

MINUTES FOR THE 1205th BOARD MEETING
STATE BOARD OF RETIREMENT

DATE: June 28, 2018

TIME: 10:13 AM

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

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; James MacDonald, First Deputy Treasurer / Designee; Theresa McGoldrick, Elected Member; 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; Paula Daddona, Communications Coordinator; Janice Coen, Executive Assistant / Office Manager; Mohammed Ali, Finance Director; Kathryn Doty, Associate Board Counsel; Kimberly Griffin, Manager of Information Systems; Chanese Brown, Disability Unit Manager; Marceline Vilmont, Disability Unit; Angela Olszewski, MARIS Support Manager; Glenn Aissis, Training Manager; Thomas Mancini, Training Coordinator; Marsha Shaw, Employer & Board Reporting Unit

Treasury staff present for all or part of the meeting were: Sarah Kim, Treasury General Counsel; Crystal Matthews, Associate General Counsel; Susan Anderson, Hearing Officer; Emma Sands, Treasury Communications; Kathi-Ann Reinstein, Legislative Affairs; Pratap Modapothala, MARIS Program Manager.

Other parties in attendance for all or part of the meeting were: John Malone, Gartner Consulting; Manoj Punwani, Sagitec; Piyush Jain, Sagitec; Joseph Connarton, PERAC; James Lamenzo, PERAC.

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

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 1204th 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 1204th Board Meeting, held on May 31, 2018.

ON THE ROLL CALL THE VOTE WAS AS FOLLOWS:

Treasurer Goldberg	Yes
Ms. Deal	Yes

Ms. McGoldrick	Abstained
Mr. Valeri	Yes

REPORT OF THE EXECUTIVE DIRECTOR

THE FOLLOWING ITEM WAS TAKEN OUT OF ORDER.

1. MSERS Actuarial Valuation (January 1, 2018)

Mr. Favorito introduced Joseph Connarton, the Executive Director of PERAC and James Lamenzo, the Commonwealth's Actuary, who were present to review the January 1, 2018 MSERS Actuarial Valuation report.

Mr. Connarton indicated that the report had been reviewed and approved by the PERAC Commission members at its most recent meeting in June, subject to some subsequent language edits that had been incorporated. It is expected to be released over the next few days.

Mr. Lamenzo reviewed various aspects of the report noting changes since the last valuation. These included:

- Funded ratio as of 1/1/18 is 64.9% (up from 64.7% as of 1/1/17)
- Unfunded actuarial liability is \$14.208b (from \$13.543b 1/1/17)
- Active members stand at 87,822 (from 90,014 1/1/17)
- Retirees stand at 63,194 (from 62,259 1/1/17; from 61,377 1/1/16)
- Average annual retirement benefit \$34,884 (from \$33,680 1/1/17)

He noted that the following assumption changes were utilized:

- 7.35% investment return (reduced from 7.5%); impact of \$613m to the liability;
- no material changes to the mortality tables other than for disabled retirees (\$9m impact)
- average pay increase across active membership was identified as 7%.

Treasurer Goldberg and Mr. Valeri made inquiries related to any further expected changes to the assumed investment rate of return and the impact. Mr. Lamenzo reviewed national trends on the issue suggesting a further reduction could be likely over the next year. PRIM performance would be important to the discussion.

Mr. Lamenzo acknowledged that improved data provided by the MSERS as a result of MARIS has resulted in more precise results, especially around active member salary assumptions, group classification categorization, and creditable service.

2. Robert C. Minue / MARIS Update - Monthly Status Report

Kimberly Griffin provided an update to the Board on all of the ongoing MARIS and related activities.

The June pension payroll warrant closed with 237 new retiree, dependent and survivor payees being added. This is the 18th consecutive warrant. The weekly disbursement warrants continue to be executed without issue.

