

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
June 19, 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, June 19, 2020, at 9:33 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, John Clancy, Patrick Hogan, Gerald Kelley, Timothy Long and Mary Ann O’Hara.

Also present were John P. Barry, Interim-Executive Director; Jacquelyn Carey, Acting Recording Secretary; and staff.

On motion, duly made and seconded, it was unanimously

VOTED:- TO appoint Jacquelyn Carey as Acting Recording Secretary.

Chairperson James Evers presided.

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, May 15, 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 May 15, 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 4-9 of the meeting packet.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item b. as indicated
on Pages 4 through 9 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Items c. as indicated on Pages 10 through 19 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. Julian Regan and Pamela Dubuc of Segal Marco entered the meeting by video conference at 9:35 AM.

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 May 2020. He reported that for the month of May, the Fund had a total of \$17,005,397 in deposits and \$18,957,759 in withdrawals for a net-negative of \$1,952,362. He added that the market value at the end of May 2020 was \$1,514,183,640. The Executive Director reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark.

Mr. Barry noted that there were three payroll periods in the month of May, which contributed to the increase in deposits. He also referred the Trustees to the Fund

website where a new newsletter, the current Investment Policy Statement as well as investment list has been updated.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of May 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 9:39 AM.

The regular meeting reconvened at 11:20 AM.

SECTION IV – REGULAR SESSION

The Chairperson stated that the next item on the Agenda was the Board consideration and vote regarding the 2019 Audit Report and 2019 Comprehensive Annual Financial Report (CAFR).

On motion, duly made and seconded, it was unanimously

VOTED:- TO Approve the 2019 Audit Report.

On motion, duly made and seconded, it was

VOTED:- TO Approve the 2019 Comprehensive Annual Financial Report (CAFR).

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 11:22 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	1.91	-5.88	4.07	8.71	8.64	13.04	286,392,212	18.7
S&P 500	1.99	-3.08	7.51	10.73	10.73	13.99		
TOTAL SMALL CAP EQUITY	3.66	-9.79	-4.11	5.39	6.27	11.87	111,387,026	7.3
RUSSELL 2000 GROWTH	3.84	-3.06	3.48	7.86	6.86	12.92		
RUSSELL 2000 VALUE	2.90	-23.50	-17.48	-4.35	1.26	-		
GLOBAL EQUITY AND EMERGING MARKETS	5.72	15.86	23.83	18.57	15.09	-	130,401,262	8.5
MSCI ALL COUNTRY WORLD INDEX (NET)	3.20	-6.25	2.11	6.14	6.46	-		
TOTAL INTERNATIONAL EQUITY	4.37	-9.90	-3.85	0.68	1.95	5.77	164,389,473	10.7
MSCI EAFE	3.40	-11.34	-5.13	0.81	2.05	5.73		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	1.33	3.88	5.06	3.84	3.65	4.23	356,776,485	23.3
BC AGGREGATE	0.63	6.14	8.74	5.32	4.30	3.82		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.01	0.60	1.63	1.77	1.19	0.64		
MASTER ACCOUNT	0.01	0.43	1.41	1.65	1.15	0.62	64,193,860	4.2
CASH EQUITIZATION CUSTOM INDEX	2.70	-7.24	1.24	6.49	7.30	11.22		
91 DAY T-BILL	0.01	0.60	1.63	1.77	1.19	0.64		
SSGM CASH EQUITIZATION	2.35	-7.72	0.16	4.79	6.04	10.34	4,541,342	0.3



Returns - Net of Fees

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TOTAL HEDGE FUND*	2.17	-5.03	-1.47	-0.44	-0.90	2.48	51,308,851	3.4
91 T - BILL ONE MONTH LAG PLUS 300BP	0.25	1.83	4.89	4.84	4.22	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	2.49	-4.45	0.09	1.57	1.05	-		
DIVERSIFIED BETA	2.47	-2.63	1.38	5.12	5.25	-	98,127,519	6.4
91 DAY T BILL PLUS 300 BPS	0.26	2.09	4.67	4.82	4.23	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	1.84	-0.70	5.73	6.50	6.14	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.02	0.61	1.65	1.78	1.21	-		
OPPORTUNISTIC**	-	3.47	3.47	-	-	-	7,093,796	0.5
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	-11.76	-10.86	-7.40	-	-	-		
PRIVATE EQUITY **								
STATE STREET CUSTOMIZED BENCHMARK***	-	4.35	13.82	13.31	11.16	11.95		
TOTAL PRIVATE EQUITY^^	-5.22	-1.55	3.47	7.05	6.33	8.50	116,740,771	7.6
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	0.71	2.27	5.28	6.41	7.65	10.17		
NCREIF ODCE	-	-	4.88	6.81	8.46	11.45		
TOTAL REAL ESTATE	0.77	2.25	4.62	7.21	8.12	11.00	141,589,616	9.2
TOTAL FUND								
MBTA ALLOCATION MIX	1.54	-2.28	3.02	5.03	5.25	7.28		
MBTA POLICY MIX	1.62	-1.11	4.00	5.63	6.03	7.88		
TOTAL FUND	1.74	-1.69	3.55	6.22	5.88	8.14	1,532,942,211	100.0
PREVIOUS MKT VALUE							1,514,183,640	
MONTHLY CHANGE IN MARKET VALUE							18,758,571	
12/31/2019 MKT VALUE							1,614,144,213	
YTD CHANGE IN MARKET VALUE							-81,202,002	

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

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 3/31/2020 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 for 3/31/2020 is not available yet



Returns - Gross of Fees

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