

**Massachusetts Port Authority  
Employees' Retirement System  
Board Meeting Minutes  
April 26, 2019**

A meeting of the Massachusetts Port Authority Employees' Retirement Board was held at the offices of the Massachusetts Port Authority Employees' Retirement System, One Harborside Drive, East Boston, MA 02128-2909, on Friday, April 26, 2019. The following members of the Board were present:

James S. Hoyte, Chairman  
Michael A. Grieco, Vice Chairman  
Michael P. O'Brien, Board Member  
Betsy Taylor, Board Member  
Anna M. Tenaglia, Acting Treasurer-Custodian

Also present were:

Irene Moran, Director of Retirement  
Laura Barbosa, Retirement Member Services Specialist  
Nancy Bournival, MPAERS Controller  
Lynn Fullerton, Retirement Board Coordinator  
Richard Heidlage, Massport Senior Legal Counsel, Retirement  
John Affuso, Massport Senior Legal Counsel, Transactions

Also in attendance were:

Stephen DiGirolamo, Wilshire Associates  
Martell McDuffy, Wilshire Associates  
Lawrence B. Stone, Stone Consulting, Inc.

1. **Open Meeting**

Chairman Hoyte opened the meeting at 1:07 p.m.

2. **Roll Call**

Ms. Moran read a roll call:

Member Hoyte "Here".  
Member Grieco "Here".  
Member O'Brien "Here".  
Member Taylor "Here".  
Member Tenaglia "Here".

3. **Public Comments**

There were no public comments.

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**4. Swearing in of Elected Board Member**

Chairman Hoyte congratulated Michael P. O'Brien on his election to the Board. Member O'Brien read his Oath of Office. Mr. Heidlage proceeded to swear in Member O'Brien as an Elected Board Member of the Massachusetts Port Authority Employees' Retirement System Board for the term beginning on April 8, 2019 and ending on January 10, 2020.

**5. Pension Reserves Investment Management Board**

PRIM was represented by:

Francesco Daniele  
Michael McGirr  
Timothy Schlitzer  
Paul Todisco

Mr. Todisco presented PRIM's Global Investment Performance Standards (GIPS) and reviewed the composition of the PRIM Board. In terms of the various Committees and staffing, he noted no significant changes since PRIM's last visit in April 2018. Mr. Todisco reviewed PRIT asset class performance as of March 31, 2019 and reported on annual plan highlights, key initiatives, and recent innovations. Mr. Todisco also reviewed the MPAERS portfolio noting strong performance, net of fees, at 1.4% for the quarter and 12.9% for the one year. He also noted strong investment returns since inception, net of fees, at 11.7%. Mr. Schlitzer presented a summary of the Core Real Estate product noting the total fund market value at \$7 billion, or 9.6% of the PRIT Fund, as of March 31, 2019. Mr. McGirr presented a summary of the Private Equity product noting the total fund market value at \$8 billion, or 11% of the PRIT Fund, as of March 31, 2019. The Board thanked Messrs. Daniele, McGirr, Schlitzer, and Todisco for an informative presentation.

Messrs. Daniele, McGirr, Schlitzer, and Todisco left the meeting at 1:46 p.m.

**6. Wilshire Associates**

Wilshire Associates was represented by:

Stephen DiGirolamo  
Martell McDuffy

Mr. DiGirolamo presented an overview of current market conditions reviewing the US Equity, Non-US Equity, and Fixed Income markets. He also presented the MPAERS 1<sup>st</sup> Quarter 2019 Investment Performance Analysis reviewing total fund performance for both the quarter and year-to-date. Mr. DiGirolamo noted the total fund performance was 8.3% for the quarter and 3.9% for the one year versus the policy index of 8.8% and 4.2%, respectively, and plan assets totaled \$651.1 million as of March 31, 2019. Mr. DiGirolamo reviewed the US equity, international equity, fixed income, real estate, and private equity composites. The Board thanked Messrs. DiGirolamo and McDuffy for an informative presentation.

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**7. Stone Consulting, Inc.**

Stone Consulting, Inc. was represented by:

Larry Stone

Mr. Stone presented January 1, 2019 Preliminary Valuation Results to the Board. He reviewed and discussed actuarial assumptions and methodologies. Member Tenaglia requested some time to review this information and the Board deferred any decision relative to the projected employer contribution pending additional review and discussion. The Board thanked Mr. Stone for an informative presentation.

Mr. DiGirolamo and Mr. McDuffy left the meeting at 2:45 p.m.

Mr. Stone left the meeting at 3:08 p.m.

**8. Ratification and Approval of Minutes of the Board Meeting held on March 28, 2019**

Upon a motion duly made and seconded, it was:

**VOTED:** To ratify and approve the Minutes of the Board Meeting held on March 28, 2019.

Members Hoyte, Grieco, and Taylor voted "Yes".

Members O'Brien and Tenaglia abstained.

