

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
December 20, 2022**

A meeting of the Massachusetts Port Authority Employees' Retirement Board was held via Zoom/conference call on Tuesday, December 20, 2022 pursuant to the procedures set out in Section 4 of Chapter 107 of the Acts of 2022. 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
Laura S. Barbosa, Retirement Member Services Specialist
Nancy Bournival, MPAERS Controller
Jan Coen, Retirement Board Coordinator
Richard C. Heidlage, Massport Senior Legal Counsel, Retirement
John Affuso, Massport Senior Legal Counsel, Transactions

Also in attendance were:

Stephen DiGirolamo, Wilshire Advisors
Colin Edgar, Stone Consulting, Inc.
Joan Moreau, Stone Consulting, Inc.
Joey Gilmore, Massport Sr. Manager, Cyber Security
Ann Robinson, Massport Project Manager, Information Technology Systems
Jarrett Wright, Massport Director of Cyber Security

1. **Open Meeting**

Chairman Hoyte opened the meeting at 10:01 a.m.

Chairman Hoyte noted that this meeting was held entirely by remote participation pursuant to the procedures set out in Section 4 of Chapter 107 of the Acts of 2022.

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".

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3. Public Comments

There were no public comments.

4. Stone Consulting and Wilshire Advisors

Stone Consulting was represented by:

Colin Edgar
Joan Moreau

Wilshire Advisors was represented by:

Stephen DiGirolamo

As follow-up to the special meeting held on December 1, 2022, Mr. Edgar and Ms. Moreau presented the board with additional data on the contribution impacts of a 7.0% or 7.25% discount rate as compared to the board's current rate of 6.75%. They also discussed the effect different rates of return in CY22 would have on contributions for FY24-28 using all three discount rates.

Mr. DiGirolamo presented an updated Asset Allocation Review to the Board. He reviewed assumption and total return expectation changes, alpha assumptions and return probabilities of the plan's return exceeding a 6.75% discount rate. Following a robust discussion, the Board agreed to maintain the existing 6.75% discount rate.

Upon a motion duly made and seconded, it was:

VOTED: To maintain the interest rate assumption of 6.75% effective January 1, 2023.

Ms. Moran read a roll call:

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

The Board thanked Mr. DiGirolamo, Mr. Edgar and Ms. Moreau for an informative presentation.

5. Ratification and Approval of Minutes of the Board Meeting held on November 18, 2022

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Board Meeting held on November 18, 2022.

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Ms. Moran read a roll call:

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

6. Ratification and Approval of Minutes of the Special Board Meeting held on December 1, 2022

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Special Board Meeting held on December 1, 2022.

Ms. Moran read a roll call:

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

7. Ratification and Approval of Investments for the Month of November 2022

The schedule of investments, buys and sells, for the month of November 2022 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 November as shown on the schedule submitted by M&T Bank, schedule attached.

Ms. Moran read a roll call:

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

8. Approval of December Vouchers listed below:

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

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Funds Wired to Bank of America on 12/29/22	\$ 3,652,107.51	Retiree Payroll
Funds Wired to Massport Payroll Account on 12/29/22	\$ 60,417.05	
Funds Wired to M&T Bank Checking on 12/29/22	\$ 192,717.32	
Funds Wired to Bank of America Checking on 12/29/22	\$ 26,590.47	Lease
Total	<u>\$ 3,931,832.35</u>	

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

VOTED: That December Vouchers are hereby approved in the total amount of \$ 3,931,832.35.

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 Prankevicius voted "Yes".
- Member Taylor voted "Yes".

9. Vote to Approve Pending Retirements

• Superannuation Retirement – Domenic D. Gentile

The Director of Retirement presented the Superannuation Retirement Application of Domenic D. Gentile, Watershop Foreperson, Group 1, in the Field Maintenance unit of the Aviation department at Logan International Airport.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Domenic D. Gentile, Watershop Foreperson, Group 1, in the Field Maintenance unit of the Aviation department at Logan International Airport, currently age 65 years with 33 years and 11 months of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, Domenic D. Gentile, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on January 1, 2023.

