

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
April 17, 2020

Pursuant to notice by the Interim-Executive Director, the Regular Meeting of the Retirement Board of the Massachusetts Bay Transportation Authority Retirement Fund was held on Friday, April 17, 2020, at 9:30 AM, at One Washington Mall, 4th Floor, Boston, MA 02108.

The Members present by video conference were James Evers, Michael Abramo, James Bradley, Craig Hughes and Betsy Taylor; Alternate Members were, Patrick Hogan, Gerald Kelley and Timothy Long.

Also present were John P. Barry, Interim-Executive Director; Pamela Holloman, Recording Secretary; and staff. Julian Regan and Pamela Dubuc both of Segal Marco entered the meeting by video conference.

Chairperson James Evers presided.

Chairperson Evers reported that the active member of the Retirement Fund, Local Unions 589 and 600, Andrew Wong passed away from the Coronavirus Disease 2019. He added that he would like, on behalf of the Board, to recognize and issue condolences to Mr. Wong's family.

SECTION II – REGULAR SESSION

a. Minutes

The Chairperson stated that the next item on the Agenda was the Consideration of Minutes of Prior Meeting of the Board, March 20, 2020. He inquired if there were any questions. None were asked.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the Minutes of the Regular Meeting of March 20, 2020.

b. Approvals

Interim-Chairperson Evers stated that the second item on the Agenda was Approvals. The Chairperson asked the Board to review the items listed for approval on pages 4-8 of the meeting packet. A discussion ensued.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item a. as indicated
on Pages 4 through 8 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Items c. as indicated on Pages 9 through 15 of the meeting packet are INFORMATIONAL ITEMS to be reviewed at the Board's leisure.

d. Report of Executive Director

Chairperson Evers stated that the next item on the Agenda was a report from the Executive Director.

i. General Financial Reports

Mr. Barry directed the Board's attention to the Financial and Flash reports and gave an account of the Fund's financial activities for the month of March 2020. He reported that for the month of March, the Fund had a total of \$11,497,802 in deposits and \$19,076,772 in withdrawals for a net-negative of \$7,578,971. He added that the market value at the end of March 2020 was \$1,394,983,614. The Executive Director reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmarks.

ii. COVID-19 Response Report

Mr. Barry directed the Board's attention to the presentation entitled, "Retirement Fund's Response to the COVID-19 Crisis". He stated that the COVID-19 Response material will be added to MBTARF.com. He then reviewed the presentation and followed with displaying a photo of the reconfigured Boardroom in use as a "safe" room for in-office consultations. Mr. Barry noted that he was able to run a simulation on *Notarize*, a remote online notarization provider as a contingency plan for staff to continue accepting retirement applications while maintaining social distancing. He added that according to a recent *Boston Globe* article, Governor Baker is currently reviewing a remote-notarization Bill that will allow notary publics to perform their duties through video conferencing. Trustee Taylor congratulated Mr. Barry on adopting business continuity measures under trying circumstances, Chairperson Evers echoed her sentiments. Mr. Barry answered all questions asked and concluded his report.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of March 2020.

On motion, duly made and seconded, it was unanimously

VOTED:- THAT the Retirement Board of the MBTA Retirement Fund move into Closed Session.

The meeting went into Closed Session at 9:48 AM.

The regular meeting reconvened at 11:20 AM.

There being no further business to come before the Board,

On motion, duly made and seconded, it was unanimously

VOTED:- TO adjourn.

Adjourned accordingly at 11:20 AM

A true record.

