

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND  
MINUTES OF REGULAR MEETING  
April 16, 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, April 16, 2021, at 9:31 AM, at One Washington Mall, 4<sup>th</sup> 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; Jacquelyn Carey, Acting - Recording Secretary; and staff. Julian Regan and Pamela Dubuc of Segal Marco Advisors were also present.

Interim-Chairperson James Evers presided. Chairperson Evers reported that Trustee Michael Abramo submitted his letter of resignation from the MBTA Retirement Fund Board on April 15, 2021. He thanked and recognized Mr. Abramo for his service and his expertise brought to the Fund. Chairperson Evers wished him well in his future personal and professional endeavors.

Chairperson Evers thanked the MBTA Retirement Fund staff in particular, Dominique Sye, for recently meeting with a seriously ill member outside of the office and traditional business hours. Trustee Long added that the appreciation is extended to all of Mr. Barry’s staff as they always go above and beyond, which is appreciated when the members are going through difficult circumstances. Trustee Taylor commented on the latest edition of the Milestone Newsletter, pointing out Sagine Gay’s profile and congratulating her on her growth as well as the staff that helped her get there. Mr. Barry

echoed Trustee Taylors sentiments noting that Sagine has been a wonderful addition to the staff and has great people skills. He noted that the Fund has hired a number of individuals that began as interns and when a good employee is recognized efforts are made to retain them. Trustee Long recognized and thanked Catherine McGahan as a staff member who continuously goes above and beyond to assist members and trustees.

## 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, March 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 March 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 6-13 of the meeting packet.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item b. as indicated on Pages 6 through 13 of the meeting packet.

### c. Informational Items

The Chairperson stated that Section II covering Item c. as indicated on Pages 14 through 18 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 2021. He reported that for the month of March, the Fund had a total of \$12,954,828 in deposits and \$18,961,253 in withdrawals for a net-negative of \$6,006,425. Executive Director Barry reported that the Fund had a market value of \$1,784,286,606 as of March 31, 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 the private credit return is mostly attributed to Western Technology, Venture Lending and Leasing Funds fourth quarter write up. Private equity and real estate are reporting the fourth quarter 2020 returns. In addition, Mr. Barry noted that the overall performance was beating both the allocation and policy mix. Chairperson Evers thanked Mr. Barry for the strong performance.

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 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 9:40 AM.

The regular meeting reconvened at 11:54 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 11:55 AM

A true record.

ATTEST:

