

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
March 19, 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, March 19, 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 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. 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, February 19, 2021. 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 February 19, 2021.

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 6-10 of the meeting packet.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item b. as indicated
on Pages 6 through 10 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Item c. as indicated on Pages 11 through 16 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 February 2021. He reported that for the month of February, the Fund had a total of \$12,682,427 in deposits and \$18,803,487 in withdrawals for a net-negative of \$6,121,059. Executive Director Barry reported that the Fund had a market value of \$1,756,664,887 as of February 28, 2021. The Executive Director reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark. He noted that opportunistic and private equity returns are trailing from last year and next month they will be updated to reflect December 31, 2020 performance. In addition, Mr. Barry noted that the overall performance was beating the policy mix in both month and year to date periods. He pointed out that there is strong performance going back every period.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of February 2021.

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.

Chairperson Evers, left the video conference at 11:14 AM

On motion, duly made and seconded, it was unanimously

VOTED:- TO appoint James Bradley as Temporary Chairperson.

Temporary-Chairperson James Bradley presided

The regular meeting reconvened at 11:51 AM.

SECTION IV – REGULAR SESSION

a. Votes Taken

On motion, duly made and seconded, it was unanimously

VOTED:- TO authorize the Executive Director to obtain, negotiate and execute investment documents governing the MBTARF's investment with Western Technology Investment – Venture Lending and Leasing Fund X in the sum of \$10 million, conditioned on satisfactory review and approval of the investment documents by Investment Counsel and Investment Consultant, all in accordance with the policies and procedures of the MBTARF.

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 11:52 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	4.42	8.02	62.50	16.07	15.58	13.07	324,700,800	18.2
S&P 500	4.38	6.17	56.35	16.78	16.29	13.91		
TOTAL SMALL CAP EQUITY	1.26	12.17	91.91	17.26	17.89	12.77	149,146,864	8.4
RUSSELL 2000 GROWTH	-3.15	4.88	90.20	17.16	18.61	13.02		
RUSSELL 2000 VALUE	5.23	21.17	97.05	11.57	13.56	-		
GLOBAL EQUITY AND EMERGING MARKETS	-1.85	0.43	75.64	22.12	23.08		163,281,379	9.2
MSCI ALL COUNTRY WORLD INDEX (NET)	2.67	4.57	54.60	12.07	13.21	-		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	2.85	2.81	50.40	5.18	8.90	5.80	207,397,313	11.6
MSCI EAFE	2.30	3.48	44.57	6.02	8.85	5.52		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.49	-1.82	6.80	4.09	3.88	3.98	409,871,731	23.0
BC AGGREGATE	-1.25	-3.37	0.71	4.65	3.10	3.44		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.01	0.03	0.12	1.49	1.19	0.63		
MASTER ACCOUNT	0.00	0.00	0.09	1.36	1.12	0.60	63,743,503	3.6
CASH EQUITIZATION CUSTOM INDEX	3.23	6.99	61.05	13.84	14.62	11.37		
91 DAY T-BILL	0.01	0.03	0.12	1.49	1.19	0.63		
SSGM CASH EQUITIZATION	2.90	5.60	47.17	9.96	11.85	9.87	7,458,708	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*	2.29	2.82	8.73	2.51	3.90	2.88	58,149,536	3.3
91 T - BILL ONE MONTH LAG PLUS 300BP	0.26	0.51	3.41	4.58	4.23	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	2.33	2.10	10.63	4.56	5.03	3.81		
DIVERSIFIED BETA	0.47	-0.16	25.36	7.91	8.68	-	112,772,301	6.4
91 DAY T BILL PLUS 300 BPS	0.25	0.77	3.12	4.53	4.22	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	1.50	1.57	30.51	9.92	9.44	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.01	0.03	0.12	1.51	1.20	-		
OPPORTUNISTIC**	9.31	13.41	13.41	12.09	-	-	5,665,934	0.3
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QTR	1.91	6.48	6.17	5.89	-	-		
PRIVATE CREDIT**								
STATE STREET PE CREDIT BENCHMARK	-	-	-	-	-	-		
TOTAL PRIVATE CREDIT	24.83	24.83	-	-	-	-	23,026,638	1.3
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK	-	-	3.74	9.90	9.51	11.48		
TOTAL PRIVATE EQUITY^^	10.73	10.73	27.07	15.15	11.77	10.78	119,110,031	7.1
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	-	-	2.69	5.44	6.77	9.70		
NCREIF ODCE	-	-	1.39	5.18	6.64	10.27		
TOTAL REAL ESTATE	0.90	0.90	0.55	5.08	6.13	10.34	139,961,868	7.8
TOTAL FUND								
MBTA ALLOCATION MIX	1.41	3.01	27.95	8.85	8.60	7.33		
MBTA POLICY MIX	1.03	2.29	25.19	8.46	8.67	7.81		
TOTAL FUND	1.97	3.45	33.44	10.17	10.42	8.34	1,784,286,606	100.0
PREVIOUS MKT VALUE							1,736,822,213	
MONTHLY CHANGE IN MARKET VALUE							47,464,393	
12/31/2020 MKT VALUE							1,740,985,469	
YTD CHANGE IN MARKET VALUE							43,301,137	

* YTD Returns lags by one month. Actual returns through February 28, 2021

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 12/31/2020 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

*** Benchmark currently not available

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	4.43	8.06	62.72	16.23	15.80	13.40	324,700,800	18.2
S&P 500	4.38	6.17	56.35	16.78	16.29	13.91		
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