ATTEST:

Notary Public



Returns - Net of Fees

	<u>MONTH TO</u> <u>DATE</u>	<u>YTD</u>	<u>ROLLING 1</u> <u>YEAR</u>	<u>ROLLING 3</u> <u>YEARS</u>	<u>ROLLING 5</u> <u>YEARS</u>	<u>ROLLING</u> <u>10 YEARS</u>	<u>MKT VALUE</u>	<u>ALLOCATION</u>
<u>EQUITY-USD</u>								
TOTAL LARGE CAP EQUITY	12.98	-12.05	-2.68	7.02	6.97	10.80	267,640,319	18.2
S&P 500	12.82	-9.29	0.86	9.04	9.12	11.69		
TOTAL SMALL CAP EQUITY	13.61	-18.55	-13.49	2.59	4.79	9.07	100,569,624	6.9
RUSSELL 2000 GROWTH	14.89	-14.71	-9.22	4.21	5.19	9.96		
RUSSELL 2000 VALUE	12.34	-27.72	-23.84	-6.06	-	-		
GLOBAL EQUITY AND EMERGING MARKETS	15.95	-0.73	7.85	14.31	11.67	-	120,807,401	8.2
MSCI ALL COUNTRY WORLD INDEX (NET)	10.71	-12.94	-4.96	4.46	4.37	-		
TOTAL INTERNATIONAL EQUITY	8.97	-17.65	-12.58	-0.73	-0.22	3.59	150,257,002	10.2
MSCI EAFE	6.46	-17.84	-11.34	-0.58	-0.17	3.55		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	2.50	1.25	4.61	3.13	2.90	3.99	347,945,033	23.7
BC AGGREGATE	1.78	4.98	10.84	5.17	3.80	3.96		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.01	0.58	2.07	1.81	1.19	0.64		
MASTER ACCOUNT	0.04	0.39	1.76	1.68	1.14	0.61	56,440,046	3.8
CASH EQUITIZATION CUSTOM INDEX	11.48	-13.98	-5.95	4.65	5.55	8.86		
91 DAY T-BILL	0.01	0.58	2.07	1.81	1.19	0.64		
SSGM CASH EQUITIZATION	10.32	-13.77	-6.70	3.22	4.44	8.10	3,734,075	0.3



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TOTAL HEDGE FUND*	-8.47	-9.40	-4.77	-1.67	-1.77	1.92	48,950,468	3.3
91 T - BILL ONE MONTH LAG PLUS 300BP	0.54	1.32	5.32	4.88	4.22	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	-7.28	-8.98	-4.32	0.36	0.24	2.96		
DIVERSIFIED BETA	3.52	-7.59	-0.88	3.06	3.53	-	93,124,440	6.4
91 DAY T BILL PLUS 300 BPS	0.25	1.58	5.13	4.86	4.22	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	7.27	-5.41	2.31	5.41	4.74	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.01	0.59	2.09	1.82	1.21	-		
OPPORTUNISTIC**	-	12.78	12.78	-	-	-	8,469,872	0.6
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	-	2.61	9.39	-	-	-		
PRIVATE EQUITY **								
STATE STREET CUSTOMIZED BENCHMARK***	-	-	8.94	12.69	10.12	12.44		
TOTAL PRIVATE EQUITY^^	3.18	6.04	11.60	10.24	8.32	9.46	128,931,701	8.8
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	1.60	6.40	6.42	6.70	8.25	10.18		
NCREIF ODCE	1.50	5.30	5.35	7.10	8.97	11.42		
TOTAL REAL ESTATE	1.88	6.50	5.58	7.63	8.82	11.09	140,655,503	9.6
TOTAL FUND								
MBTA ALLOCATION MIX	5.45	-6.11	-0.07	4.25	4.30	6.31		
MBTA POLICY MIX	5.29	-5.26	0.65	4.47	4.89	6.79		
TOTAL FUND	5.74	-6.47	-0.28	5.19	4.85	7.00	1,467,525,484	100.0
PREVIOUS MKT VALUE							1,394,983,614	
MONTHLY CHANGE IN MARKET VALUE							72,541,870	
12/31/2018 MKT VALUE							1,602,278,215	
YTD CHANGE IN MARKET VALUE							-134,752,731	

* YTD Returns lags by one month. Actual returns through March 31, 2020

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 12/31/19 adjusted for cash flows. The month return is actually the last quarter returns

^ 36% Buyout, 9% Venture, 37% Debt and 18% Fund of Funds

^^ Active portfolio - post 2005

***State Street Customized Benchmark is not available yet. The return reported is 9/30/2019



Returns - Gross of Fees

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