

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

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, January 30, 2020. 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
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:

Stephen DiGirolamo, Wilshire Associates
Daniel Ingram, Wilshire Associates
Martel McDuffy, Wilshire Associates

1. **Open Meeting**

Chairman Hoyte opened the meeting at 9:09 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".

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

3. Public Comments

There were no public comments.

4. State Street Global Advisors

State Street Global Advisors was represented by:

Marc DiCosimo
Taylor Famiglietti
Dwayne Hancock

Mr. Famiglietti presented a firm overview noting the departure of Miles O'Connor, Head of Institutional, EMEA, in March and the retirement of Jim Ross, Chairman of Global SPDR ETFs & Funds Management also in March. Mr. Hancock presented the MPAERS' performance summary and reported that the market value of the portfolio is approximately \$299 million as of December 31, 2019. Mr. DiCosimo reviewed the fixed income investment process noting \$470 billion in total assets under management. In response to questions from Chairman Hoyte and Member Taylor, Mr. Famiglietti discussed SSGA's ESG and Proxy Voting processes. The Board thanked Messrs. DiCosimo, Famiglietti, and Hancock for an informative presentation.

Messrs. DiCosimo, Famiglietti, and Hancock left the meeting at 9:32 a.m.

5. Wilshire Associates

Wilshire Associates was represented by:

Stephen DiGirolamo
Daniel Ingram
Martell McDuffy

Mr. DiGirolamo presented an overview of current market conditions reviewing the US Equity, Non-US Equity, and Fixed Income markets. Mr. McDuffy presented the MPAERS' 4th Quarter 2019 Investment Performance Analysis reviewing total fund performance for both the quarter and the one-year. The total fund was up 5.9% for the quarter and 19.7% for the one-year with plan assets totaling approximately \$715 million as of December 31, 2019 as reported by Mr. McDuffy. He reviewed the US equity, international equity, fixed income, private equity, and real estate composites. Mr. DiGirolamo presented the PERAC 2018 Investment Fee Review. He provided a summary of the performance and fees data contained in PERAC's 2018 Investment Fees Report for systems with a market value above \$500 million.

Mr. Ingram presented a high level overview of ESG Investing. He explained the link between environmental, social, and governance factors and risk and return drivers. Mr. Ingram highlighted some of the benefits and approaches to ESG investing and explained proxy voting procedures. Member Pranckevicius requested that a piece of each manager's annual presentation be about proxy voting and ESG efforts. Member Grieco echoed this request. Mr. DiGirolamo agreed and said he would implement this new

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

procedure with Pzena's presentation in July. The Board thanked Mr. Ingram for an informative presentation.

Mr. Ingram left the meeting at 11:30 a.m.

6. Ratification and Approval of Minutes of the Board Meeting held on December 19, 2019

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Board Meeting held on December 19, 2019.

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

7. Ratification and Approval of Investments for the Month of December 2019

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

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

8. Approval of January Vouchers listed below:

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

Funds Wired to Bank of America on 1/30/2020	\$ 3,018,189.92	Retiree Payroll
Funds Wired to Massport Payroll Account on 1/30/2020	\$ 67,175.23	
Funds Wired to People's United Checking on 1/30/2020	\$ 428,475.76	
Funds Wired to Bank of America Checking on 1/30/2020	\$ 23,719.07	Lease
Total	----- \$ 3,537,559.98	

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

VOTED: That January Vouchers are hereby approved in the total amount of 3,537,559.98.

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

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 – Frances B. Accettullo**

The Director of Retirement presented the Superannuation Retirement Application of Frances B. Accettullo, Customer Service Supervisor, Group 1, in the Public Services unit of the Aviation Department at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Frances B. Accettullo, Customer Service Supervisor, Group 1, in the Public Services unit of the Aviation Department at Logan International Airport, currently age 65 years with 26 years and 2 months of creditable service, has applied for Superannuation Retirement, Option B, under the provisions of M.G.L. Chapter 32.

WHEREAS, Frances B. Accettullo, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on February 8, 2020.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option B, under the provisions of M.G.L. Chapter 32, of Frances B. Accettullo, Customer Service Supervisor, Group 1, in the Public Services unit of the Aviation Department at Logan International Airport, currently age 65 years with 26 years and 2 months of creditable service effective on February 8, 2020 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 – Steven J. Gravallese**

The Director of Retirement presented the Superannuation Retirement Application of Steven J. Gravallese, HVAC Mechanic, Group 1, in the Building Maintenance unit of the Aviation Department at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Steven J. Gravallese, HVAC Mechanic, Group 1, in the Building Maintenance unit of the Aviation Department at Logan International Airport, currently age 66 years with 15 years

