

**MINUTES FOR THE 1191<sup>st</sup> BOARD MEETING**  
**STATE BOARD OF RETIREMENT**

**DATE:** April 27, 2017

**TIME:** 10:11 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: Treasurer Deborah Goldberg, Chair; James MacDonald, First Deputy Treasure/Designee; Francis Valeri, Elected Member; Theresa McGoldrick, Elected Member; Christopher Condon, Chosen Member.

Board and Treasury staff present for all or part of the meeting were: Nicola Favorito, Deputy Treasurer/Executive Director; Marianne Welch, Deputy Executive Director; Darrell Ronan, Director of Member Services; Melinda Troy, Senior Retirement Board Counsel; Kathryn Doty, Associate Board Counsel; Candace Hodge, Associate Board Counsel; Mohammed Ali, Finance Manager; Theresa Kerrigan, Disability Retirement Case Counselor; Chanese Brown, Disability Retirement Case Counselor; Larissa Hopkins, Disability Retirement Case Counselor; Diane Scott, Classification Coordinators; Jan Coen, Executive Assistant/Office Manager; Paula Daddona, Communications and Outreach Manager, Diane Scott, Classification Coordinator; Tom Mancini, Training Coordinator

Treasury staff present for all or part of the meeting were: Sarah Kim, Treasury General Counsel; David Falcone, Chief of Staff; Robin Healey, Treasury CIO; Shawn Collins, Assistant Treasurer for Legislative Affairs.

Other parties in attendance for all or part of the meeting were: Ralph White, MassRetirees; Satish Kumar, Linnea Solutions, John Kastrinos, Gartner Consulting; Manoj Punwani, Sagitec; Trooper Seamus Kent, MSP.

*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 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 1190<sup>th</sup> BOARD MEETING:** On a motion by Mr. Valeri and seconded by Mr. Condon, the Board voted to approve the Regular and Executive Session Minutes of the 1190<sup>th</sup> Board Meeting, held on March 30, 2017.

**REPORT OF THE EXECUTIVE DIRECTOR**

**1. MARIS / Robert C. Minue Project Update - Monthly Project Status Report**

Mr. Favorito informed the Board that the April pension payroll had been processed successfully through MARIS, as have been weekly disbursement payrolls for refunds & rollover requests since the last Board meeting.

Staff have continued to reduce the increased retirement volume created by the voluntary incentive program announced for Executive Branch employees that occurred at the end of 2016 and regular submissions. Under 200 applications of all retirements requests filed with December or January retirement dates remain. Updated information is provided monthly on the Board's web site regarding the status of all applications and the process for obtaining an advance payment. There is some concern of potentially increased retirement volume as the fiscal year comes to a close based on indications of individual agency cash incentive programs seeking to have employees separate from service.

Satish Kumar on behalf of Gartner Consultants updated the Board on ongoing work. This included the production of Member Annual Statements in conjunction with Sagitec, the development of long term MARIS support options, and a gap analysis of the previously developed member self-service functionality.

Ms. Welch indicated work remains challenging on active member annual statements as a result of data conversion issues that affect account balances and transactions during 2016. PIR's continue to be opened by staff on day to day operations adding to staff workloads.

**2. YTD Fiscal 2017 Operating & Capital Budgets**

Mr. Favorito referred the Board to the YTD Fiscal 2017 Operating and Capital Budgets (through 3/31/17) which had been handed out as part of the Agenda materials.

**3. Proposed FY 2018 Operational and Capital Spending Plans**

Mr. Favorito and Mr. Ali reviewed the proposed FY'18 Operational and Capital Spending plans with the Board.

On the operational side, Mr. Favorito highlighted notable one time or increased spending plan items for the upcoming year including costs associated with the biennial retiree Benefit Verification effort that would start in the spring of 2018; Costs for the next Board election that would occur during winter of 2017 into the spring 2018; an increase in the fringe benefit rate assessed by the Office of the Comptroller; recognition of a complete year of licensing and hosting fees associated with MARIS; recurring annual GASB 67 & 68 audit charges and expenses; ongoing potential legal expenses to address the resolution of the exclusive benefit rule issue. The total amount of the proposed spending plan was \$10,706,933.00.

After discussion, on a motion made by Mr. Condon and seconded by Mr. Valeri, the Board voted unanimously to approve the proposed operational spending plan.

