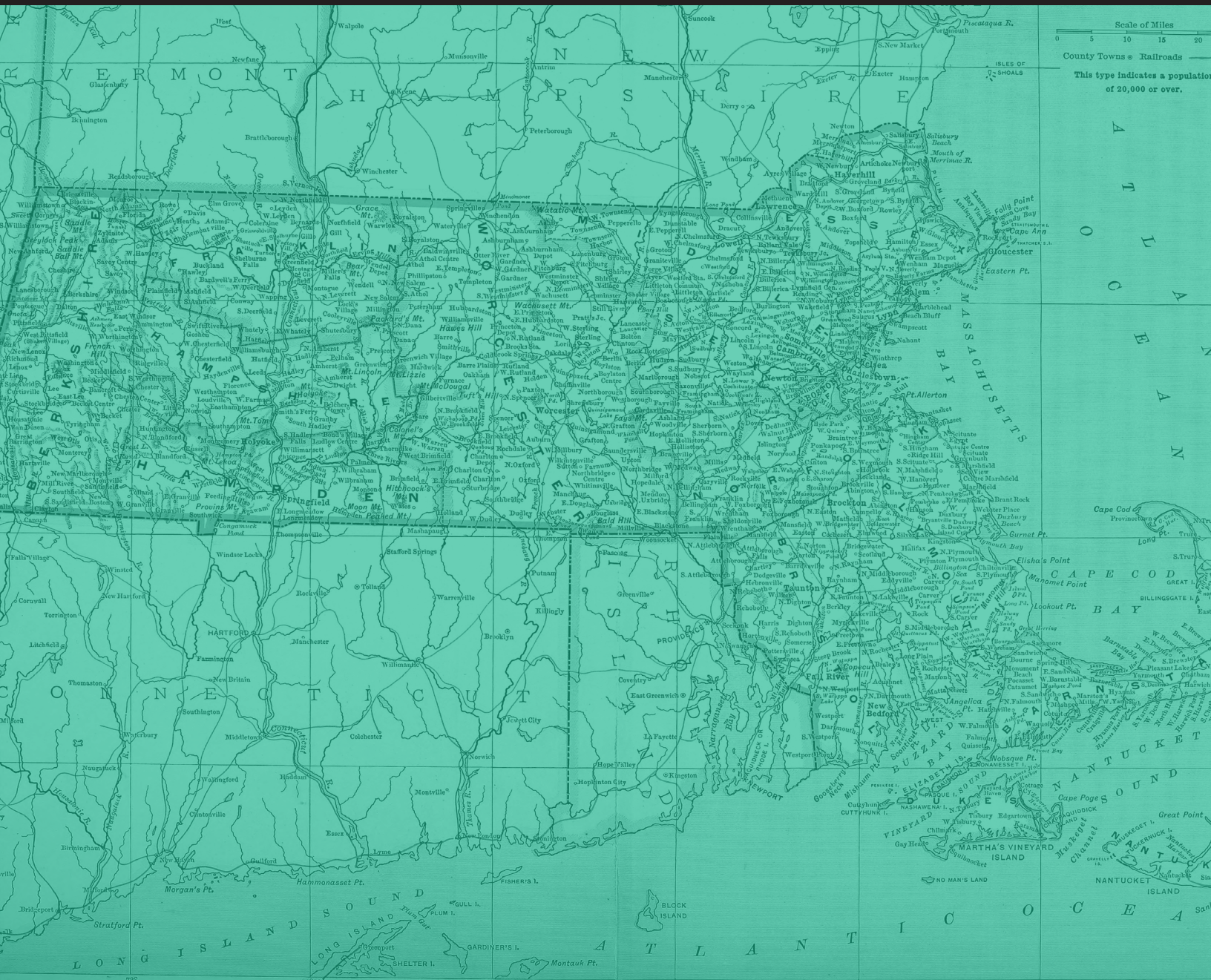


20  
20

Public Employee Retirement Administration Commission

# INVESTMENT REPORT

JUNE 2021



## Commission Members

**Philip Y. Brown, Esq.**

*Chairman*

**The Honorable Suzanne M. Bump**

*Auditor of the Commonwealth*

*Vice Chairman*

**Kathleen M. Fallon**

*Practice Area Director, Public Consulting Group*

**Kate Fitzpatrick**

*Town Manager, Town of Needham*

**James M. Machado**

*Sergeant, Fall River Police Department*

**Richard MacKinnon, Jr.**

*President of the Professional*

*Firefighters of Massachusetts (PFFM)*

**Jennifer F. Sullivan**

*Governor's Appointee,*

*Investment Professional*

**John W. Parsons, Esq.**

*Executive Director*

## Public Employee Retirement Administration Commission

Five Middlesex Avenue

Suite 304

Somerville, MA 02145

Phone 617 666 4446

Fax 617 628 4002

TTY 617 591 8917

Web [www.mass.gov/perac](http://www.mass.gov/perac)





