

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY RETIREMENT FUND
MINUTES OF REGULAR MEETING
January 17, 2025

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 9:31 AM on Friday, January 17, 2025, 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, Chandra Smart and Paul Todisco. Additionally, Alternate Members present were Jose Cruz, John Mesereau, James Joyce and Gerald Kelley. 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, December 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 December 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 6 through 9 of the meeting packet.

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

VOTED: TO approve Item b. as indicated
on Pages 6 through 9 of the meeting packet.

c. Informational Items

Chairperson Evers stated that Section II covering Item c. as indicated on Pages 10 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 December 2024. He reported that for the month of December, the Fund had a total of \$19,241,243 in deposits and \$20,246,080 in withdrawals for a net-outflow of \$1,184,837. Mr. Barry reviewed the overall performance of each of the Fund's asset classes in comparison to their respective benchmark. Mr. Barry noted to the Board that although this is a December report, these figures are not final; alternative investments and PRIM accounts will be priced in early 2025 for final December returns. He added that the Fund was recently awarded, for the 8th consecutive year, the GFOA Certificate of Excellence in Financial Reporting for the 2023 ACFR Report. Chairperson Evers commended Mr. Barry on excellent work and Trustees echoed his sentiments.

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

VOTED: TO approve the General Financial Report of the Executive Director for the Month of December 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 9:37 AM.

The regular meeting reconvened at 11:19 AM.

SECTION IV – REGULAR SESSION

a. Votes Taken.

On motion, duly made and seconded, it was unanimously

VOTED: TO fully redeem from Morgan Stanley – Eaton Vance International Small Cap Equity portfolio and reallocate the funds to PRIM International Equity Segmentation.

On motion, duly made and seconded, it was unanimously

VOTED: TO authorize the Executive Director to obtain, negotiate and execute investment documents governing the MBTARF's investment with Hamilton Lane Strategic Opportunities Fund IX in the sum of \$7.5 million, 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 authorize the Executive Director to obtain, negotiate and execute investment documents governing the MBTARF's investment with HarbourVest Credit Opportunities Fund III in the sum of \$7.5 million, 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.

