

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
January 15, 2021

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, January 15, 2021, at 9:31 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 and Gerald Kelley.

Also present were John P. Barry, Interim-Executive Director; Jacquelyn Carey, Acting - Recording Secretary; and staff. Julian Regan and Pamela Dubuc of Segal Marco Advisors were also present.

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 Regular Meeting of the Board, December 18, 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 December 18, 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 7-13 of the meeting packet.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item b. as indicated
on Pages 4 through 13 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Item c. as indicated on Pages 14 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.

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 December 2020. He reported that for the month of December, the Fund had a total of \$12,938,389 in deposits and \$18,946,412 in withdrawals for a net-negative of \$6,008,023. Executive Director Barry reported that the Fund had a market value of \$1,740,985,469 as of December 31, 2020. The Executive Director reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark. He noted that the figures reported are the first preliminary numbers for the year without some of the alternative investments mixed in, and they are outperforming both the policy and allocation mix by over 300 basis points each.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of December 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 9:37 AM.

The regular meeting reconvened at 11:42 AM.

SECTION IV – REGULAR SESSION

a. Votes Taken

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 11:43 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 10</u> <u>YEARS</u>	<u>MKT VALUE</u>	<u>ALLOCATION</u>
<u>EQUITY-USD</u>								
TOTAL LARGE CAP EQUITY	-0.68	-0.68	17.18	10.54	15.19	12.52	312,430,449	18.0
S&P 500	-1.01	-1.01	17.25	11.70	16.16	13.50		
TOTAL SMALL CAP EQUITY	3.47	3.47	30.38	13.42	17.88	12.68	151,430,516	8.7
RUSSELL 2000 GROWTH	4.82	4.82	42.69	16.54	20.19	14.08		
RUSSELL 2000 VALUE	5.26	5.26	16.42	5.08	12.34	-		
GLOBAL EQUITY AND EMERGING MARKETS	-0.25	-0.25	48.96	20.42	24.03		167,147,933	9.6
MSCI ALL COUNTRY WORLD INDEX (NET)	-0.45	-0.45	17.02	7.90	13.56	-		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	-1.59	-1.59	12.33	1.98	8.71	5.48	198,535,436	11.4
	-1.07	-1.07	8.94	2.23	8.84	5.15		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.28	-0.28	5.61	4.58	4.62	4.26	416,589,829	24.0
BC AGGREGATE	-0.72	-0.72	4.72	5.49	4.00	3.75		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.01	0.01	0.54	1.57	1.20	0.64		
MASTER ACCOUNT	0.00	0.00	0.30	1.44	1.13	0.60	36,569,743	2.1
CASH EQUITIZATION CUSTOM INDEX	0.22	0.22	17.80	9.32	14.58	11.07		
91 DAY T-BILL	0.01	0.01	0.54	1.57	1.20	0.64		
SSGM CASH EQUITIZATION	0.14	0.14	10.51	5.87	12.07	9.72	6,785,055	0.4

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 10</u> <u>YEARS</u>	<u>MKT VALUE</u>	<u>ALLOCATION</u>
TOTAL HEDGE FUND*	1.05	4.68	4.68	1.70	2.39	2.75	56,554,592	3.3
91 T - BILL ONE MONTH LAG PLUS 300BP	0.26	3.69	3.69	4.65	4.23	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	3.78	6.36	6.36	4.02	4.07	3.81		
DIVERSIFIED BETA	0.03	0.03	12.21	7.40	9.35	-	112,982,072	6.4
91 DAY T BILL PLUS 300 BPS	0.26	0.26	3.56	4.61	4.23	3.65		
60% MSCI WORLD EQUITY/40% BC AGG BOND	-0.88	-0.88	11.86	7.60	9.82	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.01	0.01	0.55	1.58	1.22	-		
OPPORTUNISTIC**	-	9.30	9.30	9.27	-	-	6,663,126	0.4
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QTR	-1.04	2.30	2.30	5.89	-	-		
PRIVATE CREDIT**								
STATE STREET PE BENCHMARK***	-	-	-	-	-	-		
TOTAL PRIVATE CREDIT	2.79	2.76	-	-	-	-	20,294,367	1.2
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK	-	2.89	3.74	9.90	9.51	11.48		
TOTAL PRIVATE EQUITY^^	10.32	17.93	17.93	11.78	9.32	9.90	111,917,429	6.4
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	-	1.26	2.69	5.44	6.77	9.70		
NCREIF ODCE	-	-0.11	1.39	5.18	6.64	10.27		
TOTAL REAL ESTATE	0.68	1.25	1.25	5.50	6.44	10.58	138,921,666	8.0
TOTAL FUND								
MBTA ALLOCATION MIX	0.10	0.10	10.99	7.28	8.72	7.26		
MBTA POLICY MIX	0.17	0.17	11.02	6.91	9.05	7.81		
TOTAL FUND	-0.07	-0.07	14.41	8.13	10.37	8.29	1,736,822,213	100.0
PREVIOUS MKT VALUE							1,740,985,469	
MONTHLY CHANGE IN MARKET VALUE							-4,163,256	
12/31/2020 MKT VALUE							1,740,985,469	
YTD CHANGE IN MARKET VALUE							-4,163,256	

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

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 9/30/2020 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

*** Current Benchmark not available yet



Returns - Gross 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	-0.66	-0.66	17.34	10.68	15.42	12.85	312,430,449	18.0
S&P 500	-1.01	-1.01	17.25	11.70	16.16	13.50		
TOTAL SMALL CAP EQUITY	3.57	3.57	30.91	13.98	18.53	13.39	151,430,516	8.7
RUSSELL 2000 GROWTH	4.82	4.82	42.69	16.54	20.19	14.08		
RUSSELL 2000 VALUE	5.26	5.26	16.42	5.08	12.34	-		
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<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	-1.48	-1.48	13.09	2.67	9.46	6.21	198,535,436	11.4
	-1.07	-1.07	8.94	2.23	8.84	5.76		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.26	-0.26	5.79	4.77	4.82	4.47	416,589,829	24.0
BC AGGREGATE	-0.72	-0.72	4.72	5.49	4.00	3.75		
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TOTAL FUND	-0.02	-0.02	14.76	8.46	10.73	8.66	1,736,822,213	100.0
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