# Letter from Executive Director

## John W. Parsons



*“Each year PERAC publishes the returns and annualized past returns of each MA retirement system, in addition to their funded ratio. This summary report allows readers to review the current and long term performance of our systems, and the steady, positive progress being made towards the full funding of our systems.”*

We are pleased to release this Investment Report for 2020. Each year, PERAC publishes the returns and annualized past returns of each Massachusetts public retirement system, in addition to their funded ratio. This summary report allows readers to review the current and long term performance of our systems and the steady, positive progress being made towards the full funding of our systems. Our Annual Report will provide a more comprehensive view of our systems, both individually and collectively.

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. 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 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 2020, the investment standard is 6.97% (PRIM 10-year return 8.97% minus 2.00%).

This report delineates investment returns for several periods: 2020, 2016-2020 inclusive, 2011-2020 inclusive, and since inception through 2020. 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, 2021 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 2020 results.

This Report is the result of the efforts of PERAC's Investment, Compliance, Audit, 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,

A handwritten signature in black ink, appearing to read "John W. Parsons". The signature is fluid and cursive, with a large initial "J" and "P".

John W. Parsons, Esq.  
Executive Director

## 2020 RETURNS & ANNUALIZED PAST RETURNS (IN PERCENT) | FUNDED RATIOS

	Return (2020)	5-Year Return	10-Year Return	36-Year Return
ADAMS	8.00%	8.28%	6.46%	7.77%
AMESBURY	12.39%	10.34%	8.89%	8.25%
ANDOVER	12.42%	10.40%	8.99%	8.58%
ARLINGTON	11.94%	9.91%	8.72%	8.54%
ATTLEBORO	16.51%	11.65%	9.78%	9.25%
BARNSTABLE COUNTY	12.71%	10.56%	9.08%	7.83%
BELMONT	11.30%	9.55%	8.75%	9.38%
BERKSHIRE COUNTY	12.39%	10.35%	8.92%	9.14%
BEVERLY	12.60%	10.44%	9.06%	8.77%
BLUE HILLS REGIONAL	12.26%	10.27%	8.90%	8.84%
BOSTON (CITY)	12.36%	9.62%	8.00%	8.93%
BOSTON (TEACHERS)	12.23%	10.31%	8.89%	NA
BRAINTREE	13.91%	10.35%	8.29%	8.80%
BRISTOL COUNTY	12.21%	9.99%	8.68%	8.99%
BROCKTON	9.87%	8.90%	7.32%	8.65%
BROOKLINE	12.81%	9.88%	7.93%	8.77%
CAMBRIDGE	12.08%	10.08%	9.05%	9.35%
CHELSEA	12.53%	10.43%	8.97%	8.22%
CHICOPEE	12.91%	10.36%	9.19%	8.81%
CLINTON	12.80%	10.44%	8.90%	8.01%
CONCORD	10.23%	9.20%	8.68%	8.65%
DANVERS	12.16%	9.80%	7.52%	8.15%
DEDHAM	12.71%	10.51%	9.05%	9.62%
DUKES COUNTY	12.77%	11.59%	10.24%	8.29%
EASTHAMPTON	12.47%	10.38%	8.96%	8.49%
ESSEX REGIONAL	12.17%	10.18%	9.01%	8.90%
EVERETT	12.68%	10.54%	9.07%	8.67%
FAIRHAVEN	12.54%	10.38%	8.98%	9.41%
FALL RIVER	12.61%	10.10%	8.82%	8.55%
FALMOUTH	10.36%	9.30%	8.73%	8.99%
FITCHBURG	12.27%	10.34%	8.83%	7.92%
FRAMINGHAM	12.39%	10.34%	8.94%	9.38%
FRANKLIN REGIONAL	12.65%	10.14%	9.31%	8.59%
GARDNER	12.37%	10.37%	8.95%	9.49%
GLOUCESTER	12.69%	10.48%	9.02%	9.03%
GREATER LAWRENCE	18.28%	12.35%	9.80%	8.13%