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Steven J. Gravalles, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on February 8, 2020.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Steven J. Gravalles, HVAC Mechanic, Group 1, in the Building Maintenance unit of the Aviation Department at Logan International Airport, currently age 66 years with 15 years of creditable service effective on February 8, 2020 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 – Daisy G. Nagy**

The Director of Retirement presented the Superannuation Retirement Application of Daisy G. Nagy, Cashier, Group 1, in the Parking Garage Operations unit of the Aviation Department at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Daisy G. Nagy, Cashier, Group 1, in the Parking Garage Operations unit of the Aviation Department at Logan International Airport, currently age 57 years with 29 years and 2 months of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Daisy G. Nagy, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on February 22, 2020.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Daisy G. Nagy, Cashier, Group 1, in the Parking Garage Operations unit of the Aviation Department at Logan International Airport, currently age 57 years with 29 years and 2 months of creditable service effective on February 22, 2020 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."

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

11. Director's Report

Laura Barbosa and Nancy Bournival nominated for SAFE Award

Ms. Moran reported that Ms. Barbosa and Ms. Bournival were nominated and selected as SAFE Award recipients for Cyber Security. She noted that Ms. Barbosa and Ms. Bournival reported a suspicious email that contained malware to Massport's IT department. The Board congratulated Ms. Barbosa and Ms. Bournival.

Year-end update

Ms. Moran reported on the following year-end items:

- 1099Rs – were mailed to retirees and survivors on January 28th
- 1/1/2020 Actuarial Valuation – data files sent to Stone Consulting on January 28th
- 2020 Audit – KPMG entrance meeting occurred on January 21st. Audit fieldwork to begin on March 2nd.

Affidavit Update

Ms. Moran noted that, to-date, approximately 22 retirees have not submitted affidavits for 2019. She reported that final notices would be mailed in February.

January Outlook mailed on January 23rd

PERAC Memo # 2 – 2018 Comparative Analysis Fee Report

Ms. Moran noted that a copy of this memo was included in packets.

PERAC Memo # 3 – Mandatory Retirement Board Member Training - 1st Quarter 2020

Ms. Moran noted that a copy of this memo was included in packets.

PERAC Memo # 5 – 2020 Limits under Chapter 46 of the Acts of 2002

Ms. Moran reported that the compensation limit for 2020 is set at \$285,000 for certain members hired before January 1, 2011 and noted that currently two active members will reach this limit in 2020.

PERAC Memo # 6 – 2020 Limits under Section 23 of Chapter 131 of the Acts of 2010

Ms. Moran reported that the compensation limit for 2020 is set at \$182,400 for new members hired on or after January 1, 2011 and noted that currently twelve active members will hit this limit in 2020.

PERAC Memo # 7 – COLA Notice

Ms. Moran noted that a copy of this memo was included in packets.

12. New Business

DALA Decision on Howie

Mr. Heidlage provided a summary of Ms. Howie's accidental disability retirement application and updated the Board with regard to Ms. Howie's appeal.

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
January 30, 2020**

13. **Adjournment**

Upon a motion duly made and seconded, it was:

VOTED: To adjourn the meeting at 11:48 a.m.

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

14. **Documents and Exhibits**

Agenda – January 30, 2020

Cash Disbursements 01/01/2020 – 01/31/2020 and Warrant Number 01/2020 AP

Minutes – December 19, 2019

State Street Global Advisors – Portfolio Review, January 30, 2020

State Street Global Advisors – Internal Liquidity and Trading Analytics, 1/2012 – 12/2019

Wilshire Associates – Executive Summary of Investment Performance, December 31, 2019

Wilshire Associates – PERAC 2018 Investment Fee Review, January 2020

Wilshire Associates – ESG Considerations for Massport's Portfolio, January 2020

Wilshire Associates – Monthly Performance Summary, December 31, 2019

MPAERS Fund Composite – December 2019

Retiree and Survivor Payroll Reconciliation – January 2020

People's United Bank Checking Account Reconciliation – December 2019

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

Bank of America Checking Account Reconciliation – December 2019

Trial Balance – 1/1/2019 – 11/30/2019

Cash Disbursements Report – 11/1/2019 – 11/30/2019

Cash Receipts Report – 11/1/2019 – 11/30/2019

Adjustments Report – 11/1/2019 – 11/30/2019

PERAC Memo # 2 – 2018 Comparative Analysis Fee Report

PERAC Memo # 3 – Mandatory Retirement Board Member Training – 1st Quarter 2020

PERAC Memo # 5 – 2020 Limits under Chapter 46 of the Acts of 2002

PERAC Memo # 6 – 2020 Limits under Section 23 of Chapter 131 of the Acts of 2010

PERAC Memo # 7 – COLA Notice

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
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James S. Hoyte
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