The Member Annual Statements process was executed reflecting active member account balances as of December 31, 2017 and the generated data file was successfully delivered to the print vendor. 85,828 member statements will be printed and are scheduled for mailing before the end of June.

The MSRB and Production Support teams successfully delivered Release 33 on schedule. This release brings functional improvements and new capabilities to MSRB as well as addresses support related issues:

- Benefit Verification Forms (BVF): Improvements to support cycle 2 of the biennial BVF process which includes mailing reminder letters to members who have not responded to the initial mailing.
- §3(8)(c) Liability Payments: PIR resolution and improvements to support processing liability payments through MARIS and delivering the payment file to MMARS as standard operations
- Board COLA: PIR resolution to support applying the Board approved June cost of living adjustments (COLA) per the defined schedule
- Benefit Estimates: Improvements that streamline benefit modeling and provide benefit counselors and call center staff the ability to quickly adjust service and re-calculate benefits for different member scenarios.

As previously discussed, Sagitec's support contract and Gartner's contract end June 30, 2018. The MSRB is in discussions with both parties about continuing to provide services post June 30, 2018.

3. YTD Fiscal 2018 Operating & Capital Budgets

Mr. Favorito referred the Board to the YTD Fiscal 2018 Operating and Capital Budgets vs. actuals (through May 31, 2018) which had been handed out as part of the Agenda materials.

4. Benefit Verification Update

Mr. Favorito informed the Board that the second BVF mailing would be going out early next week to 6,782 members who had not returned their forms. The return date will be July 25, 2018.

5. Public Employee Pension Transparency Act (PEPTA)

Mr. Favorito directed the Board's attention to information that had been forwarded by NASRA, NCTR and NCPERS that the Public Employee Pension Transparency Act ("PEPTA") is being re-introduced in Congress for a fifth time. The legislation would impose numerous federal reporting requirements on state and local governments regarding their pensions including mandating state and local pension plan disclosure of their liabilities based on U.S. Treasury bond rates; and eliminating the Federal tax-exempt bonding authority of state and local governments that do not comply with PEPTA's requirements.

Mr. Favorito indicated that he and the Director of the Massachusetts Teachers Retirement System were working on a joint letter for submission to the Massachusetts Congressional delegation.

6. PRIM Update

The Board reviewed the monthly investment performance information provided by PRIM through the month of May 2018.

7. Staff Activity /Communication

Mr. Favorito reviewed various communications received by the Board from system members regarding service provided to them.

8. Staff Travel

Mr. Favorito sought Board approval for designated staff to participate in the following:

- Board Effect Continuing Education (Sept.15-17, 2018) Orlando, FL.
- NASRA Annual Conference (August 5-8, 2018) San Diego, CA

On a motion by Ms. McGoldrick and seconded by Mr. Valeri, the Board voted to approve the requests.

THE BOARD GOES INTO EXECUTIVE SESSION. At approximately 11:00 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:

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

BOARD RETURNS TO OPEN SESSION

(Roll call required)

THE BOARD COMES OUT OF EXECUTIVE SESSION: at 11:55 A.M. Mr. Valeri made a motion to come out of Executive Session and return to Open Session. Ms. Deal seconded the motion.

ON ROLL CALL THE VOTE WAS AS FOLLOWS:

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

(Unless otherwise noted all votes taken are unanimous.)

TREASURER GOLDBERG DEPARTED THE MEETING AT 11:58 A.M. MR. MACDONALD ASSUMED CHAIR.

§91A DECISION OF THE HEARING OFFICER

1. Angeline Rebello – Docket No. 13-3291A-11
 - **Adopted recommendation of the Hearing Officer Susan Anderson and approved MSRB staff to enter negotiations for repayment of a time period not to exceed five (5) years;** Motion by Ms. Deal, seconded by Ms. McGoldrick.

