



**Golden Gate Transit-Amalgamated Retirement Plan
Pension Trust Meeting No. 201**

Thursday, August 15, 2024, 2:00 p.m.

Location:

185 North Redwood Drive

Muir Woods Conference Room (lower level)

San Rafael, CA

WebEx

<https://zah.webex.com/zah/j.php?MTID=m69fc498cf4afe165de3ffc3af53558ad>

Dial-In Number: (415) 655-0003

Meeting ID Number (Access Code): 2350 074 43030

GOLDEN GATE TRANSIT AMALGAMATED RETIREMENT PLAN

BOARD OF TRUSTEES MEETING

TIME: 2:00 PM

DATE: THURSDAY, AUGUST 15, 2024

**PLACE: 185 NORTH REDWOOD DRIVE
SAN RAFAEL, CA
MUIR WOODS CONFERENCE ROOM (LOWER LEVEL)**

DIAL IN NUMBER: 1-415-655-0003

MEETING NUMBER (ACCESS CODE): 2350 074 4303

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PENSION MEETING NO. 201

I. CALL TO ORDER

II. ROLL CALL

- Management Trustees**
- Dennis Rodoni
 - Chris Snyder
 - James Mastin

- Union Trustees**
- Kimmiko Joseph
 - David Herrera
 - Shane Weinstein

III. CONSENT CALENDAR

- A. Approval of the Minutes of Meeting No. 200 1-4
- B. Approval of the Q-2, 2024 Financial Statements.....5-13
- C. Approval of the New Benefit Payments Issued Q-2, 2024 14

IV. PUBLIC COMMENT

Board of Trustees Meeting

August 15, 2024

V. REVIEW & ACCEPT REPORTS BY PLAN PROFESSIONALS

- A. Trust Administrator
 - a) Review and Approve Cyber Liability Insurance Policy Eff. 8/25/24 15
 - b) Review and Approve Application for Disability Benefits
 - c) IFEBP 2024 Reminder
- B. Trust Counsel
- C. Trust Investment Consultant
 - a) Accept GGTARP Q-2, 2024 Investment Consultant 16-44

VI. OTHER BUSINESS

- A. Consideration and Approval of November 2024 Meeting
- B. Review Proposed 2025 Meeting Schedule 45

VII. ADJOURNMENT

NOTE: This meeting will be held in person at the location listed above. As a courtesy, and technology permitting, members of the public may also attend by virtual teleconference. However, we cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option. Members of the public may, at the beginning of the Board meeting, comment regarding matters that are within the jurisdiction of the Board but are not on the meeting agenda. Members of the public may comment regarding each item on the Board agenda immediately before the matter is considered by the Board. Each speaker will be allotted three (3) minutes to speak with respect to matters within the jurisdiction of the Board and each agenda item. This time may be extended only upon approval of the Board of Trustees.

Notices of the meetings of the Golden Gate Transit – Amalgamated Retirement Plan and Health and Welfare Trust (“Trust”) are posted on the District website at <https://www.goldengate.org/district/board-of-directors/ggtarp/>, as well as on Participants Edge website at <https://edge.zenith-american.com/page.php?p=members/index.php&ac=login>, as well as 1141 Harbor Bay Pkwy, Suite 100, Alameda, CA 94502. Copies of the Agenda packets can be viewed prior to the meeting on the participant website at or upon request to the Plan Administrator by email to ltham@zenith-american.com.

NOTICE: If you challenge a decision of the Plan's Board of Trustees in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Plan at, or prior to, the public hearing. Judicial review of any Plan administrative decision may be had only if petition is filed with the court not later than the 90th day following the date upon which the decision becomes final.

Upon request, GGTARP will provide written agenda materials in appropriate alternative formats to individuals with disabilities. In addition, GGTARP will arrange for disability-related modifications or accommodations, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, telephone number and brief description of the requested materials, preferred alternative format, and/or auxiliary aid or service at least two (2) days before the meeting. Requests should be made to Plan Administrator, Golden Gate Transit – Amalgamated Retirement Plan, 1141 Harbor Bay Pkwy, Suite 100, Alameda, CA 94502; or email to ltham@zenith-american.com; or telephone at (866) 584-7087.

GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT PLAN

MINUTES OF THE BOARD OF TRUSTEES PENSION MEETING NO. 200

May 16, 2024

**185 North Redwood Drive
San Rafael, CA
Muir Woods Conference Room
Lower Level**

ITEM 1. Call to Order

The meeting of the Golden Gate Transit-Amalgamated Retirement Plan Board of Trustees was called to order by Chairperson Chris Snyder at 2:00 p.m. on Thursday, May 16, 2024.

ITEM 2. Roll Call

EMPLOYER TRUSTEES

Chris Snyder
Dennis Rodoni
James Mastin

EMPLOYEE TRUSTEES

Kimmiko Joseph
Shane Weinstein
David Herrera

**Pension Fund Minutes
Meeting of May 16, 2024**

ITEM 3. CONSENT CALENDAR

Board Chairperson Chris Snyder announced the items for consideration under the Consent Calendar:

Item 3(A): Approval of the Minutes of Meeting No. 199.

Item 3(B): Approval of the Minutes of Meeting No. 199-A.

Item 3(D): Approval of the Q-1, 2024 Financial Statements.

Item 3(E): Approval of the New Benefit Payments Issued in Q-1, 2024.

Board Chairperson Snyder called for a motion to Approve the Consent Calendar.

Trustee Herrera made a motion to the approve the Consent Calendar.

Trustee Rodoni seconded the motion.

There was no public comment.

The board voted unanimously 6-0 to approve the Consent Calendar.

ITEM 4. Public Comment

There was no public comment.

ITEM 5. Approve Seventh Amendment to the GGTAR Plan

Upon approving the Seventh Amendment to the GGTAR Plan, Trustee David Herrera asked if the Board should be looking at specific qualifiers in Exhibit A of the Amendment. While the actuarial factors are listed in a 91-page spreadsheet, the Exhibit A assumptions were used to determine and adjust the Joint & Survivor benefits previously provided by the Trust Actuary.

Board Chairperson Snyder called for a motion to approve the Seventh Amendment to the GGTAR Plan.

Trustee Weinstein made a motion to the approve the Seventh Amendment to the GGTAR Plan.

Trustee Rodoni seconded the motion.

There was no public comment.

The board voted unanimously 6-0 to approve the Seventh Amendment to the GGTAR Plan.

ITEM 6. Reports by Plan Professionals:

A) Trust Administrator

Trust Administrator Lauren Tham provided an update on the Pension Processors assigned to the

Pension Fund Minutes
Meeting of May 16, 2024

Plan. Representatives from the Zenith Pension Team visited the Amalgamated Transit Union (ATU) Office on Tuesday, May 14th and were able to assist visiting participants. Zenith will continue to work from the ATU Office on a monthly basis. Trustee Joseph suggested having one of the pension representatives also visit the San Francisco office once a month. Ms. Tham and Mr. Palinsky will work with the Trustees to coordinate a schedule between both offices. Ms. Tham also reported that a new pension processor is currently being trained to assist with the administration of the Plan.

Trust Administrator Lauren Tham reported that every elected official and public employee who makes or influences governmental decisions is required to submit a Statement of Economic Interest, also known as the Form 700. Trustees who have not yet completed their Form 700 should complete and return their original hard copy with wet signature to the Plan Office.

Trust Administrator Lauren Tham reminded the Board of Trustees of the 70th Annual Employee Benefits Conference that will be taking place in San Diego, California from Sunday, November 10th through Wednesday, November 13th.

B) Trust Counsel

There was nothing new to report from Trust Counsel.

C) Trust Investment Consultant

Trust Investment Consultant Simon Lim and Dave Vas presented the Investment Performance Report for the first quarter of 2024.