Related to expected capital expenditures the Board reviewed the proposed continued expenses associated with MARIS. Including the anticipated expenditures of funds that will be encumbered based on existing agreements, negotiations with remaining vendors on potential change orders, any contracted extensions, and a risk contingency. In addition to the ongoing work of stabilizing MARIS for staff use, several areas of functionality which have been designed will be tested and implemented for the first time during the fiscal year. These include, the issuance of Member Annual Statements this spring, Form 1099-R's at the end of the calendar year, and Member Self-Service capability. The total amount of the proposed spending plan was \$11,700,000.00.

After discussion, on a motion made by Ms. McGoldrick and seconded by Mr. Valeri, the Board voted unanimously to approve the proposed operational spending plan.

**4. 1/1/17 Actuarial Valuation**

Mr. Favorito updated the Board on the status of the MSERS January 1, 2017 Actuarial Valuation being completed by the State Actuary. A final report is to be considered by PERAC at its May Commission meeting. Preliminary indications were an increase in the funded ratio over 1/1/16, as well as increases in the number of active and retired members. Once the final report is accepted by PERAC it will be relayed to the Board

**5. MSRB Legislation**

Mr. Favorito updated the Board on legislation filed through the Treasurer's office on behalf of the MSRB. House Bills 31 (Turnpike corrective language), 32 (Group 2 definition), and 33 (pro rating of group classification) had all been heard at a public hearing of the Public Service Committee in April. Mr. Favorito had testified in support of the bills.

**6. Pension Forfeiture Commission**

Mr. Favorito updated the Board that the final meeting of the Commission was to take place in early May to finalize and approve a report and draft amendments to G.L. c.32, §15. Two of the more notable changes expected to be adopted are permitting forfeiture starting in the cases of felony convictions (rather than also misdemeanors); allowing retirement boards to reduce a forfeited benefit to a minimum allowance rather than total forfeiture. Once the final report and draft legislation is available it will be forwarded to the Board.

**7. Board Member Training Opportunities**

Information was distributed to the Board members.

**8. Board Delegation Policy / Proposed Amendments**

Mr. Favorito reviewed proposed changes to the Board's delegation policy that would authorize Board staff to render decisions related to requests to change retirement dates and options; authorize Board staff to process and approve 20/50 applications where no issues arise; and, increasing the limit to which Board staff may make determinations related to beneficiary matters and disbursing of member accounts.

While the Board agreed with the changes Mr. Condon asked that the matter be tabled for formal action until the May Board meeting when Ms. Deal would also be present.

**On a motion by Mr. Condon seconded by Ms. McGoldrick the Board voted unanimously to table the request until the next Board meeting.**

**9. Group Classification / Human Service Coordinators**

Mr. Favorito and Attorney Troy updated the Board on staff's discussion with the Executive Office of Health & Human Services related to the HSC A/B positions, their workload, job descriptions, and duties.

**10. PRIM Update**

Mr. Favorito highlighted the most recent performance information available from PRIM.

**11. Board Legal Update**

Attorney Troy noted for the Board some of the recent legal decisions that had been issued since the last Board meeting.

**12. Board Communications**

Mr. Favorito reviewed with the Board some of the more recent member communications received by staff.

**13. Board Travel**

On a motion by Mr. Valeri and seconded by Mr. Condon the Board voted to authorize Board members and senior staff to register and participate in the MACRS Conference, scheduled for June 5-7, in Hyannis, MA.

**14. Staff Travel**

On a motion by Ms. McGoldrick and seconded by Mr. Valeri the Board authorized Board Senior Counsel to register and participate in the NAPPA Annual Conference scheduled for June 28-30, in Monterey, CA.

**THE BOARD GOES INTO EXECUTIVE SESSION.** At approximately 10:58 A.M. the Board entered into Executive Session in order 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 at the conclusion of the Executive Session.

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

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

Treasurer Goldberg	Yes
Mr. Valeri	Yes
Mr. Condon	Yes
Ms. McGoldrick	Yes

(Unless otherwise noted all votes taken are unanimous.)

**THE BOARD COMES OUT OF EXECUTIVE SESSION:** at 11:50 A.M. Mr. Condon made a motion to come out of Executive Session and return to Open Session. Ms. McGoldrick seconded the motion.