REQUESTS TO PURCHASE CREDITABLE SERVICE

1. Linda Kent Davis
 - **Denied;** Motion by Ms. McGoldrick, seconded by Ms. Deal.
2. Peter Kimball
 - **Denied;** Motion by Ms. McGoldrick, seconded by Mr. MacDonald.
3. Tonyo Poweigha
 - **Denied;** Motion by Ms. Deal, seconded by Ms. McGoldrick.

REQUEST FOR BENEFITS PURSUANT TO §105 – ESTABLISH SERVICE

1. **Ali Güvendiren**
 - **Denied**; Motion by Ms. McGoldrick, seconded by Ms. Deal.

GROUP CLASSIFICATIONS

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

1. **Cheryl Alves** – LPN 2, MA Hospital School, DPH
2. **Mark Antone** – Vocational Instructor A/B, Hogan Regional Center, DDS
3. **Michael Billiel** – University Police Officer, UMASS Amherst
4. **Joseph Centrella** – First Asst. Chief Probation Officer, MA Trial Court
5. **Paul Cervizzi** – Chief Probation Officer, MA Trial Court
6. **Sylvester Fortes** – Reintegration Manager, Plymouth County Sheriff's Department
7. **William Lennon** – Court Officer 3, MA Trial Court-
8. **Linda Lincoln** – LPN I, Southeastern Residential Services, DDS
9. **Dawn McAulay** – Vocational Instructor C, Wrentham Developmental Center, DDS
10. **Ann Penney** – Social Worker 2, DCF
11. **Leo Racine** – Social Worker 3, DCF
12. **Regina Sanderson** – Probation Officer 2, MA Trial Court
13. **Vanessa Weeks** – LPN 2/Community Nurse, Cape & Islands Community, DMH

GROUP 2 TO BOARD

1. **Paula Bain** – RN 3/Clinical Charge Nurse, Tewksbury Hospital, DPH
 - **Denied**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
2. **James Camacho** – Director of Engineering/Program Manager 5, DOC
 - **Denied**; Motion by Ms. Deal, seconded by Ms. McGoldrick.
3. **Cynthia Casey** – RN, UMASS Medical School, Mental Health Unit
 - **Approved**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.
4. **Allen LaVoie** – Group Worker 3, Shift Administrator, DYS
 - **Denied**; Motion by Ms. Deal, seconded by Ms. McGoldrick.
5. **Joseph Medeiros** – Maintenance Engineer, Bristol Sheriff's Department
 - **Denied**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.
6. **Suzanne O'Hare** – Clinical Instructor, UMASS Amherst (POSTHUMOUS)
 - **Denied**; Motion by Ms. McGoldrick, seconded by Ms. Deal.

7. **Michelle Potwin** – Residential Supervisor C, Brockton Multi Service Center, DDS
 - **Approved**; Motion by Ms. Deal, seconded by Mr. Valeri.
8. **Elizabeth Sickelco** – Judicial Case Manager, Probate & Family Court
 - **Denied**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.

GROUP 2 RECONSIDERATION TO BOARD

1. **Cheryl Jacobs** – Clinical Social Worker D, Hathorne Units, Tewksbury Hospital, DMH (Denied May 2018)
 - **Reconsidered**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.
 - **Approved**; Motion by Ms. McGoldrick, seconded by Mr. Valeri
2. **Norma Torres** – Certified Nursing Assistant I, Holyoke Soldiers Home (Denied May 2018)
 - **Reconsidered**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.

GROUP 2 HSC/AB TO BOARD

1. **Vicki Banas** – HSC A/B, Springfield/Westfield Area, DDS
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
2. **Kathleen Brady- LaMotte** – HSC A/B, Brockton Multi Service Center, DMH
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
3. **Bertha Fabrizi** - HSC A/B, Springfield/West Office, DDS
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
4. **Charlene George** – HSC A/B, No. Shore Area Office, DDS
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
5. **Donna Lynch** – HSC A/B, Homeless Outreach Team, DMH
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
6. **Ann Louise Mugford** – HSC/AB, North Central Area Office, DDS
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.

