

PERAC
Investment
REPORT
JULY 2020

2019

COMMONWEALTH OF MASSACHUSETTS
PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION



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LETTER FROM THE | EXECUTIVE DIRECTOR

We are pleased to release this Investment Report for 2019. Following the adoption of Chapter 68 of the Acts of 2007, the Public Employee Retirement Administration Commission (PERAC) began issuing an Investment Report containing investment and funding results prior to the issuance of our Annual Report, which contains a more exhaustive analysis of the activities of the Massachusetts public pension systems. Chapter 68 of the Acts of 2007 mandates that systems that do not meet certain investment and funding standards transfer assets to the Pension Reserves Investment Trust Fund (PRIT) to be invested by the Pension Reserves Investment Management Board (PRIM). In light of the impact that these results may have on some systems, the Commission believes that it is imperative that this data be disseminated as soon as possible. The full Annual Report for 2019 will be distributed later this summer.

The two comparative components established under Chapter 68 are funded ratio and 10-year investment performance. The funded ratio standard is 65% and, based on investment performance results for 2019, the investment standard is 7.00% (PRIM 10-year return 9.00% minus 2.00%).

This report delineates investment returns for several periods: 2019, 2015-2019 inclusive, 2010-2019 inclusive, and since inception through 2019. The funded ratios are as of the date of the most recent valuation available to PERAC. Ratios based on actuarial valuations received after April 1, 2020 have not been included in this Report. However, such valuations will be used to conduct the Chapter 68 analysis.

PERAC has completed its analysis of system funded status and investment performance in accordance with Chapter 68 of the Acts of 2007. Applying the tests set forth in that statute and PERAC Memo #35 of 2007, PERAC has determined that no retirement board will be ordered to transfer its assets to the Pension Reserves Investment Trust Fund (PRIT) based on 2019 results.

Systems submitted sufficient accounting data this year enabling the PERAC Investment Unit to conduct an accurate assessment of the performance of all systems. Therefore, it was not necessary, as has been the case in the past, to issue a report not covering all 104 systems. Due to the CV-19 pandemic, additional time was granted to systems to compile and submit the necessary information.

This Report is the result of the efforts of PERAC's Investment, Compliance, and Communications Units. On behalf of the Commission, I would like to thank Senior Investment Analysts Veronica Colon and Sarita Yee for their efforts in preparing this Report. Lastly, we express our appreciation to the administrative staff at our retirement boards for their efforts in providing the detailed data that allows us to issue this report in a timely and accurate manner.

I hope you find the Report informative and helpful as you assess the state of our retirement systems.

Sincerely,



John W. Parsons, Esq.
Executive Director

2019 RETURNS & ANNUALIZED PAST RETURNS (IN PERCENT) | FUNDED RATIOS

	Return (2019)	5-Year Return	10-Year Return	35-Year Return	Funded Ratio	Date of Most Recent Valuation
ADAMS	18.46%	5.91%	6.59%	7.76%	72.1%	1/1/18
AMESBURY	16.40%	8.03%	8.99%	8.13%	58.7%	1/1/18
ANDOVER	18.72%	8.13%	9.10%	8.47%	48.6%	1/1/18
ARLINGTON	16.27%	7.76%	8.83%	8.44%	52.5%	1/1/19
ATTLEBORO	23.83%	8.24%	9.74%	9.05%	62.6%	1/1/18
BARNSTABLE COUNTY	17.26%	8.21%	9.16%	7.69%	59.5%	1/1/18
BELMONT	16.85%	7.51%	8.99%	9.32%	58.2%	1/1/18
BERKSHIRE COUNTY	16.48%	8.06%	9.01%	9.05%	83.8%	1/1/19
BEVERLY	16.71%	8.10%	9.16%	8.66%	57.3%	1/1/18
BLUE HILLS REGIONAL	16.48%	8.00%	9.01%	8.74%	73.7%	1/1/18
BOSTON (CITY)	16.90%	6.85%	8.11%	8.84%	76.9%	1/1/18
BOSTON (TEACHERS)	16.44%	8.06%	N/A	N/A	41.1%	1/1/19
BRAINTREE	18.55%	7.28%	8.05%	8.66%	65.1%	1/1/18
BRISTOL COUNTY	18.16%	7.57%	8.86%	8.90%	67.7%	1/1/18
BROCKTON	16.65%	6.59%	7.67%	8.62%	62.4%	1/1/18
BROOKLINE	15.95%	7.57%	8.04%	8.65%	57.1%	1/1/18
CAMBRIDGE	16.72%	7.58%	9.31%	9.27%	87.7%	1/1/18
CHELSEA	16.58%	8.11%	9.05%	8.10%	69.6%	1/1/19
CHICOPEE	16.81%	7.75%	9.60%	8.70%	79.9%	1/1/19
CLINTON	16.54%	8.13%	8.94%	7.88%	67.7%	1/1/19
CONCORD	16.76%	7.27%	8.88%	8.61%	86.1%	1/1/19
DANVERS	18.21%	6.99%	7.84%	8.04%	58.6%	1/1/18
DEDHAM	16.70%	8.15%	9.16%	9.53%	81.6%	1/1/19
DUKES COUNTY	21.55%	9.90%	10.38%	8.16%	76.4%	1/1/18
EASTHAMPTON	16.61%	8.07%	9.06%	8.38%	73.3%	1/1/18
ESSEX REGIONAL	16.50%	8.05%	9.30%	8.81%	53.4%	1/1/18
EVERETT	16.74%	8.19%	9.21%	8.56%	57.3%	1/1/18
FAIRHAVEN	16.70%	8.06%	9.06%	9.33%	72.9%	1/1/18
FALL RIVER	15.86%	7.81%	8.89%	8.44%	41.8%	1/1/19
FALMOUTH	18.36%	7.32%	9.10%	9.23%	64.8%	1/1/18
FITCHBURG	17.09%	8.05%	8.79%	7.80%	43.8%	1/1/18
FRAMINGHAM	16.39%	8.04%	9.05%	9.30%	71.4%	1/1/18
FRANKLIN REGIONAL	17.92%	7.79%	9.57%	8.47%	73.2%	1/1/18
GARDNER	16.51%	8.07%	9.06%	9.41%	53.2%	1/1/19
GLoucester	16.57%	8.13%	9.08%	8.92%	46.8%	1/1/18
GREATER LAWRENCE	18.87%	8.76%	9.23%	7.85%	87.6%	1/1/19

