

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND  
MINUTES OF REGULAR MEETING  
May 21, 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, May 21, 2021, at 9:30 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.

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, April 16, 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 April 16, 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 9 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Item c. as indicated on Pages 10 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 April 2021. He reported that for the month of April, the Fund had a total of \$18,666,587 in deposits and \$18,884,665 in withdrawals for a net-negative of \$218,077. Executive Director Barry reported that the Fund had a market value of \$1,827,205,349 as of April 30, 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 there were three payrolls processed in April, increasing deposits. Domestic fixed income portfolio is doing well considering the environment of rising rates. In addition, Mr. Barry noted that the overall performance was beating both the allocation and policy mix. Chairperson Evers thanked Mr. Barry for the presentation.

On motion, duly made and seconded, it was unanimously

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

The regular meeting reconvened at 12:37 PM.

#### SECTION IV – REGULAR SESSION

a. Votes Taken

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve The Massachusetts Bay Transportation Authority Retirement Fund, Actuarial Valuation Report, Prepared as of December 31, 2020.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve The Massachusetts Bay Transportation Authority Retirement Fund, Information Required Under Governmental Accounting Standards Board Statement No. 68 as of June 30, 2021.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve The Massachusetts Bay Transportation Authority Retirement Fund, Information Required Under Governmental Accounting Standards Board Statement No. 67 as of December 31, 2020.

On motion, duly made and seconded, it was unanimously

VOTED:- TO allocate \$15 Million to Pension Reserve Investment Trust Fund (PRIT) Real Estate Segmentation account; and authorize the Interim-Executive Director to obtain, negotiate and execute investment documents, 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.

On motion, duly made and seconded, it was unanimously

VOTED:- TO allocate \$15 Million to TA Realty – Core Property Fund; and authorize the Interim-Executive Director to obtain, negotiate and execute investment documents governing the MBTARF’s investment, 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 12:38 PM

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</u> <u>1 YEAR</u>	<u>ROLLING</u> <u>3 YEARS</u>	<u>ROLLING</u> <u>5 YEARS</u>	<u>ROLLING</u> <u>10 YEARS</u>	<u>MKT VALUE</u>	<u>ALLOCATION</u>
<b><u>EQUITY-USD</u></b>								
<b>TOTAL LARGE CAP EQUITY</b>	<b>1.12</b>	<b>14.50</b>	<b>45.20</b>	<b>17.44</b>	<b>16.40</b>	<b>13.43</b>	<b>344,179,371</b>	<b>18.7</b>
<b>S&amp;P 500</b>	<b>0.70</b>	<b>12.62</b>	<b>40.32</b>	<b>18.00</b>	<b>17.16</b>	<b>14.38</b>		
<b>TOTAL SMALL CAP EQUITY</b>	<b>0.18</b>	<b>16.42</b>	<b>64.10</b>	<b>16.07</b>	<b>18.01</b>	<b>13.03</b>	<b>154,803,645</b>	<b>8.4</b>
<b>RUSSELL 2000 GROWTH</b>	<b>-2.86</b>	<b>4.10</b>	<b>50.14</b>	<b>14.48</b>	<b>17.57</b>	<b>12.76</b>		
<b>RUSSELL 2000 VALUE</b>	<b>3.11</b>	<b>27.47</b>	<b>79.38</b>	<b>10.72</b>	<b>13.83</b>	<b>-</b>		
<b>GLOBAL EQUITY AND EMERGING MARKETS</b>	<b>0.13</b>	<b>4.19</b>	<b>42.34</b>	<b>22.19</b>	<b>23.05</b>	<b>-</b>	<b>169,304,518</b>	<b>9.2</b>
<b>MSCI ALL COUNTRY WORLD INDEX (NET)</b>	<b>1.56</b>	<b>10.84</b>	<b>41.85</b>	<b>13.86</b>	<b>14.18</b>	<b>-</b>		
<b><u>TOTAL INTERNATIONAL EQUITY</u></b>								
<b>MSCI EAFE</b>	<b>3.01</b>	<b>9.81</b>	<b>40.84</b>	<b>9.10</b>	<b>10.77</b>	<b>6.51</b>	<b>224,178,784</b>	<b>12.2</b>
<b><u>FIXED INCOME</u></b>								
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>0.46</b>	<b>-0.51</b>	<b>4.28</b>	<b>4.73</b>	<b>3.93</b>	<b>3.89</b>	<b>415,041,617</b>	<b>22.6</b>
<b>BC AGGREGATE</b>	<b>0.33</b>	<b>-2.29</b>	<b>-0.40</b>	<b>5.06</b>	<b>3.25</b>	<b>3.29</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>1.40</b>	<b>1.18</b>	<b>0.63</b>		
<b>MASTER ACCOUNT</b>	<b>0.00</b>	<b>0.00</b>	<b>0.02</b>	<b>1.27</b>	<b>1.11</b>	<b>0.60</b>	<b>55,576,700</b>	<b>3.0</b>
<b>CASH EQUITIZATION CUSTOM INDEX</b>	<b>1.36</b>	<b>12.90</b>	<b>45.19</b>	<b>14.73</b>	<b>15.27</b>	<b>11.77</b>		
<b>91 DAY T-BILL</b>	<b>0.00</b>	<b>0.03</b>	<b>0.11</b>	<b>1.40</b>	<b>1.18</b>	<b>0.63</b>		
<b>SSGM CASH EQUITIZATION</b>	<b>0.90</b>	<b>9.28</b>	<b>32.05</b>	<b>10.18</b>	<b>12.08</b>	<b>10.08</b>	<b>7,989,634</b>	<b>0.4</b>



