

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
September 18, 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, September 18, 2020, at 9:31 AM, at One Washington Mall, 4th Floor, Boston, MA 02108.

The Members present by video conference were James Evers, 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; Pamela Holloman, Recording Secretary; and staff. Julian Regan and Pamela Dubuc of Segal Marco entered the meeting by video conference.

Interim-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, August 21, 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 August 21, 2020.

b. Approvals

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 4-7 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 7 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Items c. as indicated on Pages 8 through 13 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 August 2020. He reported that for the month of August, the Fund had a total of \$12,366,653 in deposits and \$18,773,682 in withdrawals for a net-negative of \$6,407,029. He added that the market value at the end of August 2020, was \$1,607,172,662. 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 the Fund's performance is up nearly 4% and that it continues to recover after a challenging market environment in the Spring.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of August 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 9:36 AM.

The regular meeting reconvened at 11:18 AM.

SECTION IV – REGULAR SESSION

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 11:18 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	-3.27	2.08	11.04	10.08	12.12	12.62	300,727,918	18.9
S&P 500	-3.80	5.57	15.15	12.28	14.15	13.74		
TOTAL SMALL CAP EQUITY	-3.53	-5.24	3.73	5.25	9.92	11.23	117,009,077	7.3
RUSSELL 2000 GROWTH	-2.14	3.88	15.71	8.18	11.42	12.34		
RUSSELL 2000 VALUE	-4.65	-21.54	-14.88	-5.13	4.11	-		
GLOBAL EQUITY AND EMERGING MARKETS	3.10	31.26	47.46	20.81	21.05	-	162,670,761	10.2
MSCI ALL COUNTRY WORLD INDEX (NET)	-3.22	1.37	10.44	7.12	10.30	-		
<u>TOTAL INTERNATIONAL EQUITY</u>								
TOTAL INTERNATIONAL EQUITY	-1.48	-3.98	4.48	0.92	5.45	5.00	175,193,897	11.0
MSCI EAFE	-2.60	-7.09	0.49	0.62	5.26	4.62		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.30	5.46	6.14	3.97	4.30	4.05	361,898,724	22.7
BC AGGREGATE	-0.05	6.79	6.98	5.24	4.18	3.64		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.01	0.64	1.10	1.69	1.20	0.64		
MASTER ACCOUNT	0.00	0.44	0.88	1.57	1.15	0.61	40,966,252	2.6
CASH EQUITIZATION CUSTOM INDEX	-3.43	-0.68	8.20	7.17	10.76	10.66		
91 DAY T-BILL	0.01	0.64	1.10	1.69	1.20	0.64		
SSGM CASH EQUITIZATION	-2.52	-2.68	5.43	5.06	9.07	9.75	5,212,399	0.3



Returns - Net of Fees

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TOTAL HEDGE FUND*	2.09	-0.48	2.26	0.62	0.66	2.83	53,768,836	3.4
91 T - BILL ONE MONTH LAG PLUS 300BP	0.25	2.63	4.30	4.76	4.23	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	1.72	0.92	3.05	2.94	2.66	-		
DIVERSIFIED BETA	-1.14	1.70	3.50	5.67	7.13	-	102,482,468	6.4
91 DAY T BILL PLUS 300 BPS	0.26	2.89	4.13	4.74	4.23	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	-2.09	4.30	9.68	7.12	8.20	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.01	0.64	1.11	1.70	1.21	-		
OPPORTUNISTIC**	-	5.47	5.47	-	-	-	7,436,867	0.5
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	0.97	-2.30	-1.10	-	-	-		
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK***	-	-6.08	-1.94	8.00	8.41	10.53		
TOTAL PRIVATE EQUITY^^^	10.38	8.66	10.92	9.67	7.52	9.50	126,999,591	8.0
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	-0.99	1.26	2.69	5.44	6.77	9.70		
NCREIF ODCE	-	-0.60	4.88	6.81	8.46	11.45		
TOTAL REAL ESTATE	-1.80	0.57	1.99	5.95	6.98	10.77	138,769,166	8.8
TOTAL FUND								
MBTA ALLOCATION MIX	-1.66	1.52	6.20	5.37	6.83	7.01		
MBTA POLICY MIX	-1.41	2.52	7.00	5.95	7.43	7.57		
TOTAL FUND	-0.45	3.47	8.84	6.79	8.05	8.02	1,593,135,956	100.0
PREVIOUS MKT VALUE							1,607,172,662	
MONTHLY CHANGE IN MARKET VALUE							-14,036,706	
12/31/2019 MKT VALUE							1,614,144,213	
YTD CHANGE IN MARKET VALUE							-21,008,257	

* YTD Returns lags by one month. Actual returns through August 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 PE Benchmark is not available yet



Returns - Gross of Fees

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