

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
August 18, 2023

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 at 9:35 AM on Friday, August 18, 2023, at One Washington Mall, 4th Floor, Boston, MA 02108.

The Members present, in person or by video conference, were James Evers, James Bradley, Timothy Long, Mary Ann O’Hara, Paul Todisco and Chanda Smart; Alternate Members were Jose Cruz, Gerald Kelley, James Joyce, John Mersereau and Thomas McGee. Also present were Philip Brown – Honorary Member, John P. Barry - Interim-Executive Director, Jacquelyn Carey - Acting Recording Secretary and staff. In addition, Pamela Dubuc and Julian Regan of Segal Marco Advisors were present.

Interim-Chairperson James Evers presided. He welcomed the new Trustees and thanked them for their service to the Fund.

SWEARING – IN

Ms. Chanda Smart was sworn into office as Board Member by Jacquelyn Carey - Acting Recording Secretary in accordance with the following original record of her oath:

OATH OF OFFICE

Before me on this day came Ms. Chanda Smart, and she made an oath that she would faithfully and impartially perform her fiduciary duties as a Member of the Retirement Board of the Massachusetts Bay Transportation Authority Retirement Fund and exercise her 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. Thomas McGee was sworn into office as Alternate Board Member by Jacquelyn Carey - Acting Recording Secretary in accordance with the following original record of his oath:

OATH OF OFFICE

Before me on this day came Mr. Thomas McGee, 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

Chairperson Evers and the Trustees congratulated Ms. Smart and Mr. McGee and welcomed them to the Fund.

SECTION II – REGULAR SESSION

a. Minutes

Chairperson Evers stated that the first item on the Agenda was the Consideration of Minutes of Prior Meeting of the Board, July 21, 2023. He inquired if there were any questions. None were asked.

On motion, duly made and seconded, it was unanimously with one abstention from Trustee Smart due to absence

VOTED: TO approve the Minutes of the Regular Meeting of July 21, 2023.

b. Approvals

Chairperson Evers stated that the second item on the Agenda was Approvals. Chairperson Evers asked the Board to review the items listed for approval on pages 4 through 9 of the meeting packet.

On motion, duly made and seconded, it was unanimously with one abstention from Trustee Smart due to absence

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

c. Informational Items

Chairperson Evers stated that Section II covering Item 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 July 2023. He reported that for the month of July, the Fund had a total of \$14,054,605 in deposits and \$20,132,942 in withdrawals for a net-outflow of \$6,078,337. He added that the market value at the end of July 2023 was \$1,699,664,412. Mr. Barry 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 with one abstention from Trustee Smart due to absence

VOTED: TO approve the General Financial Report of the Executive Director for the Month of July 2023.

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 9:43 AM.

The regular meeting reconvened at 10:24 AM.

SECTION IV – REGULAR SESSION

There was no further business to come before the Board.

On motion, duly made and seconded, it was unanimously

VOTED: TO adjourn.

Adjourned accordingly at 10:25 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	-1.86	14.70	13.43	10.75	10.12	11.34	308,914,171	18.5
S&P 500	-1.59	18.73	15.94	10.52	11.12	12.81		
TOTAL SMALL CAP EQUITY	-3.40	10.21	6.59	9.18	5.18	9.16	124,003,409	7.4
RUSSELL 2000 GROWTH	-5.21	12.68	6.78	2.67	2.46	8.17		
RUSSELL 2000 VALUE	-4.81	4.94	2.17	13.54	3.18	-		
GLOBAL EQUITY AND EMERGING MARKETS	-2.63	18.50	13.25	-2.22	6.31	10.39	115,809,633	6.9
MSCI ALL COUNTRY WORLD INDEX (NET)	-2.79	14.80	13.95	7.23	7.46	8.56		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	-4.11	10.02	17.37	3.69	2.37	4.24	190,472,447	11.4
	-3.83	10.87	17.92	6.05	4.14	4.93		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.31	2.80	0.55	-1.97	1.34	2.22	381,167,777	22.9
BC AGGREGATE	-0.64	1.37	-1.19	-4.41	0.49	1.48		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.45	3.13	4.25	1.55	1.65	1.07		
MASTER ACCOUNT	0.45	3.32	4.49	1.64	1.65	1.07	44,736,092	2.7
CASH EQUITIZATION CUSTOM INDEX	-2.89	14.72	14.07	9.22	7.93	9.96		
91 DAY T-BILL	0.45	3.13	4.25	1.55	1.65	1.07		
SSGM CASH EQUITIZATION	-2.83	12.67	15.75	9.76	7.18	9.08	8,717,882	0.5

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*	1.39	4.99	4.88	5.93	2.51	2.68	69,561,099	4.2
HFRI (Fund of Funds)*	1.08	3.34	3.49	3.92	3.46	3.48		
DIVERSIFIED BETA	-1.05	4.22	-2.17	-0.03	2.88	4.10	52,848,008	3.1
91 DAY T BILL PLUS 300 BPS	0.70	5.17	7.37	4.59	4.70	4.10		
60% MSCI WORLD EQUITY/40% BC AGG BOND	-1.69	10.07	8.82	3.35	5.48	6.34		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.46	3.26	4.42	1.61	1.70	1.10		
OPPORTUNISTIC**	-	4.19	1.66	9.87	8.30	-	30,373,692	1.8
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	-	7.86	-0.17	2.99	2.92	-		
PRIVATE CREDIT**								
STATE STREET PE CREDIT BENCHMARK	-	5.42	4.02	14.56	-	-		
TOTAL PRIVATE CREDIT	-	1.99	-1.37	20.19	-	-	24,282,245	1.5
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK	-	3.35	-2.86	22.64	14.93	13.43		
TOTAL PRIVATE EQUITY^^	-	-1.41	-4.88	20.58	13.96	9.62	154,084,306	9.2
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	-	-5.25	-1.63	7.15	6.71	8.34		
NCREIF ODCE	-	-5.76	-9.97	7.99	6.50	8.74		
TOTAL REAL ESTATE	-	-8.33	-5.56	5.55	6.02	9.25	165,188,254	9.9
TOTAL FUND								
MBTA ALLOCATION MIX	-1.37	6.49	5.37	6.05	6.60	6.62		
MBTA POLICY MIX	-1.43	6.79	6.60	6.27	6.30	7.17		
TOTAL FUND	-1.31	5.55	4.56	6.21	6.25	7.10	1,670,159,015	100.0
PREVIOUS MKT VALUE							1,699,664,412	
MONTHLY CHANGE IN MARKET VALUE							-29,505,397	
12/31/2022 MKT VALUE							1,622,548,978	
YTD CHANGE IN MARKET VALUE							47,610,037	