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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>
<b><u>EQUITY-USD</u></b>								
<b>TOTAL LARGE CAP EQUITY</b>	<b>4.83</b>	<b>13.23</b>	<b>50.77</b>	<b>17.74</b>	<b>16.53</b>	<b>13.25</b>	<b>340,376,005</b>	<b>18.6</b>
<b>S&amp;P 500</b>	<b>5.34</b>	<b>11.84</b>	<b>45.98</b>	<b>18.67</b>	<b>17.42</b>	<b>14.17</b>		
<b>TOTAL SMALL CAP EQUITY</b>	<b>3.60</b>	<b>16.21</b>	<b>75.01</b>	<b>18.48</b>	<b>18.47</b>	<b>12.81</b>	<b>154,521,297</b>	<b>8.5</b>
<b>RUSSELL 2000 GROWTH</b>	<b>2.18</b>	<b>7.16</b>	<b>69.15</b>	<b>17.97</b>	<b>18.89</b>	<b>12.86</b>		
<b>RUSSELL 2000 VALUE</b>	<b>2.02</b>	<b>23.62</b>	<b>78.96</b>	<b>11.68</b>	<b>13.54</b>	<b>-</b>		
<b>GLOBAL EQUITY AND EMERGING MARKETS</b>	<b>3.61</b>	<b>4.06</b>	<b>56.94</b>	<b>23.46</b>	<b>23.67</b>	<b>-</b>	<b>169,154,687</b>	<b>9.3</b>
<b>MSCI ALL COUNTRY WORLD INDEX (NET)</b>	<b>4.37</b>	<b>9.14</b>	<b>45.75</b>	<b>13.32</b>	<b>13.85</b>	<b>-</b>		
<b><u>TOTAL INTERNATIONAL EQUITY</u></b>								
<b>MSCI EAFE</b>	<b>3.86</b>	<b>6.77</b>	<b>43.35</b>	<b>5.98</b>	<b>9.22</b>	<b>5.58</b>	<b>215,397,490</b>	<b>11.8</b>
<b>MSCI EAFE</b>	<b>3.01</b>	<b>6.59</b>	<b>39.88</b>	<b>6.27</b>	<b>8.87</b>	<b>5.22</b>		
<b><u>FIXED INCOME</u></b>								
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>0.87</b>	<b>-0.97</b>	<b>5.10</b>	<b>4.48</b>	<b>3.85</b>	<b>3.91</b>	<b>413,291,000</b>	<b>22.6</b>
<b>BC AGGREGATE</b>	<b>0.79</b>	<b>-2.61</b>	<b>-0.27</b>	<b>5.19</b>	<b>3.19</b>	<b>3.39</b>		
<b><u>SHORT TERM INVESTMENTS</u></b>								
<b>91 DAY T-BILL</b>	<b>0.00</b>	<b>0.03</b>	<b>0.11</b>	<b>1.45</b>	<b>1.18</b>	<b>0.63</b>		
<b>MASTER ACCOUNT</b>	<b>0.00</b>	<b>0.00</b>	<b>0.05</b>	<b>1.32</b>	<b>1.11</b>	<b>0.60</b>	<b>62,248,581</b>	<b>3.4</b>
<b>CASH EQUITIZATION CUSTOM INDEX</b>	<b>4.11</b>	<b>11.39</b>	<b>50.41</b>	<b>14.99</b>	<b>15.22</b>	<b>11.43</b>		
<b>91 DAY T-BILL</b>	<b>0.00</b>	<b>0.03</b>	<b>0.11</b>	<b>1.45</b>	<b>1.18</b>	<b>0.63</b>		
<b>SSGM CASH EQUITIZATION</b>	<b>2.56</b>	<b>8.30</b>	<b>36.82</b>	<b>10.61</b>	<b>12.12</b>	<b>9.76</b>	<b>7,849,843</b>	<b>0.4</b>