2019 RETURNS & ANNUALIZED PAST RETURNS (IN PERCENT) | FUNDED RATIOS

	Return (2019)	5-Year Return	10-Year Return	35-Year Return	Funded Ratio	Date of Most Recent Valuation
GREENFIELD	16.72%	8.17%	9.19%	8.60%	57.0%	1/1/19
HAMPDEN COUNTY REGIONAL	16.18%	7.96%	8.90%	8.66%	49.1%	1/1/18
HAMPSHIRE COUNTY	16.88%	7.69%	8.41%	8.35%	61.5%	1/1/18
HAVERHILL	15.51%	7.31%	8.74%	9.85%	51.9%	1/1/18
HINGHAM	16.73%	7.92%	8.54%	9.14%	70.9%	1/1/18
HOLYOKE	20.32%	8.68%	10.30%	9.44%	67.7%	1/1/18
HULL	16.70%	8.15%	9.05%	8.06%	63.9%	1/1/18
LAWRENCE	16.88%	8.12%	9.07%	7.95%	52.7%	1/1/18
LEOMINSTER	17.26%	7.91%	9.26%	8.65%	90.4%	1/1/19
LEXINGTON	19.79%	8.19%	8.38%	8.86%	87.2%	1/1/18
LOWELL	16.31%	7.81%	8.85%	9.10%	58.2%	1/1/19
LYNN	16.62%	8.06%	9.06%	8.14%	52.7%	1/1/19
MALDEN	11.76%	6.74%	8.94%	9.59%	72.0%	1/1/18
MARBLEHEAD	16.75%	8.11%	9.10%	9.25%	64.8%	1/1/18
MARLBOROUGH	17.79%	6.63%	7.85%	8.33%	75.0%	1/1/19
MA HOUSING FINANCE (MHFA)	19.31%	7.36%	7.99%	7.59%	74.4%	1/1/19
MASSPORT	20.11%	7.72%	8.68%	9.03%	92.2%	1/1/19
MA TEACHERS RETIREMENT SYSTEM (MTRS)	16.62%	8.11%	9.13%	9.47%	51.7%	1/1/19
MA WATER RESOURCES AUTHORITY (MWRA)	16.15%	7.06%	8.48%	8.19%*	89.2%	1/1/19
MAYNARD	18.11%	7.04%	8.83%	7.96%	72.2%	1/1/19
MEDFORD	15.83%	6.24%	7.48%	8.67%	68.1%	1/1/18
MELROSE	15.95%	7.61%	8.66%	8.44%	58.3%	1/1/19
METHUEN	16.63%	8.42%	9.60%	8.15%	53.4%	1/1/18
MIDDLESEX COUNTY	16.09%	7.69%	8.76%	8.45%	47.9%	1/1/18
MILFORD	16.35%	8.01%	8.91%	8.32%	61.3%	1/1/19
MILTON	16.68%	8.08%	9.09%	9.39%	82.6%	1/1/19
MINUTEMAN REGIONAL	16.22%	7.85%	8.86%	9.44%	88.3%	1/1/17
MONTAGUE	16.72%	8.04%	9.05%	9.16%	77.7%	1/1/18
NATICK	18.95%	8.02%	9.48%	8.24%	63.9%	1/1/19
NEEDHAM	16.43%	8.02%	8.96%	9.62%	68.8%	1/1/18
NEW BEDFORD	19.73%	8.26%	9.00%	8.23%	45.2%	1/1/18
NEWBURYPORT	16.65%	7.89%	8.93%	8.31%	65.3%	1/1/18
NEWTON	16.19%	8.02%	8.95%	8.69%	52.6%	1/1/19
NORFOLK COUNTY	17.32%	7.08%	8.59%	8.59%	62.4%	1/1/18
NORTH ADAMS	11.77%	7.08%	9.43%	9.56%	77.9%	1/1/19
NORTH ATTLEBORO	21.77%	8.47%	9.80%	8.77%	77.3%	1/1/19