* YTD Returns lags by one month. Actual returns through July 31, 2023

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 3/31/2023 adjusted for cash flows.

^ 36% Buyout, 9% Venture, 37% Debt and 18% Fund of Funds

^^ Active portfolio - post 2005



Returns - Gross of Fees

	-340.00	YTD	ROLLING 1 YEAR	ROLLING 3 YEARS	ROLLING 5 YEARS	ROLLING 10 YEARS	MKT VALUE	ALLOCATION
<u>EQUITY-USD</u>								
TOTAL LARGE CAP EQUITY	-1.84	14.85	13.63	10.93	10.28	11.62	308,914,171	18.5
S&P 500	-1.59	18.73	15.94	10.52	11.12	12.81		
TOTAL SMALL CAP EQUITY	-3.40	10.62	7.07	9.65	5.64	9.76	124,003,409	7.4
RUSSELL 2000 GROWTH	-5.21	12.68	6.78	2.67	2.46	8.17		
RUSSELL 2000 VALUE	-4.81	4.94	2.17	13.54	3.18	-		
GLOBAL EQUITY AND EMERGING MARKETS	-2.63	18.91	13.75	-1.72	6.87	11.03	115,809,633	6.9
MSCI ALL COUNTRY WORLD INDEX (NET)	-2.79	14.80	13.95	7.23	7.46	8.56		
<u>TOTAL INTERNATIONAL EQUITY</u>								
MSCI EAFE	-3.83	10.87	17.92	6.05	4.14	4.93	190,472,447	11.4
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-0.29	2.94	0.72	-1.80	1.53	2.40	381,167,777	22.9
BC AGGREGATE	-0.64	1.37	-1.19	-4.41	0.49	1.48		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.45	3.13	4.25	1.55	1.65	1.07		
MASTER ACCOUNT	0.45	3.32	4.49	1.64	1.65	1.07	44,736,092	2.7
CASH EQUITIZATION CUSTOM INDEX	-2.89	14.72	14.07	9.22	7.93	9.96		
91 DAY T-BILL	0.45	3.13	4.25	1.55	1.65	1.07		
SSGM CASH EQUITIZATION	-2.83	12.67	15.75	9.76	7.18	9.08	8,717,882	0.5



Returns - Gross 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*	1.39	4.99	4.88	5.93	2.51	2.68	69,561,099	4.2
HFRI (Fund of Funds)*	1.08	3.34	3.49	3.92	3.46	3.48		
DIVERSIFIED BETA	-1.02	4.39	-1.94	0.18	3.10	4.42	52,848,008	3.1
91 DAY T BILL PLUS 300 BPS	0.70	5.17	7.37	4.59	4.70	4.10		
60% MSCI WORLD EQUITY/40% BC AGG BOND	-1.69	10.07	8.82	3.35	5.48	-		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.46	3.26	4.42	1.61	1.70	-		
OPPORTUNISTIC**	-	4.33	1.80	10.05	8.41	-	30,373,692	1.8
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	-	7.86	-0.17	2.99	2.92	-		
PRIVATE CREDIT**								
STATE STREET PE CREDIT BENCHMARK	-	5.42	4.02	14.56	-	-		
TOTAL PRIVATE CREDIT	-	1.99	-1.37	20.19	-	-	24,282,245	1.5
PRIVATE EQUITY **								
STATE STREET PE BENCHMARK	-	3.35	-2.86	22.64	14.93	13.43		
TOTAL PRIVATE EQUITY^^	-	-1.41	-4.88	20.58	13.96	9.62	154,084,306	9.2
REAL ESTATE **								
NCREIF PROPERTY INDEX QTR LAG	-	-5.25	-1.63	7.15	6.71	8.34		
NCREIF ODCE	-	-5.76	-9.97	7.99	6.50	8.74		
TOTAL REAL ESTATE	-	-8.33	-5.56	5.55	6.02	9.25	165,188,254	9.9
TOTAL FUND								
MBTA ALLOCATION MIX	-1.37	6.49	5.37	6.05	6.60	6.62		
MBTA POLICY MIX	-1.43	6.79	6.60	6.27	6.30	7.17		
TOTAL FUND	-1.29	5.71	4.77	6.48	6.54	7.43	1,670,159,015	100.0
PREVIOUS MKT VALUE							1,699,664,412	
MONTHLY CHANGE IN MARKET VALUE							-29,505,397	
12/31/2022 MKT VALUE							1,622,548,978	
YTD CHANGE IN MARKET VALUE							47,610,037	

* YTD Returns lags by one month. Actual returns through July 31, 2023

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 3/31/2023 adjusted for cash flows.

^ 36% Buyout, 9% Venture, 37% Debt and 18% Fund of Funds

^^ Active portfolio - post 2005