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

Treasurer Goldberg	Yes
Mr. Valeri	Yes
Mr. Condon	Yes
Ms. McGoldrick	Yes

(Unless otherwise noted all votes taken are unanimous.)

**REQUEST TO CHANGE RETIREMENT DATE**

1. Rhonda Bourne – From January 20, 2017 to February 10, 2017
  - After a motion was made by Ms. McGoldrick and seconded by Mr. Condon, the Board voted to approve Ms. Bourne's request to change her retirement date.

**REQUESTS TO CHANGE RETIREMENT OPTION**

1. Wesley Marshall  
 Mr. Marshall submitted his retirement application as part of the DOT toll collector's group on November 4, 2016 with a retirement date of October 29, 2016. He originally chose Option C and listed his daughter as his beneficiary, however the form was missing information and was not witnessed. After numerous attempts to contact Mr. Marshall, he then completed a new Option form, stating that he wished to change his retirement option from C to A.
  - After a motion was made by Mr. Valeri and seconded by Mr. Condon, the Board voted to approve Mr. Marshall's request based on the facts and circumstances of his case.

2. Michael A. Scibelli  
 Mr. Scibelli submitted his retirement application on November 12, 2016 with a retirement date of January 2, 2017. He originally chose Option C and listed his wife as his beneficiary. Because of a change in family circumstances, Mr. Scibelli is requesting to change his retirement option to either choose Option C and name his daughter as beneficiary or, in the alternative, choose Option A.
  - After a motion was made by Mr. Valeri and seconded by Ms. McGoldrick, the Board voted to approve Mr. Scibelli's request.

**REQUESTS TO PURCHASE CONTRACT SERVICE**

1. Margaret Conneely  
 Ms. Conneely requests that she be allowed to purchase contract service from August 1986-June 1998 when she was employed by a vendor, Mystic Valley Elder Services, Inc.
  - Denied; Motion by Ms. McGoldrick, seconded by Mr. Valeri.

2. James M. Cook

Mr. Cook requests that he be allowed to purchase contract service from July 1982- March 1983 with the Division of Information Technology, now known as MassIT. The agency notified the Board that they did not have any information on his employment for the time period in question.

- Mr. Cook appeared before the Board with his colleague. After discussion, a motion was made by Mr. Valeri and seconded by Ms. McGoldrick to approve his request to purchase contract service utilizing full-time service and the salary that he was earning at the time he established membership to calculate a service purchase.

3. Jason Faro

Mr. Faro requests to purchase creditable service arising from May 1995 through July 1997 based on his employment with the Federal government. Mr. Faro requests to purchase time as creditable service during which he worked as a U.S. Border Patrol Agent.

- Denied; Motion by Mr. Condon, seconded by Ms. McGoldrick.

**GROUP CLASSIFICATIONS****GROUP 2**

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

1. Ralph Abbruzzese – Social Worker D, DCF
2. Patricia Arman – Social Worker Supervisor, DCF
3. Mary E. Bailey-Edwards – Social Worker D, DCF
4. Cheryl Carrington - Mental Health Worker I, DMH, Lemuel Shattuck Hospital
5. Jose M. Gomes – Court Officer II, Mass Trial Court
6. Ronald Lavne - Assistant Chief Probation officer, Mass Trial Court
7. David McDowell – Mental Health Worker 4, Taunton State Hospital, DMH
8. Carey Morgan – Social Worker D, DCF
9. Michael Ostrikis – Social Worker 2, DCF
10. Kathleen Strangman – RN 2, Tewksbury Hospital, Unit C 5, DMH (approved in 10/16)

**GROUP 2 TO BOARD:**

1. Linda Gamache - Clinical Manager II, Hampden County Sheriff's Dept.
  - Denied; Motion by Ms. McGoldrick, seconded by Mr. Condon.
2. Jacqueline McKinney – Senior Classification Manager, Bristol County Sheriff's Office
  - Denied; Motion by Ms. McGoldrick, seconded by Mr. Condon.
3. David Pszenny – Residential Supervisor A/B, NE Residential Services, DDS
  - Approved; Motion by Mr. Condon, seconded by Ms. McGoldrick.

4. **Barbara Richards** – RN 3, Clinical Charge Nurse, Tewksbury Hospital, DPH
  - **Denied**; Motion by Mr. Condon, seconded by Ms. McGoldrick.
  