Returns - Net of Fees

	<u>MONTH TO</u> <u>DATE</u>	<u>YTD</u>	<u>ROLLING</u> <u>1 YEAR</u>	<u>ROLLING</u> <u>3 YEARS</u>	<u>ROLLING</u> <u>5 YEARS</u>	<u>ROLLING</u> <u>10 YEARS</u>	<u>MKT VALUE</u>	<u>ALLOCATION</u>
<b>TOTAL HEDGE FUND*</b>	<b>1.89</b>	<b>5.73</b>	<b>19.07</b>	<b>3.15</b>	<b>4.01</b>	<b>3.03</b>	<b>59,795,858</b>	<b>3.3</b>
91 T - BILL ONE MONTH LAG PLUS 300BP	0.25	1.02	3.11	4.49	4.22	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	2.59	5.52	20.39	5.72	5.59	3.96		
<b>DIVERSIFIED BETA</b>	<b>2.32</b>	<b>5.63</b>	<b>24.60</b>	<b>9.10</b>	<b>8.97</b>	<b>-</b>	<b>119,311,935</b>	<b>6.5</b>
91 DAY T BILL PLUS 300 BPS	0.25	1.27	3.11	4.44	4.21	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	1.00	5.77	22.90	11.02	10.01	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.00	0.03	0.11	1.41	1.20	-		
<b>OPPORTUNISTIC**</b>	<b>0.00</b>	<b>13.41</b>	<b>13.41</b>	<b>12.09</b>	<b>-</b>	<b>-</b>	<b>9,783,247</b>	<b>0.5</b>
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QTR	0.35	7.26	8.62	6.25	-	-		
<b>PRIVATE CREDIT**</b>								
STATE STREET PE CREDIT BENCHMARK	4.51	7.42	-	-	-	-		
<b>TOTAL PRIVATE CREDIT</b>	<b>11.55</b>	<b>24.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,576,424</b>	<b>1.2</b>
<b>PRIVATE EQUITY **</b>								
STATE STREET PE BENCHMARK	10.51	15.19	25.58	15.82	14.99	12.65		
<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>116,884,750</b>	<b>6.7</b>
<b>REAL ESTATE **</b>								
NCREIF PROPERTY INDEX QTR LAG	0.74	1.15	1.60	4.89	5.91	9.00		
NCREIF ODCE	1.30	2.11	2.32	4.88	6.20	9.67		
<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>139,522,716</b>	<b>7.6</b>
<b>TOTAL FUND</b>								
MBTA ALLOCATION MIX	0.82	6.13	21.96	9.68	9.00	7.48		
MBTA POLICY MIX	0.78	6.50	22.03	9.98	9.54	8.19		
<b>TOTAL FUND</b>	<b>1.03</b>	<b>7.03</b>	<b>26.39</b>	<b>10.95</b>	<b>10.76</b>	<b>8.52</b>	<b>1,838,949,201</b>	<b>100.0</b>
<b>PREVIOUS MKT VALUE</b>							<b>1,827,205,349</b>	
<b>MONTHLY CHANGE IN MARKET VALUE</b>							<b>11,743,852</b>	
<b>12/31/2020 MKT VALUE</b>							<b>1,769,941,276</b>	
<b>YTD CHANGE IN MARKET VALUE</b>							<b>69,007,925</b>	

\* YTD Returns lags by one month. Actual returns through April 30, 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>1.12</b>	<b>14.58</b>	<b>45.40</b>	<b>17.60</b>	<b>16.62</b>	<b>13.75</b>	<b>344,179,371</b>	<b>18.7</b>
<b>S&amp;P 500</b>	<b>0.70</b>	<b>12.62</b>	<b>40.32</b>	<b>18.00</b>	<b>17.16</b>	<b>14.38</b>		
<b>TOTAL SMALL CAP EQUITY</b>	<b>0.18</b>	<b>16.65</b>	<b>64.76</b>	<b>16.63</b>	<b>18.65</b>	<b>13.72</b>	<b>154,803,645</b>	<b>8.4</b>
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<b>TOTAL INTERNATIONAL EQUITY</b>	<b>4.10</b>	<b>11.46</b>	<b>43.27</b>	<b>8.67</b>	<b>10.75</b>	<b>6.97</b>	<b>224,178,784</b>	<b>12.2</b>
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<b>TOTAL HEDGE FUND*</b>	<b>1.89</b>	<b>5.73</b>	<b>19.07</b>	<b>3.15</b>	<b>4.01</b>	<b>3.03</b>	<b>59,795,858</b>	<b>3.3</b>
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