

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
October 18, 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 9:32 AM on Friday, October 18, 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 and Paul Todisco. Additionally, Alternate Members present were Jose Cruz, John Mesereau, James Joyce, Thomas McGee and Gerald Kelley. Honorary member, Attorney Philip Brown, John P. Barry - Interim-Executive Director, Jacquelyn Carey - Acting Recording Secretary and Fund staff were also present. In addition, Julian Regan and Pamela Dubuc of Segal Marco Advisors were 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, September 20, 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 September 20, 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 7 of the meeting packet.

c. Informational Items

Chairperson Evers stated that Section II covering Item c. as indicated on Pages 9 through 14 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 September 2024. He reported that for the month of September, the Fund had a total of \$17,894,960 in deposits and \$20,218,795 in withdrawals for a net-outflow of \$2,323,835. Mr. Barry reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark. Mr. Barry highlighted that we are above the assumed rate of return as of the third quarter 2024 and he hopes the market return keeps up for the remaining quarter of the 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 September 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 9:36 AM.

The regular meeting reconvened at 12:01 PM.

SECTION IV – REGULAR SESSION

a. Votes Taken.

On motion, duly made and seconded, it was

VOTED: To adopt the amended *Massachusetts Bay Transportation Authority Board’s Standards of Fiduciary Responsibility* in the form circulated to the Board and attached hereto, and accept the PowerPoint report and training delivered by Philip Y. Brown, Esq. of Brown Counsel, LLC entitled *The Fiduciary Duties of the MBTA Retirement Board*.

On motion, duly made and seconded, it was unanimously

VOTED: To accept the Interim-Executive Director’s Mid-Year Status 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 12:02 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	-0.62	18.18	35.57	7.93	14.13	11.64	377,708,707	20.9
S&P 500	-0.91	20.97	38.02	9.08	15.27	13.00		
TOTAL SMALL CAP EQUITY	-2.36	9.30	32.01	-0.34	9.64	9.08	143,588,616	8.0
RUSSELL 2000 GROWTH	-1.33	11.72	36.49	-2.30	7.92	8.15		
RUSSELL 2000 VALUE	-1.56	7.51	31.77	1.95	8.42	-		
GLOBAL EQUITY AND EMERGING MARKETS*	5.12	15.92	41.82	-4.18	10.51	10.61	53,311,440	3.0
MSCI EMERGING MARKETS INDEX	-4.32	12.17	25.95	-0.99	4.35	3.83		
PRIM EMERGING MARKETS CUSTOM BENCHMARK*	6.32	20.82	25.57	1.10	-	-		
TOTAL INTERNATIONAL EQUITY	-1.33	9.31	26.21	1.60	5.70	4.98	232,408,394	12.9
MSCI EAFE	-5.44	6.85	22.97	2.70	6.24	5.27		
PRIM INTL EQUITY CUSTOM BENCHMARK*	1.30	12.66	-	-	-	-		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	-1.19	4.15	11.81	-0.04	1.65	2.24	443,427,317	24.6
BC AGGREGATE	-2.48	1.86	10.55	-2.20	-0.23	1.49		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.38	4.43	5.39	3.63	2.36	1.69		
MASTER ACCOUNT	0.41	4.45	5.40	3.75	2.38	1.69	28,327,461	1.6
CASH EQUITIZATION CUSTOM INDEX	-2.12	15.18	33.78	5.82	11.85	10.17		
91 DAY T-BILL	0.38	4.43	5.39	3.63	2.36	1.69		
SSGM CASH EQUITIZATION	-2.17	14.74	32.91	9.36	11.26	9.34	11,099,511	0.6

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*	1.36	9.38	14.96	6.07	6.48	3.22	80,035,947	4.4
HFRI (Fund of Funds)	0.42	7.42	12.02	2.18	5.43	3.79		
PRIM HEDGE FUND CUSTOM BENCHMARK*	0.88	8.74	10.78	4.69	5.81	-		
DIVERSIFIED BETA	-2.39	6.08	13.02	-2.76	2.42	4.14	55,110,144	3.1
91 DAY T BILL PLUS 300 BPS	0.63	7.02	8.53	6.73	5.42	4.73		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.38	4.46	5.43	3.70	2.40	1.72		
<u>OPPORTUNISTIC**</u>								
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QT	1.96	12.02	11.03	2.19	4.03	-		
TOTAL OPPORTUNISTIC**	0.00	5.21	7.64	5.29	7.96	-	30,480,066	1.7
<u>PRIVATE CREDIT**</u>								
STATE STREET PE CREDIT BENCHMARK	0.00	7.49	9.45	8.21	-	-		
TOTAL PRIVATE CREDIT	0.00	0.28	-1.12	2.03	-	-	25,860,685	1.4
<u>PRIVATE EQUITY **</u>								
STATE STREET PE BENCHMARK	0.00	5.69	5.75	5.29	13.46	11.84		
TOTAL PRIVATE EQUITY^^	0.00	3.29	6.80	3.77	14.03	10.40	162,689,967	9.0
<u>REAL ESTATE **</u>								
NCREIF PROPERTY INDEX QTR LAG	0.00	-4.22	-5.53	2.33	3.39	6.07		
NCREIF ODCE	0.00	-2.56	-7.27	-0.18	2.94	6.10		
TOTAL REAL ESTATE	0.00	-12.21	-15.28	-3.44	-0.38	4.52	159,164,698	8.8
TOTAL FUND								
MBTA ALLOCATION MIX	-0.44	9.08	18.50	3.49	7.48	6.84		
MBTA POLICY MIX	-0.78	8.45	17.63	3.91	7.50	7.09		
TOTAL FUND	-0.67	7.37	17.06	2.43	7.48	6.81	1,803,212,953	100.0
PREVIOUS MKT VALUE							1,817,681,587	
MONTHLY CHANGE IN MARKET VALUE							-14,468,634	
12/31/2023 MKT VALUE							1,694,401,260	
YTD CHANGE IN MARKET VALUE							108,811,693	

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

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 06/30/2024 adjusted for cash flows. MTD return is QTD.

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

^^ Active portfolio - post 2005

~ Portfolio stale dated to prior period end, statement not yet available



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>
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TOTAL LARGE CAP EQUITY	-0.60	18.35	35.78	8.11	14.31	11.87	377,708,707	20.9
S&P 500	-0.91	20.97	38.02	9.08	15.27	13.00		
TOTAL SMALL CAP EQUITY	-2.26	9.77	32.57	0.10	10.10	9.66	143,588,616	8.0
RUSSELL 2000 GROWTH	-1.33	11.72	36.49	-2.30	7.92	8.15		
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