* Based on 34-year return

2019 RETURNS & ANNUALIZED PAST RETURNS (IN PERCENT) | FUNDED RATIOS

	Return (2019)	5-Year Return	10-Year Return	35-Year Return	Funded Ratio	Date of Most Recent Valuation
NORTHAMPTON	11.61%	7.10%	9.31%	9.39%	68.7%	1/1/18
NORTHBRIDGE	16.78%	8.16%	9.16%	9.37%	69.1%	1/1/18
NORWOOD	20.82%	8.74%	8.86%	9.20%	80.6%	1/1/18
PEABODY	16.72%	8.09%	9.11%	8.71%	52.3%	1/1/18
PITTSFIELD	15.58%	7.84%	9.00%	8.28%	49.3%	1/1/19
PLYMOUTH	19.16%	8.50%	9.41%	8.90%	49.8%	1/1/19
PLYMOUTH COUNTY	18.20%	6.99%	8.50%	9.01%	61.9%	1/1/19
PRIM BOARD	16.71%	8.08%	9.06%	9.54%	NOT APPLICABLE	
QUINCY	17.12%	7.22%	7.96%	8.23%	45.0%	1/1/18
READING	15.66%	7.98%	9.06%	9.28%	75.0%	1/1/19
REVERE	16.60%	8.01%	8.89%	8.47%	60.0%	1/1/19
SALEM	16.55%	7.92%	8.74%	8.23%	57.4%	1/1/18
SAUGUS	16.49%	8.08%	9.09%	9.24%	77.4%	1/1/19
SHREWSBURY	19.09%	8.37%	9.72%	9.21%	92.4%	1/1/18
SOMERVILLE	24.52%	8.58%	10.06%	9.12%	62.7%	1/1/19
SOUTHBRIDGE	16.69%	8.13%	8.74%	8.17%	60.3%	1/1/18
SPRINGFIELD	16.80%	8.32%	9.20%	8.50%	27.0%	1/1/18
STATE	16.79%	8.14%	9.15%	9.47%	63.7%	1/1/19
STONEHAM	18.21%	7.97%	9.04%	8.85%	74.7%	1/1/18
SWAMPSCOTT	18.52%	7.97%	8.91%	9.10%	59.6%	1/1/19
TAUNTON	21.45%	8.01%	9.39%	9.61%	79.6%	1/1/18
WAKEFIELD	16.75%	8.13%	9.15%	9.65%	65.3%	1/1/18
WALTHAM	19.32%	7.75%	9.24%	8.70%	56.8%	1/1/19
WATERTOWN	19.85%	7.86%	8.79%	8.38%	89.0%	1/1/19
WEBSTER	19.01%	7.39%	8.96%	8.19%	57.8%	1/1/18
WELLESLEY	16.72%	8.10%	9.12%	9.92%	77.7%	1/1/19
WEST SPRINGFIELD	10.39%	6.65%	9.09%	8.25%	64.4%	1/1/18
WESTFIELD	18.45%	8.30%	9.68%	8.86%	70.4%	1/1/19
WEYMOUTH	17.99%	7.36%	8.78%	9.73%	66.1%	1/1/18
WINCHESTER	16.73%	7.06%	7.65%	8.96%	80.5%	1/1/19
WINTHROP	16.68%	8.10%	8.85%	8.73%	83.2%	1/1/19
WOBURN	20.24%	7.77%	9.21%	9.36%	63.4%	1/1/18
WORCESTER	17.66%	7.44%	8.21%	8.81%	63.2%	1/1/19
WORCESTER REGIONAL	16.61%	7.90%	8.78%	8.28%	45.3%	1/1/18
COMPOSITE	16.91%	7.72%	8.91%	9.18%	NOT APPLICABLE	

NOTES |



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