

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
July 15, 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, July 15, 2022, at 9:30 AM, at One Washington Mall, 4th Floor, Boston, MA 02108.

The Members present by video conference were James Evers, James Bradley, Craig Hughes, Mary Ann O’Hara, Betsy Taylor and Paul Todisco; 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 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, June 17, 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 June 17, 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 June 2022. He reported that for the month of June, the Fund had a total of \$19,254,844 in deposits and \$15,972,897 in withdrawals for a net-outflow of \$3,281,946. Noting that deposits were higher this month due to several bargaining unions receiving retroactive payments in June. He added that the market value at the end of June 2022 was \$1,651,545,409. Mr. Barry reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark. Due to the Board Meeting falling early in July, the private credit and private equity benchmarks were not yet available. Reporting that June was a

difficult month of the markets overall, 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 June 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.

The regular meeting reconvened at 10:59 AM.

SECTION IV – REGULAR SESSION

a. Votes Taken

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 11:00 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	8.59	-11.79	-5.34	12.62	11.94	12.79	307,805,782	18.0
S&P 500	9.22	-12.58	-4.64	13.36	12.83	13.80		
TOTAL SMALL CAP EQUITY	9.63	-16.88	-12.59	9.46	9.90	11.94	130,737,730	7.6
RUSSELL 2000 GROWTH	11.20	-21.55	-23.18	4.71	6.87	10.66		
RUSSELL 2000 VALUE	9.68	-9.30	-4.77	9.44	6.71	-		
GLOBAL EQUITY AND EMERGING MARKETS	6.64	-32.52	-35.17	5.10	8.40		105,187,929	6.2
MSCI ALL COUNTRY WORLD INDEX (NET)	6.98	-14.61	-10.48	8.52	7.86	-		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	4.89	-17.33	-18.27	2.49	1.70	5.29	173,136,645	10.1
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	2.39	-6.56	-6.81	0.75	1.65	2.59	391,714,436	23.0
BC AGGREGATE	2.44	-8.16	-9.12	-0.21	1.28	1.65		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.05	0.20	0.21	0.58	1.10	0.64		
MASTER ACCOUNT	0.13	0.29	0.29	0.50	1.03	0.62	37,266,810	2.2
CASH EQUITIZATION CUSTOM INDEX	8.35	-13.59	-8.76	9.85	9.28	11.24		
91 DAY T-BILL	0.05	0.20	0.21	0.58	1.10	0.64		
SSGM CASH EQUITIZATION	6.20	-6.65	-3.46	7.93	7.37	9.87	7,494,732	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*	-2.01	-2.14	-2.05	3.75	2.65	3.16	65,718,410	3.8
91 T - BILL ONE MONTH LAG PLUS 300BP	0.27	1.89	3.17	3.65	4.14	3.66		
DIVERSIFIED BETA	6.31	-9.73	-9.23	4.69	5.41	-	101,899,498	6.0
91 DAY T BILL PLUS 300 BPS	0.30	1.94	3.22	3.60	4.13	3.66		
60% MSCI WORLD EQUITY/40% BC AGG BOND	5.74	-11.67	-8.90	5.95	6.07	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.06	0.21	0.22	0.59	1.11	-		
OPPORTUNISTIC**	0.00	2.59	6.20	10.51	9.13	-	19,591,541	1.1
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	-3.64	-7.38	-4.96	2.64	-	-		
PRIVATE CREDIT**								
STATE STREET PE CREDIT BENCHMARK	-	4.38	14.92	-	-	-		
TOTAL PRIVATE CREDIT	-3.24	4.40	23.46	-	-	-	25,426,556	1.5
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK	-	5.06	24.00	23.02	19.06	14.73		
TOTAL PRIVATE EQUITY^^	5.13	10.43	22.52	25.48	18.50	13.24	159,854,713	9.3
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	5.33	11.80	21.87	9.60	8.54	9.61		
NCREIF ODCE	-	12.49	29.51	12.66	10.54	11.16		
TOTAL REAL ESTATE	5.73	12.76	22.94	9.27	8.97	11.19	184,374,259	10.8
TOTAL FUND								
MBTA ALLOCATION MIX	3.85	-6.83	-2.92	7.71	7.38	7.39		
MBTA POLICY MIX	3.79	-6.26	-2.23	7.55	6.88	7.61		
TOTAL FUND	3.94	-5.43	-2.82	8.68	7.98	8.25	1,710,209,041	100.0
PREVIOUS MKT VALUE							1,651,545,409	
MONTHLY CHANGE IN MARKET VALUE							58,663,632	
12/31/2021 MKT VALUE							1,939,942,425	
YTD CHANGE IN MARKET VALUE							-229,733,384	

* YTD Returns lags by one month. Actual returns through June 30, 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 the last quarter return.

^ 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	8.62	-11.70	-5.18	10.29	12.79	12.12	307,805,782	18.0
S&P 500	9.22	-12.58	-4.64	13.36	12.83	13.80		
TOTAL SMALL CAP EQUITY	9.63	-16.69	-12.22	9.87	10.45	12.58	130,737,730	7.6
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RUSSELL 2000 VALUE	9.68	-9.30	-4.77	9.44	6.71	-		
GLOBAL EQUITY AND EMERGING MARKETS	6.74	-32.27	-34.78	5.65	9.05	-	105,187,929	6.2
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	4.98	-15.56	-14.32	3.16	2.61	5.76		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	2.44	-6.44	-6.65	0.93	1.84	2.79	391,714,436	23.0
BC AGGREGATE	2.44	-8.16	-9.12	-0.21	1.28	1.65		
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