Trust Investment Consultant Simon Lim presented the Market Update, noting favorable economic news supporting a continued rally in stocks in Q1 2024. Investors' focus remained on the Fed and the economy continued to show resilience with healthy corporate earnings. While U.S. Treasury interest rates rose slightly, inflation continued to trend down, albeit slower than the Fed hoped. While the consensus continues to be that the economy will achieve a "soft landing", inflation continues to be a bit above the Fed's target with upticks in the most recent CPI data. As a result, investors have moderated their expectations of the number of Fed funds rate cuts down to one or two this year. Both US and international stocks gained ground in Q1 2024 with the broad US market having gained 10% and developed international stocks up 6 percent. Growth stocks continued their performance leadership having modestly outperformed Value (11.4% vs 9.0%) as growth stocks benefitted from higher earnings growth of 5% versus less than 1% for Value stocks. Core Bonds and Treasuries declined as investors lowered their rate cut expectations - the target Fed Funds range remained at 5.25% to 5.50%, unchanged since the July 2023 meeting. The Bloomberg Aggregate Index returned -0.8% in Q1 2024 with a yield of 4.85%, up 31 bps over the quarter and up 45 bps over the last 12 months.

Mr. Lim presented the Plan Performance Report as of March 31, 2024 which showed that the Plan was up 3.3% YTD versus the benchmark of 3.6%. Ending Market Value for the quarter ending 03/31/2024 was \$87,825,879.

Trust Investment Consultant Dave Vas presented the Capital Market Assumptions and Asset Allocation Study. The annual survey of asset managers saw only minor changes across asset classes. Last year's banner returns for stocks also led to higher valuations reducing longer-term expected returns. Total return expectations for fixed income, which were helped by generally

**Pension Fund Minutes
Meeting of May 16, 2024**

higher yields, were also somewhat offset by a compression of corporate spreads throughout 2023. Incorporating recommended changes to the Trust’s asset allocation, the overall result was a slight reduction in expected return for the Trust of 6.7% with slightly lower risk in 2023.

Mr. Vas then reviewed the revised Investment Policy Statement, which outlines the recommended changes to the Trust’s asset allocation in an effort to take advantage of higher return prospects in fixed income while improving the Trust’s liquidity.

Board Chairperson Snyder called for a motion to accept the Q-1, 2024 Trust Investment Consultant Report, Performance Report, and Revised Investment Policy Statement.

Trustee Mastin made a motion accept the Q-1, 2024 Trust Investment Consultant Report and Performance Report.

Trustee Herrera seconded the motion.

There was no public comment.

The board voted unanimously 6-0 accept the Q-1, 2024 Trust Investment Consultant Report, Performance Report, and Revised Investment Policy Statement.

ITEM 7. Closed Business
Conference with Trust Counsel – Anticipated Litigation
Initiation of Litigation Pursuant to Gov. Code 54956.9(d)(4) – (1 case)

ITEM 8. Return to Open Session

Chairperson Snyder provided a summary of what was discussed during Closed Session, noting no reportable action from Closed Session.

ITEM 9 Other Business

ITEM 10. Adjournment

The meeting was adjourned at 3:24 p.m.

Respectfully Submitted: _____ Dated: _____, 2024

David Herrera, Board Secretary

**GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT BOARD
STATEMENT OF FIDUCIARY NET POSITION
AS OF APRIL 30, 2024**