Funded Ratio	Date of Most Recent Valuation
67.40%	1/1/20
57.20%	1/1/20
47.30%	1/1/20
54.60%	1/1/20
62.20%	1/1/20
60.80%	1/1/20
60.40%	1/1/20
83.80%	1/1/19
61.00%	1/1/20
73.80%	1/1/20
75.60%	1/1/20
41.10%	1/1/19
67.70%	1/1/20
60.10%	1/1/20
60.60%	1/1/20
59.60%	1/1/20
85.80%	1/1/20
69.60%	1/1/19
79.90%	1/1/19
67.70%	1/1/19
88.60%	1/1/20
60.30%	1/1/20
83.10%	1/1/20
78.20%	1/1/20
74.90%	1/1/20
53.80%	1/1/20
62.90%	1/1/20
74.50%	1/1/20
41.80%	1/1/19
67.10%	1/1/20
47.60%	1/1/20
72.80%	1/1/20
74.40%	1/1/20
59.70%	1/1/20
49.10%	1/1/20
87.60%	1/1/19

## 2020 RETURNS & ANNUALIZED PAST RETURNS (IN PERCENT) | FUNDED RATIOS

	Return (2020)	5-Year Return	10-Year Return	36-Year Return	Funded Ratio	Date of Most Recent Valuation
GREENFIELD	12.88%	10.53%	9.13%	8.71%	57.0%	1/1/19
HAMPDEN COUNTY REGIONAL	12.24%	10.14%	8.85%	8.76%	48.70%	1/1/20
HAMPSHIRE COUNTY	12.19%	10.12%	8.29%	8.45%	62.40%	1/1/20
HAVERHILL	14.45%	10.50%	8.70%	9.97%	53.00%	1/1/20
HINGHAM	12.59%	10.62%	8.44%	9.23%	70.40%	1/1/20
HOLYOKE	16.42%	11.25%	10.23%	9.63%	69.00%	1/1/20
HULL	12.43%	10.42%	8.97%	8.18%	69.60%	1/1/20
LAWRENCE	12.45%	10.40%	8.95%	8.07%	55.40%	1/1/20
LEOMINSTER	12.63%	10.37%	9.31%	8.76%	100.90%	1/1/20
LEXINGTON	13.86%	10.90%	8.30%	9.00%	80.40%	1/1/20
LOWELL	12.13%	10.08%	8.74%	9.18%	58.20%	1/1/19
LYNN	12.11%	10.09%	9.01%	8.24%	52.70%	1/1/19
MALDEN	18.02%	10.59%	9.43%	9.82%	72.90%	1/1/20
MARBLEHEAD	12.43%	10.41%	8.98%	9.34%	62.30%	1/1/20
MARLBOROUGH	14.98%	9.77%	8.11%	8.51%	75.00%	1/1/19
MA HOUSING FINANCE (MHFA)	14.02%	10.73%	8.12%	7.76%	74.40%	1/1/19
MASSPORT	16.78%	11.21%	9.08%	9.24%	90.20%	1/1/20
MA TEACHERS RETIREMENT SYSTEM (MTRS)	12.78%	10.48%	9.04%	9.56%	51.70%	1/1/19
MA WATER RESOURCES AUTHORITY (MWRA)*	13.42%	9.55%	8.48%	8.33%	86.60%	1/1/20
MAYNARD	13.87%	9.76%	8.89%	8.12%	72.20%	1/1/19
MEDFORD	12.18%	8.61%	7.40%	8.77%	61.30%	1/1/20
MELROSE	11.82%	9.87%	8.54%	8.53%	58.30%	1/1/19
METHUEN	12.60%	10.55%	9.38%	8.27%	56.20%	1/1/20
MIDDLESEX COUNTY	12.26%	9.95%	8.72%	8.56%	48.10%	1/1/20
MILFORD	12.20%	10.31%	8.85%	8.43%	61.30%	1/1/19
MILTON	12.46%	10.38%	8.97%	9.47%	82.60%	1/1/19
MINUTEMAN REGIONAL	12.33%	10.13%	8.71%	9.52%	86.00%	1/1/19
MONTAGUE	12.49%	10.36%	8.95%	9.25%	78.10%	1/1/20
NATICK	14.74%	10.87%	9.54%	8.41%	63.90%	1/1/19
NEEDHAM	12.48%	10.33%	8.88%	9.70%	65.60%	1/1/20
NEW BEDFORD	14.40%	11.32%	9.08%	8.40%	46.90%	1/1/20
NEWBURYPORT	12.71%	10.24%	8.86%	8.43%	64.90%	1/1/20
NEWTON	11.98%	10.23%	8.89%	8.78%	54.90%	1/1/20
NORFOLK COUNTY**					63.50%	1/1/20
NORTH ADAMS	18.62%	10.97%	9.95%	9.80%	77.90%	1/1/19
NORTH ATTLEBORO	14.82%	10.99%	9.86%	8.93%	73.20%	1/1/20

\* Based on 35-year return

\*\* As of the date of this publication, complete information was unavailable for these Retirement Boards.

