

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
February 18, 2022

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, February 18, 2022, at 9:32 AM, at One Washington Mall, 4th Floor, Boston, MA 02108.

The Members present by video conference were James Evers, James Bradley, Craig Hughes, Betsy Taylor and Mary Ann O’Hara; Alternate Members were, Gerald Kelley, Timothy Long, Jose Cruz, John Mersereau and Patrick Landers.

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 and Phil Brown of Brown Counsel 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 Meeting of the Board, January 21, 2022. 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 January 21, 2022.

b. Approvals

Interim-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 4-10 of the meeting packet.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item b. as indicated
on Pages 4 through 10 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Items c. as indicated on Pages 11 through 17 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 January 2022. He reported that for the month of January, the Fund had a total of \$12,836,470 in deposits and \$19,216,550 in withdrawals for a net-negative of \$6,380,081. He added that the market value at the end of January 2022 was \$1,829,655,508. The Executive Director reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of January 2022.

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.

Phil Brown left the Board Meeting at 10:39 AM.

The regular meeting reconvened at 12:13 PM.

SECTION IV – REGULAR SESSION

Votes Taken.

On motion, duly made and seconded, it was unanimously

VOTED:- TO accept the Operational Review of the MBTA Retirement Fund Benefits Department SOPs prepared by Phil Y. Brown, Esq., a copy of which is attached hereto and incorporated herein by reference.

On motion, duly made and seconded, it was unanimously

VOTED:- TO accept and publish to the website, a condensed version Interim Director's 2021 Annual Report to the Board of the MBTA Retirement Fund presented by John P. Barry., a copy of which is attached hereto and incorporated herein by reference.

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 12:14 PM.

A true record.

ATTEST:

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>
<u>EQUITY-USD</u>								
TOTAL LARGE CAP EQUITY	-2.49	-6.93	14.25	17.35	14.26	13.32	324,768,039	18.0
S&P 500	-2.99	-8.01	16.39	18.24	15.17	14.59		
TOTAL SMALL CAP EQUITY	0.20	-10.19	-0.96	13.59	12.64	12.48	141,252,214	7.8
RUSSELL 2000 GROWTH	0.44	-13.03	-17.40	9.22	10.49	11.38		
RUSSELL 2000 VALUE	1.65	-4.27	6.63	10.91	7.97	-		
GLOBAL EQUITY AND EMERGING MARKETS	-2.97	-13.43	-8.68	17.43	17.89	-	134,957,308	7.4
MSCI ALL COUNTRY WORLD INDEX (NET)	-2.58	-7.37	7.81	13.41	11.44	-		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	-2.76	-7.21	0.31	7.07	6.90	6.01	197,701,648	11.0
	-1.77	-6.52	2.83	7.78	7.16	6.15		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.77	-2.36	-0.36	3.49	2.96	3.33	420,782,151	23.4
BC AGGREGATE	-1.12	-3.25	-2.64	3.30	2.71	2.47		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.01	0.01	0.04	0.87	1.13	0.63		
MASTER ACCOUNT	0.00	0.00	0.00	0.73	1.04	0.59	55,270,030	3.1
CASH EQUITIZATION CUSTOM INDEX	-1.78	-7.55	8.54	14.26	12.20	11.86		
91 DAY T-BILL	0.01	0.01	0.04	0.87	1.13	0.63		
SSGM CASH EQUITIZATION	-1.13	-4.52	6.51	10.24	9.17	9.94	7,979,395	0.4



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>
TOTAL HEDGE FUND*	-0.02	1.13	7.52	7.92	3.74	3.64	50,561,367	2.8
91 T - BILL ONE MONTH LAG PLUS 300BP	0.24	0.50	3.04	3.95	4.16	3.65		
CSFB/TREMONT HEDGE FUND INDEX LAG	-0.66	1.25	7.76	7.10	5.18	4.59		
DIVERSIFIED BETA	0.14	-3.33	6.61	9.74	7.23	-	119,670,244	6.6
91 DAY T BILL PLUS 300 BPS	0.26	0.50	3.04	3.90	4.16	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	-1.96	-5.92	5.34	10.25	8.53	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.01	0.01	0.03	0.87	1.13	-		
OPPORTUNISTIC**	0.70	14.87	14.87	11.58	-	-	14,738,847	0.8
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	0.03	10.43	11.46	6.62	-	-		
PRIVATE CREDIT**								
STATE STREET PE CREDIT BENCHMARK	3.91	25.30	25.30	-	-	-		
TOTAL PRIVATE CREDIT	5.53	55.15	55.15	-	-	-	24,680,912	1.4
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK	6.25	49.22	49.22	22.40	19.41	15.62		
TOTAL PRIVATE EQUITY^^	0.42	42.45	42.45	21.43	17.06	12.81	141,474,154	8.3
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	5.23	12.15	12.15	6.72	6.84	8.99		
NCREIF ODCE	-	13.15	14.63	7.06	7.51	9.92		
TOTAL REAL ESTATE	5.37	11.68	11.68	6.11	7.12	10.43	167,864,836	9.2
TOTAL FUND								
MBTA ALLOCATION MIX	-1.00	-4.07	7.59	10.27	8.98	7.92		
MBTA POLICY MIX	-0.98	-3.68	7.63	10.04	8.50	8.10		
TOTAL FUND	-1.15	-4.74	6.29	10.59	9.34	8.43	1,801,701,145	100.0
PREVIOUS MKT VALUE							1,829,655,508	
MONTHLY CHANGE IN MARKET VALUE							-27,954,363	
12/31/2021 MKT VALUE							1,905,936,258	
YTD CHANGE IN MARKET VALUE							-104,235,113	

* YTD Returns lags by one month. Actual returns through January 31, 2022

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 9/30/2021 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

	<u>MONTH TO DATE</u>	<u>YTD</u>	<u>ROLLING 1 YEAR</u>	<u>ROLLING 3 YEARS</u>	<u>ROLLING 5 YEARS</u>	<u>ROLLING 10 YEARS</u>	<u>MKT VALUE</u>	<u>ALLOCATION</u>
<u>EQUITY-USD</u>								
TOTAL LARGE CAP EQUITY	-2.47	-6.89	14.42	17.52	14.43	13.63	324,768,039	18.0
S&P 500	-2.99	-8.01	16.39	18.24	15.17	14.59		
TOTAL SMALL CAP EQUITY	-0.25	-10.15	-0.63	14.04	13.18	13.14	141,252,214	7.8
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