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

1. **Michael Baldino** **Department of Mental Health**
Mental Health Worker I – 5/31/87 – 6/5/93
(Worcester Recovery Center & Hospital)

2. **Doreen Boyer** **Department of Developmental Services (DMR)**
Instructor RSA I - 10/26/81 – 6/30/84
(Belchertown State School)
Residential Team Leader – 7/15/84 – 6/28/86
(Belchertown State School)
Qualified MR Professional (QMRP) – 6/29/86 – 4/3/93
(Belchertown, Monson & Commonwealth Community Svcs.)

3. **Rosemary Flynn** **Department of Developmental Services (DMR)**
Mental Retardation Asst. – 7/5/81 – 7/26/86
(Wrentham State School)
Mental Retardation Asst. – 7/27/86 – 2/14/87
(Wrentham State School)
Department of Public Health
LPN I -7/19/92 – 11/5/94
(Lemuel Shattuck)
LPN I – 10/8/95 – 4/17/99
(Lemuel Shattuck)

4. **Stephen Furtado** **Department of Mental Health**
Mental Health Assistant – 12/14/80 – 10/31/81
Mental Health Assistant – 11/22/81 – 1/16/82
Social Worker – 1/17/82 – 7/11/87
Mental Health Case Manager – 7/12/87 – 1/16/88
Mental Health Case Manager 2 – 1/17/88 – 7/7/02
HSC A/B – 7/8/02 – 1/7/06

5. **Ginger Miller** **Department of Mental Health**
Mental Health Case Manager 2 – 3/1/92 – 7/17/99
(Grafton case Management)

6. **Paulette Moulding** **Department of Mental Health**
RN 2 – 10/4/87 – 1/27/01
(Taunton State Hospital)

7. **Nancy Sullivan** **Department of Developmental Services (DMR)**
RN 2 – 6/17/79 – 10/5/85

(Paul A. Dever State School)
RN 2 – 8/2/87 – 10/12/91
(Paul A. Dever State School)

8. **Loey Vieira**

Department of Developmental Services
HSC A/B – 7/14/02 – present

GROUP 2 PRO RATE TO BOARD

1. **Rosemary Flynn**

Department of Developmental Services (DMR)
Special Service Asst. – 2/15/87 – 8/31/91
Wrentham State School)
Department of Public Health
RN 2 – 4/18/99 – 5/1/04
(Lemuel Shattuck)
RN 3 – 5/2/04 – 11/13/04
(Lemuel Shattuck)

- **Denied;** Motion by Ms. Deal, seconded by Ms. McGoldrick.

2. **Dennis Surprenant**

Department of Corrections
Director of Engineering – 8/11/13 – present

- **Denied;** Motion by Ms. McGoldrick, seconded by Ms. Deal.

GROUP 2 PRO RATE RECONSIDERATION TO BOARD

1. **Jung Mi Harris**

Department of Public Health
RN 2 – 10/4/87 – 3/4/89
RN 2 – 3/5/89 – 5/1/89
RN 2 – 9/23/90 – 5/30/92
RN 2 – 5/31/90 – 9/13/92
RN 2 – 7/2/95 – 1/10/98
RN 2 – 1/11/98 – 9/30/00
(All above at Lemuel Shattuck Hospital)
(Denied in July 2015)

- **Denied;** Motion by Ms. Deal, seconded by Ms. McGoldrick.

