECONDED BY MR. VALERI THE BOARD VOTED TO ADJOURN THE MEETING. THE MEETING WAS ADJOURNED AT 12:50 P.M.**

**THE NEXT REGULAR BOARD MEETING OF THE STATE BOARD OF RETIREMENT WILL BE HELD ON Thursday, June 27, 2019 starting at 10:00 A.M.**