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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 Domenic D. Gentile, Watershop Foreperson, Group 1, in the Field Maintenance unit of the Aviation department at Logan International Airport, currently age 65 years with 33 years and 11 months of creditable service effective on January 1, 2023 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 Prankevicius voted "Yes".
Member Taylor voted "Yes".

- **Superannuation Retirement – David N. Sartori**

The Director of Retirement presented the Superannuation Retirement Application of David N. Sartori, Airport Operations Shift Manager, 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, David N. Sartori, Airport Operations Shift Manager, Group 1, in the Operations unit of the Aviation department at Logan International Airport, currently age 65 years with 20 years of creditable service, has applied for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, David N. Sartori has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on January 16, 2023.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32, of David N. Sartori, Airport Operations Shift Manager, Group 1, of the Operations unit of the Aviation department at Logan International Airport, currently age 65 years with 20 years of creditable service effective on January 16, 2023 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 Prankevicius voted "Yes".

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Member Taylor voted "Yes".

10. Vote to Approve Option D Survivor Benefits

Upon a motion duly made and seconded, it was:

VOTED: That the Board shall go into Executive Session to discuss potential litigation concerning the application for Option D Survivor Benefits for Patrick T. Mullins and will reconvene in public session following consideration of this item.

Ms. Moran read a roll call:

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

At this time, the following guests in attendance were moved to the virtual waiting room.

Stephen DiGirolamo
Joey Gilmore
Ann Robinson
Jarret Wright

Ms. Balzarini, Mr. Edgar and Ms. Moreau left the meeting at 10:47 a.m.

Upon a roll call in the Executive Session, the Board reconvened to public session at 10:57 a.m.

Mr. DiGirolamo, Mr. Gilmore, Ms. Robinson and Mr. Wright were re-admitted to the meeting at 10:57 a.m.

• **Option D Survivor Benefits – Patrick T. Mullins**

The Director of Retirement presented the Application for Option D Survivor Benefits for Courtney Sans, survivor of Patrick T. Mullins.

Upon a motion duly made and seconded, it was:

VOTED:

WHEREAS, Patrick T. Mullins, former Supervisor, Airport Facilities, Group 1, in the Worcester Maintenance unit of the Aviation department at Worcester Regional Airport, age 54 years with 19 years of creditable service, died on September 2, 2022 and,

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WHEREAS, Patrick T. Mullins is survived by his wife, Courtney Sans, with whom he was living at the time of his death and who has been found upon investigation by the Director of Retirement to qualify for such Survivor Benefits, effective on September 3, 2022.

NOW, THEREFORE, To approve the Application for Option D Survivor Benefits for Courtney Sans, wife and beneficiary of Patrick T. Mullins under the provisions of M.G.L. Chapter 32, Section 12(2), 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 Prankevicius voted "Yes".
Member Taylor voted "Yes".

11. **Director's Report**

Graphic Design RFP Proposal Recap and Recommendation

Ms. Moran presented to the Board a recommendation with regard to graphic design services. She reported that four responses were received. Respondent firms were NAX2 Creative, Pink Elephant Productions, Shields SGF and We The Creative. Ms. Moran discussed the due diligence process noting that two of the four firms – Shields SGF and We The Creative – were shortlisted for further review. Ms. Moran provided a comparison of both Shields SGF and We The Creative. She discussed their proposals and interviews and recommended the Board select Shields SGF for graphic design services.

Upon a motion duly made and seconded, it was:

VOTED: To select Shields SGF as the graphic designer for the MPAERS.

Ms. Moran read a roll call:

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

Mr. DiGirolamo left the meeting at 11:18 a.m.