**9. Ratification and Approval of Minutes of the Executive Session held on March 28, 2019**

Upon a motion duly made and seconded, it was:

**VOTED:** To ratify and approve the Minutes of the Executive Session held on March 28, 2019.

Members Hoyte, Grieco, and Taylor voted "Yes".

Members O'Brien and Tenaglia abstained.

**10. Ratification and Approval of Investments for the Month of March 2019**

The schedule of investments, buys and sells, for the month of March 2019 was presented to the Board for ratification.

Upon a motion duly made and seconded, it was:

**VOTED:** To ratify the investments as previously authorized by the Board, for the month of March as shown on the schedule submitted by People's United Bank, schedule attached.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

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**11. Approval of April Vouchers listed below:**

The Director presented April vouchers with attachments for approval; please see attached warrant report for detail:

|   |                |                |                 |
|---|----------------|----------------|-----------------|
| Funds Wired to People's United Checking on 03/29/19 | \$             | 107.20         |                 |
| Funds Wired to People's United Checking on 04/11/19 | \$             | 1,251.04       |                 |
| Funds Wired to Bank of America on 04/29/19          | \$3,013,844.31 |                | Retiree Payroll |
| Funds Wired to Massport Payroll Account on 04/29/19 | \$             | 60,248.29      |                 |
| Funds Wired to People's United Checking on 04/29/19 | \$             | 59,230.65      |                 |
| Funds Wired to Bank of America Checking on 04/29/19 | \$             | 23,078.92      | Lease           |
|   |                | -----          |                 |
| Total   |                | \$3,157,760.41 |                 |

Following a review of the vouchers on the attached warrant report and upon a motion duly made and seconded, it was:

**VOTED:** That April Vouchers are hereby approved in the total amount of \$3,157,760.41.

**RESOLVED FURTHER:** That the Treasurer-Custodian is hereby authorized to make payment upon the aforesaid vouchers.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

**12. Vote to Approve Pending Retirements**

- **Superannuation Retirement – Kenneth J. Bradley**

The Director of Retirement presented the Superannuation Retirement Application of Kenneth J. Bradley, HVAC Foreperson, Group 1, in the Building Maintenance unit of the Aviation department at Logan Airport.

Upon a motion duly made and seconded, it was:

**VOTED:**

**WHEREAS,** Kenneth J. Bradley, HVAC Foreperson, Group 1, in the Building Maintenance unit of the Aviation department at Logan Airport, currently age 60 years with 32 years of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

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**WHEREAS**, Kenneth J. Bradley has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on May 1, 2019.

**NOW, THEREFORE**, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Kenneth J. Bradley, HVAC Foreperson, Group 1, in the Building Maintenance unit of the Aviation department at Logan Airport, currently age 60 years with 32 years of creditable service effective on May 1, 2019 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

- **Superannuation Retirement – Laura Conley**

The Director of Retirement presented the Superannuation Retirement Application of Laura Conley, Cashier, Group 1, in the Parking Garage Operations unit of the Aviation department at Logan Airport.

Upon a motion duly made and seconded, it was:

**VOTED:**

**WHEREAS**, Laura Conley, Cashier, Group 1, in the Parking Garage Operations unit of the Aviation department at Logan Airport, currently age 60 years with 26 years, 1 month of creditable service, has applied for Superannuation Retirement, Option B, under the provisions of M.G.L. Chapter 32.

**WHEREAS**, Laura Conley has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on May 18, 2019.

**NOW, THEREFORE**, To approve the application for Superannuation Retirement, Option B, under the provisions of M.G.L. Chapter 32, of Laura Conley, Cashier, Group 1, in the Parking Garage Operations unit of the Aviation department at Logan Airport, currently age 60 years with 26 years, 1 month of creditable service effective on May 18, 2019 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

- **Superannuation Retirement – Michael DeAngelis**

The Director of Retirement presented the Superannuation Retirement Application of Michael DeAngelis, Transportation Business Manager, Group 1, in the Aviation General Management unit of the Aviation department at Logan Airport.

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Upon a motion duly made and seconded, it was:

**VOTED:**

**WHEREAS**, Michael DeAngelis, Transportation Business Manager, Group 1, in the Aviation General Management unit of the Aviation department at Logan Airport, currently age 65 years with 29 years, 5 months of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

**WHEREAS**, Michael DeAngelis has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on May 12, 2019.

**NOW, THEREFORE**, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Michael DeAngelis, Transportation Business Manager, Group 1, in the Aviation General Management unit of the Aviation department at Logan Airport, currently age 65 years with 29 years, 5 months of creditable service effective on May 12, 2019 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

- **Superannuation Retirement – Daniel Godding**

The Director of Retirement presented the Superannuation Retirement Application of Daniel Godding, Customer Service Supervisor, Group 1, in the Public Services unit of the Aviation department at Logan Airport.