## 2020 RETURNS & ANNUALIZED PAST RETURNS (IN PERCENT) | FUNDED RATIOS

	Return (2020)	5-Year Return	10-Year Return	36-Year Return
NORTHAMPTON	18.39%	10.80%	9.84%	9.63%
NORTHBRIDGE	12.75%	10.53%	9.06%	9.46%
NORWOOD	15.29%	11.75%	9.27%	9.36%
PEABODY	12.56%	10.42%	9.00%	8.81%
PITTSFIELD	12.04%	10.02%	8.86%	8.38%
PLYMOUTH	10.07%	9.96%	9.19%	8.93%
PLYMOUTH COUNTY	14.62%	9.83%	8.42%	9.16%
PRIM BOARD	12.61%	10.42%	8.97%	9.62%
QUINCY**				
READING	12.44%	10.28%	8.95%	9.36%
REVERE	12.36%	10.31%	8.86%	8.57%
SALEM	12.41%	10.29%	8.73%	8.34%
SAUGUS	12.89%	10.47%	9.02%	9.34%
SHREWSBURY	12.74%	10.83%	9.59%	9.31%
SOMERVILLE	27.59%	13.77%	11.31%	9.60%
SOUTHBRIDGE	12.46%	10.41%	8.83%	8.28%
SPRINGFIELD	12.70%	10.61%	9.16%	8.62%
STATE	12.69%	10.50%	9.05%	9.55%
STONEHAM	7.85%	9.36%	8.46%	8.82%
SWAMPSCOTT	12.68%	10.25%	9.13%	9.20%
TAUNTON	11.60%	10.08%	9.02%	9.66%
WAKEFIELD	12.50%	10.42%	9.03%	9.73%
WALTHAM	14.05%	10.29%	9.26%	8.85%
WATERTOWN	13.42%	10.09%	8.76%	8.51%
WEBSTER	9.61%	9.21%	8.46%	8.23%
WELLESLEY	12.51%	10.42%	9.01%	9.99%
WEST SPRINGFIELD	18.19%	10.55%	9.71%	8.53%
WESTFIELD	15.26%	10.65%	9.96%	9.03%
WEYMOUTH	15.65%	10.35%	8.89%	9.89%
WINCHESTER	12.60%	9.70%	7.98%	9.06%
WINTHROP	12.60%	10.44%	8.83%	8.83%
WOBURN	12.58%	10.47%	9.08%	9.45%
WORCESTER	11.87%	10.03%	8.03%	8.89%
WORCESTER REGIONAL	12.53%	10.28%	8.82%	8.39%
<b>COMPOSITE †</b>	<b>12.82%</b>	<b>10.38%</b>	<b>8.93%</b>	<b>9.32%</b>

Funded Ratio	Date of Most Recent Valuation
69.20%	1/1/20
71.90%	1/1/20
78.40%	1/1/20
49.30%	1/1/20
49.30%	1/1/19
51.90%	1/1/20
61.00%	1/1/20
<b>NOT APPLICABLE</b>	
45.00%	1/1/18
75.00%	1/1/19
60.00%	1/1/19
59.20%	1/1/20
77.40%	1/1/19
93.40%	1/1/20
62.70%	1/1/19
62.90%	1/1/20
28.90%	1/1/20
63.70%	1/1/19
78.10%	1/1/20
59.60%	1/1/19
74.50%	1/1/20
64.70%	1/1/20
56.80%	1/1/19
91.70%	1/1/20
58.40%	1/1/20
77.70%	1/1/19
66.40%	1/1/20
70.40%	1/1/19
65.60%	1/1/20
80.50%	1/1/19
83.20%	1/1/19
61.10%	1/1/20
63.90%	1/1/20
46.40%	1/1/20
<b>NOT APPLICABLE</b>	

\*\* As of the date of this publication, complete information was unavailable for these Retirement Boards.

† **COMPOSITE** numbers are subject to change as board data is updated.

# NOTES |

20  
20

**COMMONWEALTH OF MASSACHUSETTS**

Public Employee Retirement Administration Commission

Five Middlesex Avenue, Suite 304 • Somerville, MA 02145

PH 617-666-4446 • FAX 617-628-4002

TTY 617-591-8917 • WEB [www.mass.gov/perac](http://www.mass.gov/perac)

