

**Massachusetts Port Authority
Employees' Retirement System
Board Meeting Minutes
March 28, 2023**

A meeting of the Massachusetts Port Authority Employees' Retirement Board was held via Zoom/conference call on Tuesday, March 28, 2023 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
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:

Alexander DaPonte, KPMG
Stephen DiGirolamo, Wilshire Advisors
Jake McClelland, Wilshire Advisors
Scott Warnetski, KPMG
Cyril Espanol, With.intelligence

1. **Open Meeting**

Chairman Hoyte opened the meeting at 9:07 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 Prankevicius "Here".
Member Taylor "Here".

3. **Public Comments**

There were no public comments.

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4. KPMG LLP

KPMG LLP was represented by:

Alexander DaPonte
Scott Warnetski

Mr. Warnetski presented KPMG's Required Communications including MPAERS Financial Statements for the years ended December 31, 2022 and 2021. Mr. DaPonte presented audit results and reviewed the significant audit areas noting no significant findings. Mr. DaPonte also noted the adoption of GASB Statement No. 87, Leases. The Board thanked Mr. Warnetski and Mr. DaPonte for an informative presentation.

Mr. Warnetski and Mr. DaPonte left the meeting at 9:40 a.m.

5. Wilshire Advisors

Wilshire Advisors was represented by:

Stephen DiGirolamo
Jake McClelland

Mr. DiGirolamo presented an overview of the recent turmoil in the banking industry. He discussed the banks that were impacted, the timeline of events and the merger between UBS Credit Suisse. Mr. DiGirolamo presented an overview of current market conditions reviewing all asset classes. He also presented the February 2023 Monthly Investment Summary reviewing total fund performance as well as the Plan's US equity, international equity, fixed income, private equity and real estate composites. The Board thanked Mr. DiGirolamo for an informative presentation.

Mr. DiGirolamo and Mr. McClelland left the meeting at 10:10 a.m.

6. Ratification and Approval of Minutes of the Board Meeting held on February 28, 2023

Upon a motion duly made and seconded, it was:

VOTED: To ratify and approve the Minutes of the Board Meeting held on February 28, 2023.

Ms. Moran read a roll call:

Member Hoyte "Yes".
Member Grieco "Yes".
Member Prancevicius "Yes".
Member Taylor "Yes".

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7. Ratification and Approval of Investments for the Month of February 2023

The schedule of investments, buys and sells, for the month of February 2023 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 February as shown on the schedule submitted by M&T Bank, schedule attached.

8. Approval of March Vouchers listed below:

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

Funds Wired to Bank of America on 3/30/23	\$ 3,714,729.26	Retiree Payroll
Funds Wired to Massport Payroll Account on 3/30/23	\$ 64,464.91	
Funds Wired to M&T Bank Checking on 3/30/23	\$ 156,929.40	
Funds Wired to Bank of America Checking on 3/30/23	\$ 26,590.47	Lease
Total	----- \$ 3,962,714.04	

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

VOTED: That March Vouchers are hereby approved in the total amount of \$3,962,714.04

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

Ms. Moran read a roll call:

Member Hoyte "Yes".
Member Grieco "Yes".
Member Prankevicius "Yes".
Member Taylor "Yes".

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9. **Vote to Approve Pending Retirements**

- **Superannuation Retirement – James M. Dee**

The Director of Retirement presented the Superannuation Retirement Application of James M. Dee, former Supervisor, Electrical Maintenance, 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, James M. Dee, former Supervisor, Electrical Maintenance, Group 4, in the Electrical Maintenance unit of the Aviation department at Logan International Airport, currently age 55 years with 15 years and 8 months of creditable service, has applied for a Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32.

WHEREAS, James M. Dee, has been found upon investigation by the Director of Retirement to qualify for such retirement, effective on March 4, 2023.

NOW, THEREFORE, To approve the application for Superannuation Retirement, Option C, under the provisions of M.G.L. Chapter 32 of James M. Dee, former Supervisor, Electrical Maintenance, Group 4, in the Electrical Maintenance unit of the Aviation department at Logan International Airport, currently age 55 years with 15 years and 8 months of creditable service effective on March 4, 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 “Yes”.
Member Grieco “Yes”.
Member Prankevicius “Yes”.
Member Taylor “Yes”.

10. **Director's Report**

PERAC Annual Statement

A copy of the 2022 PERAC Annual Statement was distributed to the Board for review.

Donnegan Project Update

Ms. Moran updated the Board with regard to the ongoing records management project. She reported that the document management software contract is in its final stages and noted that shelving unit installation, file conversion and scanning are slated to begin at the end of April.

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Special Election Update

Ms. Moran updated the board on the status of the election.

- Ballots mailed to members on March 17th
- Election day is April 12th
- Term begins April 13th

PERAC Audit begins April 24th

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
- Draft regulation sent to PERAC December 23, 2022

Mr. Heidlage reported that PERAC rejected the supplemental regulation with regard to vacation buybacks due to the interpretation of consistency. Mr. Heidlage noted that we have vacation buyback data for retirees and staff is working to obtain data for active members. He anticipates coming up with a general rule that suits both retirees and active members once we have obtained all the data.

Upcoming Procurements

Ms. Moran noted the following procurements coming up later this year:

- Equity Index Funds (3)
- Custodian Bank
- Small Cap Value fund
- Core Bond fund

11. **New Business**

Stephen Richards

Ms. Moran reported that Mr. Richards sent a letter via email relative to the Board's action in July 2022 rescinding his original Superannuation retirement application that was effective October 28, 2021. Mr. Heidlage reminded the Board that Mr. Richards denied the existence of a QDRO in his original retirement application. A robust discussion ensued relative to Mr. Richards' letter and the circumstances related to the rescinding of the original retirement application. Mr. Heidlage noted he was in the process of drafting a response to Mr. Richards' letter and the Board agreed to proceed with this course of action.

12. **Adjournment**

Upon a motion duly made and seconded, it was:

VOTED: To adjourn the meeting at 11:03 a.m.

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Ms. Moran read a roll call:

Member Hoyte voted "Yes".
Member Grieco voted "Yes".
Member Prankevicius voted "Yes".
Member Taylor voted "Yes".

13. Documents and Exhibits

Agenda – March 28, 2023

Minutes – February 28, 2023

Cash Disbursements Warrant – Warrant Number 03/2023 AP

Cash Disbursements 03/01/2023 – 03/31/2023 and Warrant Number 03/2023 AP

KPMG LLP – Audit Results for the Year Ending December 31, 2022

Wilshire Advisors – Timeline of the Recent Banking Turmoil Presentation, March 2023

Wilshire Advisors – Monthly Investment Summary, February 2023

MPAERS Fund Composite – February 2023

Retiree and Survivor Payroll Reconciliation – March 2023

Bank of America Checking Account Reconciliation – February 2023

People's United Bank Checking Account Reconciliation – February 2023

People's United Bank Replacement Plan Checking Account Reconciliation – February 2023

2022 3(8)(c) Receivables

Trial Balance – 1/1/2023 – 1/31/2023

Cash Disbursements Report – 1/1/2023 – 1/31/2023

Cash Receipts Report – 1/1/2023 – 1/31/2023

Adjustments Report – 1/1/2023 – 1/31/2023

FY23 Budget to Actual

2022 draft PERAC Annual Statement

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Chairman

Michael A. Grieco
Vice Chairman

John P. Prankevicius, CPA
Treasurer-Custodian

Betsy Taylor
Board Member

Irene Moran
Director of Retirement