

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
May 17, 2024

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, May 17, 2024, at One Washington Mall, 4th Floor, Boston, MA 02108.

The Members present, in person or by video conference, were; James Evers, James Bradley, Chanda Smart, Timothy Long, MaryAnn O'Hara and Paul Todisco. Additionally, Alternate Members present were Jose Cruz, James Joyce, Gerald Kelley, Thomas McGee and John Mersereau. Also present were John P. Barry - Interim-Executive Director, Jacquelyn Carey - Acting Recording Secretary and Fund staff. In addition, Julian Regan of Segal Marco Advisors was also in attendance.

Chairperson James Evers presided.

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, April 19, 2024. 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 19, 2024.

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 8 of the meeting packet.

On motion, duly made and seconded, it was unanimously:

VOTED: TO approve Item b. as indicated
on Pages 4 through 8 of the meeting packet.

c. Informational Items

Chairperson Evers stated that Section II covering Item c. as indicated on Pages 9 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 2024. He reported that for the month of April, the Fund had a total of \$16,709,710 in deposits and \$20,462,096 in withdrawals for a net-outflow of \$3,752,385. He added that the market value at the end of April 2024 was \$1,701,382,194. Mr. Barry reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark. He noted that PRIM Global Equity reports a one-month lag which is why it is a positive return compared to the other negative funds. He also added that \$180,000 of retroactive checks were issued to families of deceased retirees. These retirees qualified for retros but passed away during the retro process. These are the last payments to be

processed. Pension Technology Group (PTG) work is underway to upgrade the software to accommodate the new two-tier pension benefit system. The upgrade will cost approximately \$40,000. The Fund website is in the process of being updated; it will have a new modern appearance and include significant security upgrades.

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 2024.

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 9:40 AM.

The regular meeting reconvened at 11:44 AM.

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, 2023.

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, 2024.

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, 2023.

On motion, duly made and seconded, it was unanimously

VOTED: TO approve the MBTA Retirement Fund Strategic Plan
2024-2027.

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 10:58 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	4.19	9.84	27.96	7.93	14.80	11.27	374,523,955	21.6
S&P 500	4.96	11.30	28.19	9.57	15.80	12.69		
TOTAL SMALL CAP EQUITY	5.22	3.24	19.87	-0.69	9.79	8.81	135,640,103	7.8
RUSSELL 2000 GROWTH	5.36	4.62	18.38	-3.34	7.79	8.06		
RUSSELL 2000 VALUE	4.68	0.85	21.76	-0.17	8.77	-		
GLOBAL EQUITY AND EMERGING MARKETS*	0.90	5.23	19.97	-3.82	9.66	10.25	48,389,840	2.8
MSCI EMERGING MARKETS INDEX	0.59	3.53	12.85	-5.85	3.94	3.05		
PRIM EMERGING MARKETS CUSTOM BENCHMARK*	0.64	6.87	11.46	-4.69	-	-		
TOTAL INTERNATIONAL EQUITY	1.03	3.26	11.71	-1.04	6.24	3.72	223,581,424	12.9
MSCI EAFE	3.87	7.07	18.53	3.06	8.05	4.60		
PRIM INTL EQUITY CUSTOM BENCHMARK*	-2.71	2.20	-	-	-	-		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	1.30	-0.22	3.96	-1.09	1.16	1.92	426,498,824	24.8
BC AGGREGATE	1.70	-1.64	1.31	-3.10	-0.17	1.26		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.48	2.21	5.45	2.89	2.12	1.47		
MASTER ACCOUNT	0.45	2.23	5.45	3.00	2.12	1.47	28,251,842	1.6
CASH EQUITIZATION CUSTOM INDEX	4.70	8.42	24.22	5.76	12.57	9.76		
91 DAY T-BILL	0.48	2.21	5.45	2.89	2.12	1.47		
SSGM CASH EQUITIZATION	4.95	7.83	21.60	8.38	11.82	8.90	10,396,181	0.6



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TOTAL HEDGE FUND*	0.58	3.88	12.48	4.59	5.54	2.90	76,011,343	4.4
HFRI (Fund of Funds)	0.79	4.46	9.60	2.19	5.07	3.56		
PRIM HEDGE FUND CUSTOM BENCHMARK*	0.02	3.96	8.75	3.77	-	-		
DIVERSIFIED BETA	1.20	4.01	9.95	-2.61	3.45	3.95	54,031,544	3.1
91 DAY T BILL PLUS 300 BPS	0.73	3.48	8.60	5.97	5.18	4.51		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.48	2.23	5.51	2.96	2.16	1.50		
<u>OPPORTUNISTIC**</u>								
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	0.30	7.40	10.97	1.86	3.99	-		
TOTAL OPPORTUNISTIC**	0.43	3.38	12.70	6.16	8.88	-	30,480,590	1.8
<u>PRIVATE CREDIT**</u>								
STATE STREET PE CREDIT BENCHMARK	0.00	10.15	10.03	10.86	-	-		
TOTAL PRIVATE CREDIT	0.00	-0.60	-2.56	6.88	-	-	25,573,879	1.5
<u>PRIVATE EQUITY **</u>								
STATE STREET PE BENCHMARK	0.00	5.27	5.27	15.76	13.77	13.42		
TOTAL PRIVATE EQUITY^^	0.00	1.25	2.23	11.31	14.36	10.50	157,633,984	9.1
<u>REAL ESTATE **</u>								
NCREIF PROPERTY INDEX QTR LAG	0.00	-8.39	-7.94	4.57	4.33	6.80		
NCREIF ODCE	0.00	-12.02	-11.28	3.37	3.46	6.76		
TOTAL REAL ESTATE	0.00	-16.21	-17.98	0.17	1.34	6.40	138,901,805	8.0
TOTAL FUND								
MBTA ALLOCATION MIX	1.72	3.73	11.48	3.31	7.73	6.42		
MBTA POLICY MIX	1.90	3.46	11.22	3.83	7.82	6.81		
TOTAL FUND	1.87	2.67	8.86	2.67	7.71	6.61	1,729,915,314	100.0
PREVIOUS MKT VALUE							1,701,382,194	
MONTHLY CHANGE IN MARKET VALUE							28,533,119	
12/31/2023 MKT VALUE							1,697,928,043	
YTD CHANGE IN MARKET VALUE							31,987,271	

* MTD & YTD Returns lag by one month. Actual returns through April 30, 2024

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 12/31/2023 adjusted for cash flows. MTD return is QTD.

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

^^ Active portfolio - post 2005



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>
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