5. **Ana Rodriguez** – Human Service Coordinator A/B, Transitional Age, Bilingual Spanish, NE Suburban/Essex North Site, DMH
  - **Denied**; Motion by Mr. Condon, seconded by Ms. McGoldrick.

**GROUP 2 TABLED:**

1. **Ellen Pratte** – Human Service Coordinator A/B, Fall River Area Office, DDS
  - **Denied**; Motion by Mr. Valeri, seconded by Ms. McGoldrick. Treasurer Goldberg, Mr. Valeri, and Ms. McGoldrick voted yes on the motion. Mr. Condon voted no on the motion.

**GROUP 2 RECONSIDERATION:**

1. **Robin Reale** – Human Service Coordinator A/B/Intake Eligibility Specialist, Metro Region, DDS (Denied at December 2016 Board meeting, Tabled at March 2017 Board meeting)
  - **Reconsidered**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.
  - **Approved**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.

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

1. <b><u>Joseph G. Bockman</u></b>	<b><u>Department of Developmental Services</u></b> MRW I 07/07/84 - 07/26/86 Vocational Instructor - 01/04/87 – 07/17/87 MHW I 07/18/87 - 10/26/91
2. <b><u>Sarah Harding</u></b>	<b><u>Department of Developmental Services</u></b> QMRP I/ HSC A/B - 1/20/91 – 1/28/95 QMRP II/ HSC C - 1/29/95 – 10/28/00
3. <b><u>Patricia A. McCarthy</u></b>	<b><u>Department of Developmental Services</u></b> HSC A/B 9/15/94 – 1/28/00
4. <b><u>Paula McSweeney</u></b>	<b><u>Department of Youth and Families</u></b> Social Worker 2 - 4/29/79 – 4/27/85 Social Worker 3 - 4/28/85 – 6/28/86 Social Worker 4 - 6/29/86 – 12/15/01 Social Worker D 12/16/01 – 1/23/16 Social Worker 3 - 1/24/16 – 3/19/16

5. Laura MillerDepartment of Youth and Families

Social Worker Tech.- 1/04/87 – 3/14/87  
 Social Worker I - 3/15/87 – 7/09/88  
 Social Worker 3 - 7/10/88 – 4/15/00  
 Social Worker 3 - 6/03/01 – 12/15/01  
 Social Worker C - 12/16/01 – 12/15/12  
 Social Worker D - 12/16/12 – 06/24/15

6. Donna K. PearceDepartment of Youth and Families

Social Worker 4 - 03/11/01 – 12/15/01  
 Social Worker D - 12/16/01 – 08/18/13

**GROUP 2 PRO RATE TO BOARD:**1. Joseph G. BockmanDepartment of Developmental Services

HSC A/B - 7/03/97 – 11/01/14  
 Program Manager 5 - 11/02/14 – 11/08/15  
 HSC A/B - 11/08/15 – 6/16/17

- **Denied;** Motion by Mr. Condon, seconded by Ms. McGoldrick.

2. Sarah HardingDepartment of Developmental Services

Social Worker I – 5/15/88 – 5/20/89  
 Social Worker II – 5/21/89 – 1/19/91

- **Denied;** Motion by Mr. Condon, seconded by Ms. McGoldrick.

3. Patricia A. McCarthyDepartment of Developmental Services

Social Worker 9/15/90 – 9/15/94

- **Denied;** Motion by Mr. Condon, seconded by Ms. McGoldrick.

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

1. Antonio Abreu - CO, Suffolk County Sheriff's Dept.
2. Gerald L. Bonas - CO, Bristol County Sheriff's Office
3. Larry A. Bracia - CO, DOC
4. Anthony R. Ciccone - CO III, DOC
5. Peter David - CO, Bristol County Sheriff's Office
6. Jerry Engwer - CO, Berkshire County Sheriff's Office
7. Frank J. Ferreria – CO I, DOC

8. Brian J. Finneron - CO, Worcester Sheriff's dept.
9. Michael J. Joubert - CO, Worcester Sheriff's Dept.
10. Timothy J. Kulis - Recreation Officer I, DOC
11. Daniel J. Lee - Assistant Deputy Superintendent, Middlesex Sheriff's Office
12. Thomas Littlewood - Senior CO. Middlesex Sheriff's Office
13. Juan E. Mendoza - CO I, DOC
14. Kevin M. O'Hearn - CO II, DOC
15. Frederick J. Roark - CO II, DOC
16. Robert Robertson Supervising Correction Officer, Middlesex Sheriff's office
17. Rosemary Tarantino - Assistant District Attorney, Northwestern District Attorney Office
18. Decca Wingard - Field Parole Officer, Mass Parole Board

