

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
June 17, 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, June 17, 2022, at 9:31 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 Paul Todisco; Alternate Members were, Gerald Kelley, Timothy Long, Jose Cruz, John Mersereau, Patrick Landers and David Panagore.

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. Mr. Evers welcomes the new Trustees and thanks them for their service to the Fund.

SWEARING – IN

Mr. Paul Todisco, was sworn into office by Jacquelyn Carey, Acting Recording Secretary, as Board Member, in accordance with the following original record of his oath: -

OATH OF OFFICE

Before me on this day came Mr. Paul Todisco and he made an oath that he would faithfully and impartially perform his fiduciary duties as a Member of the Retirement Board of the Massachusetts Bay Transportation Authority Retirement Fund and exercise his best efforts to act in good faith, in the best interests of the beneficiaries of the Fund, and in compliance with the Standards of Fiduciary Responsibility.

So, help me, God.

Notary Public

Mr. David Panagore, was sworn into office by Jacquelyn Carey, Acting Recording Secretary, as Alternate Board Member, in accordance with the following original record of his oath: -

OATH OF OFFICE

Before me on this day came Mr. David Panagore and he made an oath that he would faithfully and impartially perform his fiduciary duties as an Alternate Member of the Retirement Board of the Massachusetts Bay Transportation Authority Retirement Fund and exercise his best efforts to act in good faith, in the best interests of the beneficiaries of the Fund, and in compliance with the Standards of Fiduciary Responsibility.

So, help me, God.

Notary Public

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, May 20, 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 May 20, 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 4-9 of the meeting packet.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve Item b. as indicated on Pages 4 through 9 of the meeting packet.

c. Informational Items

The Chairperson stated that Section II covering Items c. as indicated on Pages 10 through 15 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 May 2022. He reported that for the month of May, the Fund had a total of \$19,343,235 in deposits and \$12,488,898 in withdrawals for a net-outflow of \$6,854,337. He added that the market value at the end of May 2022 was \$1,716,599,082. Mr. Barry reviewed the overall performance of each of the Fund's asset classes in comparison to their respective

benchmark. He noted that the total fund is outperforming both the allocation and policy mix for the month and year.

On motion, duly made and seconded, it was unanimously

VOTED:- TO approve the General Financial Report of the Executive Director for the Month of May 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 9:39 AM.

The regular meeting reconvened at 11:45 AM.

SECTION IV – REGULAR SESSION

a. Votes Taken

On motion, duly made and seconded, it was unanimously

VOTED:- TO allocate the assets from Gryphon International to SSGA MSCI EAFE Index; 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.

On motion, duly made and seconded, it was unanimously

VOTED:- TO Approve the 2021 Audit Report, Financial Statements and Required Supplementary Information.

On motion, duly made and seconded, it was unanimously

VOTED:- TO Approve the 2021 Annual Comprehensive Financial Report (ACFR).

On motion, duly made and seconded, it was unanimously

VOTED:- TO place global equity and emerging markets manager, Sands Global Growth on the Watch List.

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 11:46 AM.

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	-8.80	-18.77	-11.28	10.13	10.52	11.99	283,462,050	17.2
S&P 500	-8.25	-19.96	-10.62	10.60	11.31	12.96		
TOTAL SMALL CAP EQUITY	-8.08	-24.19	-21.48	6.49	8.07	10.76	119,250,040	7.2
RUSSELL 2000 GROWTH	-6.19	-29.45	-33.43	1.40	4.80	9.30		
RUSSELL 2000 VALUE	-9.88	-17.31	-16.28	6.18	4.89	-		
GLOBAL EQUITY AND EMERGING MARKETS	-8.47	-36.72	-37.82	3.01	8.03	-	98,642,329	6.0
MSCI ALL COUNTRY WORLD INDEX (NET)	-8.43	-20.18	-15.75	6.21	7.00	-		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	-7.90	-21.18	-22.22	0.16	1.30	4.98	165,044,556	10.0
	-9.28	-19.57	-17.77	1.07	2.20	5.40		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-1.94	-8.74	-8.21	-0.05	1.25	2.53	382,753,124	23.2
BC AGGREGATE	-1.57	-10.35	-10.29	-0.93	0.88	1.54		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.02	0.14	0.17	0.63	1.11	0.64		
MASTER ACCOUNT	0.08	0.16	0.16	0.52	1.02	0.60	45,762,817	2.7
CASH EQUITIZATION CUSTOM INDEX	-8.55	-20.25	-15.20	7.16	7.97	10.44		
91 DAY T-BILL	0.02	0.14	0.17	0.63	1.11	0.64		
SSGM CASH EQUITIZATION	-5.11	-12.10	-8.71	5.97	6.46	9.27	6,656,844	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*	-0.59	-0.14	0.01	5.04	3.03	3.40	67,064,039	4.1
91 T - BILL ONE MONTH LAG PLUS 300BP	0.32	1.62	3.15	3.71	4.15	3.66		
DIVERSIFIED BETA	-7.35	-15.09	-12.98	2.79	4.47	-	95,850,088	5.8
91 DAY T BILL PLUS 300 BPS	0.27	1.63	3.17	3.65	4.14	-		
60% MSCI WORLD EQUITY/40% BC AGG BOND	-5.82	-16.47	-12.53	4.13	5.23	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.02	0.15	0.17	0.63	1.12	-		
OPPORTUNISTIC**	0.00	2.59	6.20	10.51	-	-	19,648,205	1.2
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	-0.93	-3.89	-0.29	4.40	-	-		
PRIVATE CREDIT**								
STATE STREET PE CREDIT BENCHMARK~	-	-	25.30	-	-	-		
TOTAL PRIVATE CREDIT	-3.24	4.40	23.46	-	-	-	25,721,491	1.6
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK~	-	-	49.22	22.40	19.41	15.19		
TOTAL PRIVATE EQUITY^^	5.13	10.44	22.52	25.48	18.50	13.24	155,596,146	11.0
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	5.33	11.80	21.87	9.60	8.54	9.61		
NCREIF ODCE	-	-	28.47	11.30	9.88	10.93		
TOTAL REAL ESTATE	5.73	12.76	22.94	9.27	8.97	11.19	186,093,680	11.3
TOTAL FUND								
MBTA ALLOCATION MIX	-3.81	-10.23	-6.13	6.50	6.80	7.07		
MBTA POLICY MIX	-3.64	-9.66	-5.50	6.32	6.35	7.30		
TOTAL FUND	-3.56	-9.02	-5.86	7.37	7.45	7.92	1,651,545,409	100.0
PREVIOUS MKT VALUE							1,716,599,082	
MONTHLY CHANGE IN MARKET VALUE							-65,053,673	
12/31/2021 MKT VALUE							1,939,942,425	
YTD CHANGE IN MARKET VALUE							-288,397,016	

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

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 03/31/2022 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

~ Index is not yet available, returns reported are prior quarter end (12/31/2021)



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	-8.80	-18.70	-11.14	10.29	10.68	12.28	283,462,050	17.2
S&P 500	-8.25	-19.96	-10.62	10.60	11.31	12.96		
TOTAL SMALL CAP EQUITY	0.39	-17.45	-13.22	12.51	11.04	12.76	119,250,040	7.2
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