

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
October 24, 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, October 24, 2019. The following members of the Board were present:

James S. Hoyte, Chairman
Michael A. Grieco, Vice Chairman
Michael P. O'Brien, Board Member
John P. Prankevicius, Treasurer-Custodian
Betsy Taylor, Board Member

Also present were:

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

Also in attendance were:

Stephen DiGirolamo, Wilshire Associates
Andrew Junkin, Wilshire Associates
Martell McDuffy, Wilshire Associates

1. **Open Meeting**

Chairman Hoyte opened the meeting at 10:03 a.m.

2. **Roll Call**

Ms. Moran read a roll call:

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

3. **Public Comments**

There were no public comments.

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Representatives from Wellington Management joined the meeting at 10:25 a.m.

4. Wellington Management

Wellington Management was represented by:

Campe Goodman
Nicholas Choumenkovitch
Matthew McKenna
Angelique Richardson

Ms. Richardson updated the Board regarding the Wellington Management organization and noted approximately \$1,101 billion of client assets under management at quarter's end. Mr. McKenna and Mr. Goodman presented the MPAERS portfolio review as of September 30, 2019. Mr. McKenna and Mr. Goodman provided comprehensive reviews of the International Opportunities and Core Bond Plus portfolios, respectively, discussing fund characteristics, performance, strategy, and investment process as well as economic and market conditions. Mr. McKenna and Mr. Goodman also reviewed the market value of the funds and discussed fund performance. Mr. Choumenkovitch explained the proxy voting process and ESG efforts. The Board thanked Messrs. Goodman, Choumenkovitch, and McKenna and Ms. Richardson for an informative presentation.

Messrs. Goodman, Choumenkovitch, and McKenna and Ms. Richardson left the meeting at 11:15 a.m. Representatives from Baillie Gifford joined the meeting at 11:20 a.m.

5. Baillie Gifford

Baillie Gifford was represented by:

Julie Anderson
Julie Skedd

Ms. Anderson and Ms. Skedd presented the MPAERS' portfolio summary as of September 30, 2019. Ms. Anderson updated the Board regarding the Baillie Gifford organization noting they currently have approximately \$254 billion in total assets under management as of September 30, 2019. Ms. Skedd reviewed the value of the portfolio as well as the one-year performance numbers and noted assets totaling approximately \$65 million as of September 30, 2019. Ms. Skedd also discussed Baillie Gifford's investment strategy and market outlook going forward. Ms. Anderson explained the proxy voting process and their approach to ESG. The Board thanked Mmes. Anderson and Skedd for an informative presentation.

Mmes. Anderson and Skedd left the meeting at 11:42 a.m.

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6. Wilshire Associates

Wilshire Associates was represented by:

Stephen DiGirolamo
Andrew Junkin
Martell McDuffy

Mr. Junkin updated the Board regarding the Wilshire Associates organization and noted more than \$1 trillion of client assets under management at quarter's end. Mr. Junkin reported on Wilshire's diversity and ESG efforts. 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' 3rd Quarter 2019 Investment Performance Analysis reviewing total fund performance for both the quarter and the one-year. The total fund was up 0.6% for the quarter and 4.4% for the one-year with plan assets totaling approximately \$681 million as of September 30, 2019 as reported by Mr. DiGirolamo. He reviewed the US equity, international equity, fixed income, private equity, and real estate composites. Mr. DiGirolamo also recommended that the Board rebalance the domestic equity portfolio and following a brief discussion, the Board agreed.

Upon a motion duly made and seconded, it was:

VOTED: To rebalance within the domestic equity portfolio in accordance with Wilshire's recommendation.

Members Hoyte, Grieco, O'Brien, Prankevicius, and Taylor voted "Yes".
Messrs. DiGirolamo, Junkin, and McDuffy left the meeting at 12:09 p.m.

7. Ratification and Approval of Minutes of the Board Meeting held on September 26, 2019

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Board Meeting held on September 26, 2019.