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>
<b>TOTAL HEDGE FUND*</b>	<b>0.92</b>	<b>3.77</b>	<b>19.89</b>	<b>3.01</b>	<b>3.86</b>	<b>2.90</b>	<b>58,685,848</b>	<b>3.2</b>
<b>91 T - BILL ONE MONTH LAG PLUS 300BP</b>	<b>0.25</b>	<b>0.77</b>	<b>3.12</b>	<b>4.53</b>	<b>4.22</b>	<b>3.65</b>		
<b>CSFB/TREMONT HEDGE FUND INDEX LAG</b>	<b>0.73</b>	<b>2.85</b>	<b>20.19</b>	<b>4.84</b>	<b>5.12</b>	<b>3.88</b>		
<b>DIVERSIFIED BETA</b>	<b>3.40</b>	<b>3.24</b>	<b>25.22</b>	<b>8.82</b>	<b>8.75</b>	<b>-</b>	<b>116,607,543</b>	<b>6.4</b>
<b>91 DAY T BILL PLUS 300 BPS</b>	<b>0.25</b>	<b>1.02</b>	<b>3.11</b>	<b>4.49</b>	<b>4.22</b>	<b>-</b>		
<b>60% MSCI WORLD EQUITY/40% BC AGG BOND</b>	<b>3.11</b>	<b>4.72</b>	<b>25.45</b>	<b>10.90</b>	<b>9.87</b>	<b>-</b>		
<b>BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR</b>	<b>0.00</b>	<b>0.03</b>	<b>0.12</b>	<b>1.46</b>	<b>1.20</b>	<b>-</b>		
<b>OPPORTUNISTIC**</b>	<b>0.00</b>	<b>13.41</b>	<b>13.41</b>	<b>12.09</b>	<b>-</b>	<b>-</b>	<b>7,754,248</b>	<b>0.4</b>
<b>BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QTR</b>	<b>0.38</b>	<b>6.89</b>	<b>6.57</b>	<b>5.79</b>	<b>-</b>	<b>-</b>		
<b>PRIVATE CREDIT**</b>								
<b>STATE STREET PE CREDIT BENCHMARK</b>	<b>4.51</b>	<b>7.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>TOTAL PRIVATE CREDIT</b>	<b>11.55</b>	<b>24.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,363,378</b>	<b>1.2</b>
<b>PRIVATE EQUITY **</b>								
<b>STATE STREET PE BENCHMARK</b>	<b>10.51</b>	<b>15.19</b>	<b>25.58</b>	<b>15.82</b>	<b>14.99</b>	<b>12.65</b>		
<b>TOTAL PRIVATE EQUITY^^</b>	<b>11.50</b>	<b>10.73</b>	<b>27.07</b>	<b>15.15</b>	<b>11.77</b>	<b>10.78</b>	<b>119,268,102</b>	<b>6.9</b>
<b>REAL ESTATE **</b>								
<b>NCREIF PROPERTY INDEX QTR LAG</b>	<b>0.74</b>	<b>1.15</b>	<b>1.60</b>	<b>4.89</b>	<b>5.91</b>	<b>9.00</b>		
<b>NCREIF ODCE</b>	<b>1.30</b>	<b>2.11</b>	<b>2.32</b>	<b>4.88</b>	<b>6.20</b>	<b>9.67</b>		
<b>TOTAL REAL ESTATE</b>	<b>0.68</b>	<b>0.90</b>	<b>0.69</b>	<b>5.12</b>	<b>6.13</b>	<b>10.35</b>	<b>139,687,329</b>	<b>7.6</b>
<b>TOTAL FUND</b>								
<b>MBTA ALLOCATION MIX</b>	<b>2.19</b>	<b>5.26</b>	<b>23.99</b>	<b>9.53</b>	<b>8.87</b>	<b>7.34</b>		
<b>MBTA POLICY MIX</b>	<b>1.93</b>	<b>4.26</b>	<b>21.20</b>	<b>9.04</b>	<b>8.90</b>	<b>7.80</b>		
<b>TOTAL FUND</b>	<b>2.41</b>	<b>5.94</b>	<b>29.24</b>	<b>10.96</b>	<b>10.72</b>	<b>8.36</b>	<b>1,827,205,349</b>	<b>100.0</b>
<b>PREVIOUS MKT VALUE</b>							<b>1,784,286,606</b>	
<b>MONTHLY CHANGE IN MARKET VALUE</b>							<b>42,918,743</b>	
<b>12/31/2020 MKT VALUE</b>							<b>1,740,985,469</b>	
<b>YTD CHANGE IN MARKET VALUE</b>							<b>86,219,880</b>	

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



Returns - Gross of Fees

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<b><u>EQUITY-USD</u></b>								
<b>TOTAL LARGE CAP EQUITY</b>	<b>4.87</b>	<b>13.32</b>	<b>51.00</b>	<b>17.92</b>	<b>16.75</b>	<b>13.58</b>	<b>340,376,005</b>	<b>18.6</b>
<b>S&amp;P 500</b>	<b>5.34</b>	<b>11.84</b>	<b>45.98</b>	<b>18.67</b>	<b>17.42</b>	<b>14.17</b>		
<b>TOTAL SMALL CAP EQUITY</b>	<b>3.70</b>	<b>16.44</b>	<b>75.71</b>	<b>19.09</b>	<b>19.11</b>	<b>13.51</b>	<b>154,521,297</b>	<b>8.5</b>
<b>RUSSELL 2000 GROWTH</b>	<b>2.18</b>	<b>7.16</b>	<b>69.15</b>	<b>17.97</b>	<b>18.89</b>	<b>12.86</b>		
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<b>MSCI EAFE</b>	<b>3.97</b>	<b>7.06</b>	<b>44.30</b>	<b>6.70</b>	<b>9.97</b>	<b>6.31</b>	<b>215,397,490</b>	<b>11.8</b>
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<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>0.91</b>	<b>-0.89</b>	<b>5.32</b>	<b>4.69</b>	<b>4.04</b>	<b>4.12</b>	<b>413,291,000</b>	<b>22.6</b>
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Returns - Gross of Fees

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