Proposal for Mobile Storage, File Conversion, Scanning Services and Document Management Software

Ms. Moran presented to the Board a recommendation to select Donnegan Systems for mobile storage, paper file conversion, scanning services and document management software. She outlined project objectives. Ms. Moran briefed the Board on the process to-date and presented a cost proposal. Ms. Moran

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reported that Ann Robinson, Massport's Program Manager, Information Technology Systems has been serving as our IT project manager throughout the due diligence and vetting process and has attended all meetings with staff and Donnegan Systems. Further, she noted, Massport's Senior Manager, Cyber Security, Joey Gilmore has also been assisting staff relative to the scanning and storage aspects of the proposal. Due to the sensitivity of our data and cyber security concerns, Ms. Robinson requested that Mr. Gilmore look into an alternative to the cloud based document management system. Mr. Gilmore recommended an on-premise solution as the alternative and explained the advantages. Following a robust discussion, the Board concurred with staff's recommendation.

Upon a motion duly made and seconded, it was:

VOTED: To approve and select Donnegan Systems for the MPAERS records management project.

Ms. Moran read a roll call:

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

2023 Retirement Board Meeting Schedule

COLA letter from Board to retirees to be mailed by 12/22/2022

Vacation buybacks as regular compensation

- Chapter 147 of the Acts of 2022
- O'Leary decision
- PERAC Memo #23 - Vacation Buybacks as Regular Compensation
- Draft MPAERS Supplemental Regulation on Vacation Buybacks

KPMG Contract and PERAC Approval

Retiree inquiry - Chapter 32, Sections 90A, 90C and 90D

Ms. Moran reported that retiree, Anthony Marino, recently inquired about increases under Sections 90A, 90C and 90D. She explained Sections 90A, 90C and 90D to the Board noting MPAERS granted Section 90 increases once back in 1998. Member Taylor noted that Mr. Marino contacted her regarding this increase and she suggested he forward a request to the Board in writing. The Board agreed to continue discussion on this matter when in receipt of Mr. Marino's written request.

12. **New Business**

Christopher Serra – Accidental Disability Retirement Application

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Mr. Heidlage stated that, due to the complexities of Mr. Serra's case, the purpose of this discussion is to request the Board employ an independent medical expert to review Mr. Serra'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 employ a medical expert to provide to the Board medical records review, member examination, an expert medical report and related expert medical advisory services, not to exceed \$6,000, with respect to the ADR application of its member Christopher Serra.

Ms. Moran read a roll call:

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

13. **Adjournment**

Upon a motion duly made and seconded, it was:

VOTED: To adjourn the meeting at 11:58 a.m.

Ms. Moran read a roll call:

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

14. **Documents and Exhibits**

Agenda – December 20, 2022
Minutes – November 18, 2022
Special Meeting Minutes – December 1, 2022
Cash Disbursements Warrant – Warrant Number 12/2022 AP
Cash Disbursements 12/01/2022 – 12/31/2022 and Warrant Number 12/2022 AP
Stone Consulting, Inc. – FY24 Cost Estimate and Projections
Wilshire Advisors, Asset Allocation Review – Updated
Wilshire Advisors – Monthly Investment Summary, November 2022
MPAERS Fund Composite – November 2022

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Retiree and Survivor Payroll Reconciliation – December 2022

Bank of America Checking Account Reconciliation – November 2022

People's United Bank Checking Account Reconciliation – November 2022

People's United Bank Replacement Plan Checking Account Reconciliation – November 2022

2021 3(8)(c) Receivables

Trial Balance – 1/1/2022 – 10/31/2022

Cash Disbursements Report – 10/1/2022 – 10/31/2022

Cash Receipts Report – 10/1/2022 – 10/31/2022

Adjustments Report – 10/1/2022 – 10/31/2022

FY23 Budget to Actual

Graphic Designer Matrix and Recommendation

Proposal for Mobile Storage, Paper File Conversion, Scanning Services and DocMgt Software

2023 Retirement Board Meeting Schedule – final

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James S. Hoyte
Chairman

Michael A. Grieco
Vice Chairman

Michael P. O'Brien
Board Member

John P. Pranckevicius, CPA
Treasurer-Custodian

Betsy Taylor
Board Member

Irene Moran
Director of Retirement