

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

A meeting of the Massachusetts Port Authority Employees' Retirement Board was held by conference call on Thursday, July 30, 2020 pursuant to the procedures set out in the Governor's emergency order dated March 12, 2020. 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

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 were:

Stephen DiGirolamo, Wilshire Associates
John Flynn, Pzena Investment Management
Martell McDuffy, Wilshire Associates
Wayne Palladino, Pzena Investment Management

1. **Open Meeting**

Chairman Hoyte opened the meeting at 9:00 a.m.

Chairman Hoyte noted that this meeting was held entirely by remote participation pursuant to the procedures set out in the Governor's emergency order dated March 12, 2020.

2. **Roll Call**

Ms. Moran read a roll call:

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

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3. **Public Comments**

There were no public comments.

4. **Pzena Investment Management**

Pzena Investment Management was represented by:

John Flynn
Wayne Palladino

Messrs. Flynn and Palladino presented the MPAERS' portfolio summary as of June 30, 2020. Mr. Palladino updated the Board regarding the Pzena organization noting they currently have approximately \$31.5 billion in total assets under management as of June 30, 2020. Mr. Flynn reviewed the composition of the portfolio as well as the one-year performance numbers and noted assets totaling approximately \$11.3 million as of June 30, 2020. Mr. Flynn also presented an overview of current market conditions. The Board thanked Messrs. Flynn and Palladino for an informative presentation.

Messrs Flynn and Palladino's participation in the meeting ended at 9:34 am.

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' Monthly Investment Summary for June 2020 and the MPAERS 2nd Quarter 2020 Investment Performance Analysis reviewing total fund performance for the quarter and the one-year. The total fund was up 12% for the quarter and 4.9% for the one-year with plan assets totaling approximately \$692 million as of June 30, 2020 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.

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6. Ratification and Approval of Minutes of the Board Meeting held on June 25, 2020

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Board Meeting held on June 25, 2020.

Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member O'Brien voted "Yes".
Member Taylor "Yes".

7. Ratification and Approval of Investments for the Month of June 2020

The schedule of investments, buys and sells, for the month of June 2020 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.

Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member O'Brien voted "Yes".
Member Taylor "Yes".

8. 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 7/30/2020	\$3,114,551.56	Retiree Payroll
Funds Wired to Massport Payroll Account on 7/30/2020	\$ 56,560.31	
Funds Wired to People's United Checking on 7/30/2020	\$ 543,872.95	
Funds Wired to Bank of America Checking on 7/30/2020	\$ 23,719.07	Lease
Total	----- \$3,738,703.89	

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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 \$3,738,703.89.

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

Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member O'Brien voted "Yes".
Member Taylor "Yes".

9. **Vote to Approve Pending Retirements**

• **Superannuation Retirement – Carmen Orlando**

The Director of Retirement presented the Superannuation Retirement Application of Carmen Orlando, Bench Lighting Mechanic, Group 4, in the Electrical Maintenance unit of the Aviation Department at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Carmen Orlando, Bench Lighting Mechanic, Group 4, in the Electrical Maintenance unit of the Aviation Department at Logan International Airport, currently age 55 years with 28 years and 1 month of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Carmen Orlando, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on July 5, 2020.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Carmen Orlando, Bench Lighting Mechanic, Group 4, in the Electrical Maintenance unit of the Aviation Department at Logan International Airport, currently age 55 years with 28 years and 1 month of creditable service effective on July 5, 2020 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

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Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member O'Brien voted "Yes".
Member Taylor "Yes".

- **Superannuation Retirement – Louis A. Scapicchio, Jr.**

The Director of Retirement presented the Superannuation Retirement Application of Louis A. Scapicchio Jr., Communications Specialist, Group 1, in the Operations unit of the Aviation Department at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Louis A. Scapicchio Jr., Communications Specialist, Group 1, in the Operations unit of the Aviation Department at Logan International Airport, currently age 65 years with 25 years and 8 months of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Louis A. Scapicchio Jr., has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on August 10, 2020.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of Louis A. Scapicchio Jr., Communications Specialist, Group 1, in the Operations unit of the Aviation Department at Logan International Airport, currently age 65 years with 25 years and 8 months of creditable service effective on August 10, 2020 subject to certification to be issued by the Commonwealth of Massachusetts Division of Public Employee Retirement Administration Commission.

Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member O'Brien voted "Yes".
Member Taylor "Yes".

Mr. Affuso's participation in the meeting ended at 10:23 am.

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10. **Director's Report**

Affidavits – proposed schedule

Ms. Moran reminded the Board of the annual retiree affidavit process noting that, under PERAC regulations, we are required to administer this every other year. She recommended that, due to the ongoing coronavirus pandemic and concerns for the health of our retirees, we forgo this process in 2020. The Board concurred.

Actuarial RFP to be issued August 21st

Ms. Moran noted that the contract for actuarial services with Stone Consulting, Inc. is expiring at the end of this year. She reminded the Board that, similar to the last two actuarial services procurements, the MPAERS would once again be collaborating with the Massport Retiree Benefits Trust. Ms. Moran reported that an updated draft RFP would be distributed to the Board for review. She indicated that the issue date for the RFP is September 18, 2020 with interviews scheduled for November 10, 2020.

Outlook Newsletter – August issue

Ms. Moran reported that staff is currently working on draft August *Outlook* noting a draft would be distributed to the Board within the next couple of weeks.

Retirement Remote Drop-in Meetings scheduled for September

Ms. Moran reminded the Board of our annual drop-in program at various Massport worksites. She reported that staff is following usual procedures in terms of specific hours for different worksites however, instead of in-person visits, Ms. Barbosa would be scheduling individual remote appointments via GoToMeeting or teleconference throughout the month of September.

PERAC Memo #25/2020 – Mandatory Retirement Board Member Training – 3rd Quarter 2020

2019 PERAC Investment Report

11. **New Business**

Jennifer Howie

Mr. Heidlage informed the Board that a status conference call was held on July 29th. Attendees on this included Mr. Heidlage, Ms. Moran, DALA Magistrate Ken Forton, and Brian Cloherty, Ms. Howie's legal counsel. Mr. Heidlage summarized the call for the Board noting that Mr. Cloherty disclosed that he was unable to reach his client. Mr. Heidlage reported that Magistrate Forton will issue a 90-day order to allow time for Mr. Cloherty to determine if his client is available to participate in the hearing and if not, he would dismiss Ms. Howie's case.

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12. **Adjournment**

Upon a motion duly made and seconded, it was:

VOTED: To adjourn the meeting at 10:38 a.m.

Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member O'Brien voted "Yes".
Member Taylor "Yes".

13. **Documents and Exhibits**

Agenda – July 30, 2020

Cash Disbursements 07/01/2020 – 07/31/2020 and Warrant Number 07/2020 AP

Cash Disbursements Warrant – Warrant Number 07/2020 AP

Pzena Quarterly Review & Outlook, 2nd Quarter 2020

Wilshire Executive Summary of Investment Performance, 2nd Quarter 2020

Wilshire Associates – Monthly Investment Summary, June 30, 2020

Regular Meeting Minutes – June 25, 2020

MPAERS Fund Composite – June 2020

Retiree and Survivor Payroll Reconciliation – July 2020

Bank of America Checking Account Reconciliation – June 2020

People's United Bank Checking Account Reconciliation – June 2020

People's United Bank Replacement Plan Checking Account Reconciliation – June 2020

2019 Section 3(8)(c) Receivables – July 2020

Trial Balance – 1/1/2020 – 5/31/2020

Cash Disbursements Report – 5/1/2020 – 5/31/2020

Cash Receipts Report – 5/1/2020 – 5/31/2020

Adjustments Report – 5/1/2020 – 5/31/2020

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James S. Hoyte
Chairman

Michael A. Grieco
Vice Chairman

Michael P. O'Brien
Board Member

Betsy Taylor
Board Member

Irene Moran
Director of Retirement