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 11:20 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	2.78	2.78	21.60	10.01	13.74	12.26	388,309,816	21.3
S&P 500	2.78	2.78	26.38	11.91	15.17	13.76		
TOTAL SMALL CAP EQUITY	2.96	2.96	18.93	4.85	9.72	9.86	147,571,629	8.1
RUSSELL 2000 GROWTH	3.16	3.16	22.73	6.23	7.76	8.68		
RUSSELL 2000 VALUE	2.05	2.05	15.52	4.71	8.93	-		
GLOBAL EQUITY AND EMERGING MARKETS*	-3.61	6.82	6.82	-0.77	7.04	9.90	49,122,120	2.7
MSCI EMERGING MARKETS INDEX	1.81	1.81	15.35	-0.26	3.45	4.16		
PRIM EMERGING MARKETS CUSTOM BENCHMARK*	-0.28	11.62	7.03	-1.33	-	-		
TOTAL INTERNATIONAL EQUITY	1.18	1.18	5.16	1.71	4.36	4.56	183,621,110	10.1
MSCI EAFE	5.26	5.26	8.65	5.12	6.25	5.69		
PRIM INTL EQUITY CUSTOM BENCHMARK*	-2.67	4.17	-	-	-	-		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	0.68	0.68	4.25	0.55	1.30	2.18	453,670,378	25.0
BC AGGREGATE	0.53	0.53	2.07	-1.52	-0.60	1.19		
<u>SHORT TERM INVESTMENTS</u>								
91 DAY T-BILL	0.37	0.37	5.19	4.02	2.51	1.80		
MASTER ACCOUNT	0.37	0.37	5.17	4.14	2.53	1.81	69,821,622	3.8
CASH EQUITIZATION CUSTOM INDEX	3.34	3.34	20.63	9.14	11.85	10.82		
91 DAY T-BILL	0.37	0.37	5.19	4.02	2.51	1.80		
SSGM CASH EQUITIZATION	3.16	3.16	19.65	11.70	11.20	9.83	11,666,647	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*	4.03	14.97	14.97	7.39	6.98	3.72	84,122,661	4.6
HFRI (Fund of Funds)	1.21	1.21	9.63	4.41	5.42	3.90		
PRIM HEDGE FUND CUSTOM BENCHMARK*	1.07	9.96	8.67	4.84	5.75	-		
DIVERSIFIED BETA	2.55	2.55	6.49	-1.63	2.47	3.97	55,770,470	3.1
91 DAY T BILL PLUS 300 BPS	0.61	0.61	8.33	7.13	5.58	4.85		
BBG BARCLAYS U.S. TSY BELLWETHERS 3M PR	0.38	0.38	5.24	4.10	2.56	1.84		
<u>OPPORTUNISTIC**</u>								
BANK OF AMERICA/MERRILL LYNCH HIGH YIELD QTI	-	16.47	16.47	2.95	4.38	-		
TOTAL OPPORTUNISTIC**	-	6.72	6.72	5.91	8.32	-	30,399,198	1.7
<u>PRIVATE CREDIT**</u>								
STATE STREET PE CREDIT BENCHMARK	-	10.78	10.78	7.92	9.64	8.23		
TOTAL PRIVATE CREDIT	-	-1.40	-1.40	-0.35	10.14	9.97	24,334,207	1.3
<u>PRIVATE EQUITY **</u>								
STATE STREET PE BENCHMARK	-	8.77	8.77	4.18	13.93	12.19		
TOTAL PRIVATE EQUITY^^	-	3.22	3.22	3.78	13.58	10.42	164,215,699	9.0
<u>REAL ESTATE **</u>								
NCREIF PROPERTY INDEX QTR LAG	-	-3.47	-3.47	0.87	3.26	5.88		
NCREIF ODCE	-	-1.43	-1.43	-2.32	2.87	5.88		
TOTAL REAL ESTATE	-	-12.51	-12.51	-5.22	-0.75	4.22	157,524,406	8.7
TOTAL FUND								
MBTA ALLOCATION MIX	1.04	1.04	10.44	4.47	7.08	6.95		
MBTA POLICY MIX	1.19	1.19	10.45	4.92	7.26	7.27		
TOTAL FUND	1.24	1.24	8.33	3.84	6.93	6.92	1,820,149,963	100.0
PREVIOUS MKT VALUE							1,790,579,961	
MONTHLY CHANGE IN MARKET VALUE							29,570,002	
12/31/2024 MKT VALUE~~							1,790,579,961	
YTD CHANGE IN MARKET VALUE							29,570,002	

* MTD & YTD Returns lag by one month. Actual returns through December 31, 2024

** YTD Return for PE, RE, Opportunistic HF lags by one quarter. YTD return is through 09/30/2024 adjusted for cash flows. MTD return is QTD.

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

^^ Active portfolio - post 2005

~ Benchmark is not yet available.

~~ Unaudited, preliminary market value

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	2.80	2.80	21.80	10.20	13.92	12.49	388,309,816	21.3
S&P 500	2.78	2.78	26.38	11.91	15.17	13.76		
TOTAL SMALL CAP EQUITY	3.06	3.06	19.44	5.33	10.18	10.42	147,571,629	8.1
RUSSELL 2000 GROWTH	3.16	3.16	22.73	6.23	7.76	8.68		
RUSSELL 2000 VALUE	2.05	2.05	15.52	4.71	8.93	-		
GLOBAL EQUITY AND EMERGING MARKETS	-3.61	6.82	6.82	-4.17	7.52	10.37	49,122,120	2.7
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PRIM INTL EQUITY CUSTOM BENCHMARK*	-2.67	4.17	-	-	-	-		
<u>FIXED INCOME</u>								
TOTAL DOMESTIC FIXED INCOME	0.70	0.70	4.42	0.73	1.48	2.36	453,670,378	25.0
BC AGGREGATE	0.53	0.53	2.07	-1.52	-0.60	1.19		
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