

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
July 25, 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 Thursday, July 25, 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 S. Barbosa, Retirement Member Services Specialist
Nancy Bournival, MPAERS Controller
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

1. **Open Meeting**

Chairman Hoyte opened the meeting at 9:32 a.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. Pzena Investment Management

Pzena Investment Management was represented by:

Evan Fox
Wayne Palladino

Messrs. Fox and Palladino presented the MPAERS' portfolio summary as of June 30, 2019. Mr. Palladino updated the Board regarding the Pzena organization noting they currently have approximately \$37 billion in total assets under management as of June 30, 2019. He also noted the addition of a dedicated ESG Analyst to the research team in April 2018. Mr. Fox reviewed the value of the portfolio as well as the one-year performance numbers and noted assets totaling approximately \$21.2 million as of June 30, 2019. Mr. Fox also presented an overview of current market conditions and commented on Pzena's investment strategy, proxy voting process, and market outlook going forward. The Board thanked Messrs. Fox and Palladino for an informative presentation.

Messrs. Fox and Palladino left the meeting at 10:11 a.m.

5. 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' 2nd Quarter 2019 Investment Performance Analysis reviewing total fund performance for both the quarter and the one-year. The total fund was up 3.6% for the quarter and 6.4% for the one-year with plan assets totaling \$670 million as of June 30, 2019 as reported by Mr. DiGirolamo. He reviewed the US equity, international equity, fixed income, private equity, and real estate composites. The Board thanked Messrs. DiGirolamo and McDuffy for an informative presentation.

6. Human Resources and Compensation Committee Report and Discussion

Ms. Moran reported that the Human Resources and Compensation Committee met this morning. She discussed FY19 accomplishments and presented the Committee's recommendation relative to staff performance ratings and merit increases. On behalf of the board, Chairman Hoyte expressed his appreciation to staff.

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Upon a motion duly made and seconded, it was:

VOTED: To approve the Committee's merit increase recommendations for the director and staff effective July 1, 2019.

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

7. Section 91A Hearing

Ms. Moran reported that all retirees are now in compliance and a hearing is no longer necessary.

8. Ratification and Approval of Minutes of the Board Meeting held on June 27, 2019

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Board Meeting held on June 27, 2019.

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

9. Ratification and Approval of Investments for the Month of June 2019

The schedule of investments, buys and sells, for the month of June 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 June as shown on the schedule submitted by People's United Bank, schedule attached.

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

10. Approval of July Vouchers listed below:

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

Funds Wired to Bank of America on 07/30/19	\$ 2,963,591.96	Retiree Payroll
Funds Wired to Massport Payroll Account on 07/30/19	\$ 61,912.96	
Funds Wired to People's United Checking on 07/30/19	\$ 295,130.85	

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Funds Wired to Bank of America Checking on 07/30/19	\$	23,078.92	Lease

Total	\$	3,343,714.69	

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

VOTED: That July Vouchers are hereby approved in the total amount of \$3,343,714.69.

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".

11. Vote to Approve Pending Retirements

- **Superannuation Retirement – Anthony E. Saunders**

The Director of Retirement presented the Superannuation Retirement Application of Anthony E. Saunders, Senior Project Specialist, Group 1, in the Capital Programs department at the Logan Office Center.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Anthony E. Saunders, Senior Project Specialist, Group 1, in the Capital Programs department at the Logan Office Center, currently age 60 years with 35 years and 4 months of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Anthony E. Saunders has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on August 1, 2019.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Anthony E. Saunders, Senior Project Specialist, Group 1, in the Capital Programs department at the Logan Office Center, currently age 60 years with 35 years and 4 months of creditable service effective on August 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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12. Director's Report

Retirement Board Coordinator position

Ms. Moran reported that first round interviews are complete. She noted that five candidates were interviewed and three of the five candidates were invited for a second round interview. Ms. Moran said that she would keep the Board updated as the process progresses.

Disability Update

Mr. Heidlage updated the Board on the pending disability application for members Jennifer Howie and Jan Witkowski.

PERAC Memo #19/2019 – Mandatory Retirement Board Member Training – 3rd Quarter 2019

2019 PERAC Emerging Issues Forum

Ms. Moran noted that PERAC's Emerging Issues Forum is scheduled for September 12th and Board Members who wish to attend should register via PROSPER.

13. New Business

There was no new business.

14. Adjournment

Upon a motion duly made and seconded, it was:

VOTED: To adjourn the meeting at 11:30 a.m.

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

15. Documents and Exhibits

Agenda – July 25, 2019

Cash Disbursements 07/01/2019 – 07/31/2019 and Warrant Number 07/2019 AP

Minutes – June 27, 2019

Pzena Quarterly Portfolio Review & Outlook, July 25, 2019

Pzena Quarterly Report to Clients, 1st Quarter 2019

Wilshire Associates – Executive Summary of Investment Performance, June 30, 2019

Wilshire Associates – Monthly Performance Summary, June 30, 2019

MPAERS Fund Composite – June 2019

Retiree and Survivor Payroll Reconciliation – July 2019

People's United Bank Checking Account Reconciliation – June 2019

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

Bank of America Checking Account Reconciliation – June 2019

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2018 3(8)(c) Receivables

Trial Balance – 1/1/2019 – 5/31/2019

Cash Disbursements Report – 5/1/2019 – 5/31/2019

Cash Receipts Report – 5/1/2019 – 5/31/2019

Adjustments Report – 5/1/2019 – 5/31/2019

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