**GROUP 4 TO BOARD:**

1. Dominic Bartholomew - Executive Chef, Suffolk County Sheriff's Dept.
  - Approved; Motion by Mr. Condon, seconded by Ms. McGoldrick.
2. Frederick Carleton - Assistant Deputy Superintendent, Middlesex Sheriff's Office
  - Tabled; Motion by Ms. McGoldrick, seconded by Mr. Valeri.
3. William Cremens - CO, Middlesex Sheriff's Office
  - Tabled; Motion by Mr. Condon, seconded by Ms. McGoldrick.
4. Mary P. Kelley - Asst. Superintendent, Norfolk Sheriff's Office
  - Denied; Motion by Ms. McGoldrick, seconded by Mr. Condon.
5. Michael D. Neri - ADS/ Unit Team Manager, Plymouth County Sheriff's Dept.
  - Tabled; Motion by Ms. McGoldrick, seconded by Mr. Valeri.
6. Kevin Santos - Installation Security Officer, Military Division
  - Tabled; Motion by Ms. McGoldrick, seconded by Mr. Valeri.

**GROUP 4 TABLED:**

1. Paul Harrison – Senior CO, Middlesex Sheriff's Office (tabled at August 2016 meeting)
  - Denied; Motion by Ms. McGoldrick, seconded by Mr. Condon.

**GROUP 4 REQUEST; CORRECTIONAL PROGRAM OFFICERS:**

1. Donna Roxanne Solomon - Correctional Program Officer A/B, DOC
  - Approved; Motion by Ms. McGoldrick, seconded by Mr. Condon.

**Correctional Program Officer Group 4 Pro Rate (discussion)**1. Nancy E. Agoglia**Department of Corrections**

Correctional Program Officer 07/03/88 – 05/01/04

- Approved; Motion by Mr. Valeri, seconded by Mr. Condon.

**Pursuant to the Board's Classification Policy the following Pro-Ration requests are reported as approved for Group 4 Classification:**1. William C. Burgess**Middlesex Sheriff's Office**

Correction Officer - 9/18/88 – 4/05/93

2. Paul Quadrozzi**Norfolk Sheriff's Office**

Correction Officer - 2/27/89 – 4/29/98

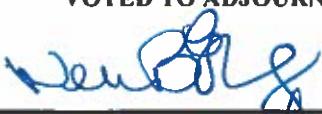
**Pursuant to the Board's Classification Policy the following are reported as approved for 20/50 Classification:**

1. Thomas Jason Boucher – CO, DOC
2. Thomas R. Culver – CO, Franklin County Sheriff
3. Raphael Vidal – CO I, DOC

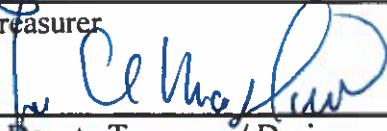
**MEDIA**

1. Board to determine amount Tom Finneran must repay state
2. Recalculated double dipping figure in Plymouth isn't far from 2M
3. Community college president leaves with 334K payout
4. Let states help people save for retirement - David Walker
5. Should the Social Security Trust Fund Be Allowed to Invest in Stocks
6. SMART Plan update newsletter

ON A MOTION BY FIRST DEPUTY TREASURER MACDONALD AND SECONDED BY MR. CONDON THE BOARD  
VOTED TO ADJOURN THE MEETING. THE MEETING WAS ADJOURNED AT 12:32 P.M.



Deborah B. Goldberg, Treasurer



James MacDonald, First Deputy Treasurer / Designee



Francis Valeri, Elected Member



Theresa McGoldrick, Elected Member



Chris Condon, Chosen Member

**THE NEXT REGULAR BOARD MEETING OF THE STATE BOARD OF RETIREMENT  
WILL BE HELD ON Thursday, May 25, 2017 AT 10:00 AM.**

**Documents Used at the State Board of Retirement Meeting of April 27, 2017**

- Agenda for April 27, 2017 Board meeting.
- Open Session and Executive Session minutes of March 30, 2017 Board meeting.

Supporting documentation for Agenda items as referenced therein.