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

1. **Jaime Andrade** – CO 2, DOC

2. **Manuel Baptiste** – CO I, DOC
3. **Diane Birstein** – Parole Officer D, MA Parole Board
4. **David Brizida** – CO, Bristol County Sheriff's Department
5. **Paul Burnette** – CO I, DOC
6. **Thomas Comer** – Assistant Deputy Superintendent, Community Corrections, Norfolk County Sheriff's Office
7. **Thomas Curran** – CO, Suffolk County Sheriff's Department
8. **Michael Fahy** – CO I, DOC
9. **Frank Fergola** – CO, Middlesex Sheriff's Office
10. **Edward Foley** – CO, Norfolk County Sheriff's Office
11. **Robert Harkins** – Parole Officer A/B, MA Parole Board (deferred)
12. **Philip Horton** – CO I, DOC
13. **Barry Keefe** – Assistant Deputy Superintendent, Norfolk Sheriff's Office
14. **Michael Kradolfer** – CO 3/Lieutenant, DOC
15. **Gerard Loranger** – CO I, DOC
16. **David McLean** – Jail Officer/Sergeant, Suffolk County Sheriff's Department
17. **Peter Monahan** – CO, Norfolk County Sheriff's Office
18. **Scott Patterson** – CO I, DOC
19. **Virgilio Perry** – Recreation Officer, DOC
20. **Charles Riley** – CO 3/Lieutenant, DOC
21. **Kevin Riley** – CO/Lieutenant, Norfolk Sheriff's Office
22. **John Rodrigues** – CO I, DOC
23. **Robert Smyth** – CO/Sergeant, Norfolk Sheriff's Office
24. **Megan Storing** – Assistant District Attorney, Middlesex DA's Office
25. **Stephen Winston** – CO Norfolk County Sheriff's Office
26. **Randall Yelle** -CO 2, DOC

GROUP 4 TO BOARD

1. **Mark Daniels** – CO/Utility Maintenance Worker, Norfolk Sheriff's Office
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.
2. **John Oliva** – Zone Sergeant, Norfolk Sheriff's Office
 - **Approved**; Motion by Ms. McGoldrick, seconded by Ms. Deal.

GROUP 4 CORRECTIONAL PROGRAM OFFICER TO BOARD

1. **Nancy Agoglia** – Correction Program Officer C, DOC
 - **Approved**; Motion by Ms. McGoldrick, seconded by Mr. Valeri.

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

1. **Dennis Surprenant** **Department of Corrections**
Industrial Instructor 3 – 8/12/90 – 8/10/13
2. **Loey Vieira** **Department of Corrections**
CO I – 12/29/85 – 7/30/88

GROUP 4 PRO-RATE-CORRECTIONAL PROGRAM OFFICER TO BOARD

1. **Loey Vieira** **Department of Corrections**
Correctional Program Officer A/B – 7/31/88 – 8/9/89

- **Approved;** Motion by Ms. McGoldrick, seconded by Mr. Valeri.

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

1. **Derrick Beasley** – CO /Sergeant, Essex Sheriff's Department
2. **Richard Bristow** – CO I, DOC
3. **Robert Colucci** – CO I, DOC
4. **Kenneth Costa** – CO 2/Sergeant, DOC-R JUNE
5. **Shane Couto** - CO I, DOC
6. **Damien Davis** – Senior CO, Middlesex Sheriff's Office
7. **David Lavoie** – CO I, DOC
8. **Craig Peterson** – CO, Barnstable Sheriff's Office
9. **Jose Pires** – CO I, DOC
10. **Matthew Pszeny** – Senior CO, Essex County Sheriff's Department
11. **Brian Santarlasci** – CO I, DOC

ON A MOTION BY MS. MCGOLDRICK AND SECONDED BY MS. DEAL THE BOARD VOTED TO ADJOURN THE MEETING. THE MEETING WAS ADJOURNED AT 12:35 P.M.

**THE NEXT REGULAR BOARD MEETING OF THE STATE BOARD OF RETIREMENT
WILL BE HELD ON Thursday, July 26, 2018 AT 10:00 AM.**

Documents Used at the State Board of Retirement Meeting of June 28, 2018

- Agenda for June 28, 2018 Board meeting.
- Open Session and Executive Session Minutes of May 31, 2018 Board meeting.

Supporting documentation for Agenda items as referenced therein.