Upon a motion duly made and seconded, it was:

**VOTED:**

**WHEREAS**, Daniel Godding, Customer Service Supervisor, Group 1, in the Public Services unit of the Aviation department at Logan Airport, currently age 60 years with 21 years, 4 months of creditable service, has applied for Superannuation Retirement, Option A, under the provisions of M.G.L. Chapter 32.

**WHEREAS**, Daniel Godding has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on May 1, 2019.

**NOW, THEREFORE**, To approve the application for Superannuation Retirement, Option A, under the provisions of M.G.L. Chapter 32, of Daniel Godding, Customer Service Supervisor, Group 1, in the Public Services unit of the Aviation department at Logan Airport, currently age 60 years with 21 years, 4 months of creditable service effective on May 1, 2019 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

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**13. Director's Report**

Disability update – Witkowski

Mr. Heidlage stated that, due to the complexities of Mr. Witkowski's case, the purpose of this discussion is to request the Board employ an independent medical expert to review Mr. Witkowski's medical records. Mr. Heidlage distributed a memorandum to the Board for review. Discussion ensued.

Upon a motion duly made and seconded, it was:

**VOTED:**

To authorize the Director of Retirement to enter into an agreement on behalf of the Board with Roger K. Pitman, M.D. to provide to the Board medical records review, member examination, an expert medical report and related expert medical advisory services with respect to the ADR application of its member Jan Witkowski, with such terms as she shall consider appropriate and pursuant to the Fee Schedule submitted by Dr. Pitman attached hereto.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

Death Match Services RFQ

Ms. Moran explained the MPAERS' death audit procedure and relationship with Pension Benefit Information (PBI), which performs death match services for retirees and inactive members of the system. Following a brief discussion regarding the status of contract negotiations with PBI, the Board agreed to retain PBI for death match audit services.

Upon a motion duly made and seconded, it was:

**VOTED:**

To select Pension Benefit Information (PBI) to perform death audit services for the MPAERS.

Members Hoyte, Grieco, O'Brien, Taylor, and Tenaglia voted "Yes".

Mr. Affuso left the meeting at 3:26 p.m.

Outlook to be mailed week of April 29<sup>th</sup>

Ms. Moran reported that Outlook was being mailed today, April 26<sup>th</sup>.

PERAC annual statement – distributed for signature

PERAC Memo #13 – Mandatory Retirement Board Member Training – 2<sup>nd</sup> Quarter 2019

**14. New Business**

There was no new business.

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15. **Adjournment**

Upon a motion duly made and seconded, it was:

**VOTED:** To adjourn the meeting at 3:35 p.m.

Members Hoyte, Grieco, O'Brien, Taylor and Tenaglia voted "Yes".

16. **Documents and Exhibits**

Agenda – April 26, 2019

Cash Disbursements 03/01/2019 – 04/30/2019 and Warrant Number 04/2019 AP

Minutes – March 28, 2019

Executive Session Minutes – March 28, 2019

Wilshire Associates Agenda, April 26, 2019

PRIT Fund Performance Review, April 26, 2019

Wilshire Associates – Executive Summary, March 31, 2019

Wilshire Associates – Monthly Performance Summary, March 31, 2019

Stone Consulting, Inc. – 1/1/19 Actuarial Valuation, Review of Assumptions, Methods, and Preliminary Results presentation, April 26, 2019

Stone Consulting, Inc. – Experience Study, Salary Assumption presentation, April 26, 2019

Stone Consulting, Inc. – Contribution Projection, April 26, 2019

MPAERS Fund Composite – March 2019

Retiree and Survivor Payroll Reconciliation – April 2019

People's United Bank Checking Account Reconciliation – March 2019

People's United Bank Replacement Plan Checking Account Reconciliation – March 2019

Bank of America Checking Account Reconciliation – March 2019

Trial Balance – 1/1/2019 – 2/28/2019

Cash Disbursements Report – 1/1/2019 – 2/28/2019

Cash Receipts Report – 1/1/2019 – 2/28/2019

Adjustments Report – 1/1/2019 – 2/28/2019

2018 3(8)(c) Receivables

Attorney/Client Privilege Memorandum from Richard Heidlage RE: Witkowski – Request to Retain Medical Expert

Fee Schedule – Roger K. Pitman, M.D.

PERAC Memo #13 – Mandatory Retirement Board Member Training – 2<sup>nd</sup> Quarter 2019

KPMG – Financial Statements, Required Supplementary Information, and Other Supplementary Information (with Independent Auditors' Report Thereon), December 31, 2018 and 2017

KPMG – Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

KPMG – Schedule of Pension Amounts (with Independent Auditors' Report Thereon), December 31, 2018



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James S. Hoyte  
Chairman

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Michael A. Grieco  
Vice Chairman

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Michael P. O'Brien  
Board Member

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Betsy Taylor  
Board Member

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Anna M. Tenaglia  
Acting Treasurer-Custodian

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Irene Moran  
Director of Retirement