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

8. Ratification and Approval of Investments for the Month of September 2019

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

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

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9. Approval of October Vouchers listed below:

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

Funds Wired to Bank of America on 10/30/19	\$ 2,971,677.61	Retiree Payroll
Funds Wired to Massport Payroll Account on 10/30/19	\$ 47,657.15	
Funds Wired to People's United Checking on 10/30/19	\$ 208,527.02	
Funds Wired to Bank of America Checking on 10/30/19	\$ 24,359.22	Lease
Total	\$ 3,252,221.00	

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

VOTED: That October Vouchers are hereby approved in the total amount of \$3,252,221.00

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

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

10. Vote to Approve Pending Retirements

- **Superannuation Retirement – Joseph C. Guarino**

The Director of Retirement presented the Superannuation Retirement Application of Joseph C. Guarino, Supervisor, Transportation, Group 1, in the Transportation Operations unit of the Aviation Department at the Central Garage at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Joseph C. Guarino, Supervisor, Transportation, Group 1, in the Transportation Operations unit of the Aviation Department at the Central Garage at Logan International Airport, currently age 67 years with 25 years of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Joseph C. Guarino, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on November 4, 2019.

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NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Joseph C. Guarino, Supervisor, Transportation, Group 1, in the Transportation Operations unit of the Aviation Department at the Central Garage at Logan International Airport, currently age 67 years with 25 years of creditable service effective on November 4, 2019 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

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

- **Superannuation Retirement – Leonor M. Filipe**

The Director of Retirement presented the Superannuation Retirement Application of Leonor M. Filipe, Project Management Director, Group 1, in the Information Technology Department at the Logan Office Center.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Leonor M. Filipe, Project Management Director, Group 1, in the Information Technology Department at the Logan Office Center, currently age 60 years with 34 years of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Leonor M. Filipe, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on November 1, 2019.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Leonor M. Filipe, Project Management Director, Group 1, in the Information Technology Department at the Logan Office Center, currently age 60 years with 34 years of creditable service effective on November 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, Prankevicius, and Taylor voted "Yes".

11. **Director's Report**

Retirees with public sector employment after retirement

Ms. Moran updated the Board with regard to the status of both Matthew Brellis and Frederick Massaro's post-retirement employment and subsequent issues related to their Massport pensions. She noted that Mr. Brellis opted to waive his pension effective September 16, 2019. With regard to Mr. Massaro, Ms. Moran reported that he opted to not waive his pension immediately. Mr. Massaro has instead requested to continue to collect his Massport pension subject to the post-retirement employment earnings and hours limits for the remainder of 2019 as well as 2020. She also reported that Mr. Heidlage had requested PERAC's

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guidance on the matter and that we are awaiting their determination. Mr. Heidlage explained the waiving and reinstatement processes to the Board.

PERAC Memo #22 Tobacco Company List

PERAC Memo #23 Mandatory Retirement Board Member Training – 4th Quarter 2019

Social Security Presentations Recap

Ms. Moran reported a good turnout at the Social Security presentation on October 18th and noted that two more presentations are scheduled on October 25th at the LOC and October 29th at the Rental Car Center.

Retirement Drop-in Meetings Recap

Ms. Moran reported that the drop-ins to date have been very well attended.

Affidavit Office Hours

Newsletter Mailed 10/11/19

2020 Tentative Retirement Board Meeting Schedule

Disability Update

Mr. Heidlage noted that there was nothing new to report on the pending disabilities.

12. **New Business**

There was no new business

13. **Adjournment**

Upon a motion duly made and seconded, it was:

VOTED: To adjourn the meeting at 12:31 p.m.

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

14. **Documents and Exhibits**

Agenda – October 24, 2019

Cash Disbursements 10/01/2019 – 10/31/2019 and Warrant Number 10/2019 AP

Minutes – September 26, 2019

Wellington Management Core Bond Plus and International Opportunities Portfolio Review

Baillie Gifford International Equity Portfolio Review

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

Wilshire Associates – Proxy Voting Review, October 2019

Wilshire Associates – Monthly Performance Summary, September 30, 2019

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MPAERS Fund Composite – September 2019

Retiree and Survivor Payroll Reconciliation – October 2019

People's United Bank Checking Account Reconciliation – September 2019

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

Bank of America Checking Account Reconciliation – September 2019

Trial Balance – 1/1/2019 – 7/31/2019

Cash Disbursements Report – 8/1/2019 – 8/31/2019

Cash Receipts Report – 8/1/2019 – 8/31/2019

Adjustments Report – 8/1/2019 – 8/31/2019

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Chairman

Michael A. Grieco
Vice Chairman

Michael P. O'Brien
Board Member

John P. Prankevicius, CPA
Treasurer-Custodian

Betsy Taylor
Board Member

Irene Moran
Director of Retirement