	April 30, 2024	April 30, 2023	% Change
<u>ASSETS</u>			
CHECKING/SAVINGS			
ADMIN - NORTHERN TRUST	\$ 2,932,817.37	\$ 2,773,189.60	5.76
CHECKING - NORTHERN TRUST	(156,707.47)	(25,795.30)	507.50
	2,776,109.90	2,747,394.30	1.05
OTHER CURRENT ASSETS			
ARB INVESTMENT ACCOUNTS	85,051,245.67	83,973,397.54	1.28
OTHER RECEIVABLES	(58,290.90)	435,167.83	(113.40)
DUE FROM BROKERS	(1,040,061.34)	(1,874,066.23)	(44.50)
	83,952,893.43	82,534,499.14	1.72
	\$ 86,729,003.33	\$ 85,281,893.44	1.70
<u>LIABILITIES AND FUND RESERVE</u>			
ACCOUNTS PAYABLE			
ACCRUED EXPENSES	\$ 70,000.00	\$ 70,000.00	0.00
	70,000.00	70,000.00	0.00
OTHER CURRENT LIABILITIES			
DUE TO BROKERS	(1,102,080.12)	(1,482,108.73)	(25.64)
PAYROLL LIABILITIES	42.07	42.07	0.00
	(1,102,038.05)	(1,482,066.66)	(25.64)
	\$ (1,032,038.05)	\$ (1,412,066.66)	(26.91)
FUND RESERVE			
FUND BALANCE	\$ 90,079,559.35	\$ 87,079,578.85	3.45
NET INCOME	(2,318,517.97)	(385,618.75)	501.25
	87,761,041.38	86,693,960.10	1.23
	\$ 86,729,003.33	\$ 85,281,893.44	1.70

GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT BOARD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FOUR MONTHS ENDING APRIL 30, 2024

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
CONTRIBUTION INCOME				
CONTRIBUTIONS - GGT	\$ 457,363.49	\$ 383,531.84	\$ 2,047,224.95	\$ 1,726,524.85
CONTRIBUTIONS - ATU	11,855.11	0.00	11,855.11	0.00
CONTRIBUTIONS - EMPLOYEE	106,519.87	81,029.76	515,630.08	375,844.62
CONTRIBUTIONS - OTHER	0.00	0.00	0.00	0.00
TOTAL CONTRIBUTION INCOME	575,738.47	464,561.60	2,574,710.14	2,102,369.47
INVESTMENT INCOME				
DIVIDENDS	89,926.72	43,586.04	256,454.97	230,198.72
REALIZED GAIN / LOSS	50,965.46	54,276.39	77,401.81	(87,032.25)
UNREALIZED GAIN / LOSS	(1,922,097.85)	384,201.06	477,125.68	3,031,426.99
TOTAL INVESTMENT INCOME	(1,781,205.67)	482,063.49	810,982.46	3,174,593.46
OTHER INCOME	0.00	0.00	24.84	0.00
TOTAL INCOME	(1,205,467.20)	946,625.09	3,385,717.44	5,276,962.93
BENEFIT EXPENSES				
PENSION BENEFITS	1,137,729.34	1,148,671.46	4,647,323.83	4,615,062.84
BENEFIT WITHHOLDING TAXES	145,532.08	157,387.05	607,224.49	628,908.70
TERMINATION BENEFITS	0.00	19,867.42	52,968.53	60,119.24
SPECIAL PAYMENT PLAN BENEFITS	20,691.48	21,692.36	88,358.78	84,985.20
TOTAL BENEFITS PAID	1,303,952.90	1,347,618.29	5,395,875.63	5,389,075.98
OPERATING EXPENSES				
ADMINISTRATION FEES	23,507.00	23,507.00	94,477.75	94,028.00
SALARY EXPENSE	23,507.00	23,507.00	94,477.75	94,028.00
PAYROLL WITHHOLDINGS & EXPENSE	5,286.70	2,913.76	21,227.30	11,647.04
INSURANCE EXPENSE	3,484.80	3,597.67	16,156.51	3,597.67
OFFICE SUPPLIES & EXPENSES	0.00	0.00	208.32	5,432.00
BANK SERVICE CHARGES	693.74	687.27	2,776.99	2,648.32
POSTAGE	999.28	22.16	1,237.17	1,379.56
PRINTING AND STATIONERY	891.05	0.00	3,135.32	600.90
DUES & SUBSCRIPTIONS	45.88	0.00	(54.12)	41.91
MEETINGS & EDUCATION	0.00	0.00	1,907.19	0.00
MISC EXPENSE	185.00	0.00	185.00	0.00
AUDIT AND ACCOUNTING FEES	21,743.75	2,972.50	52,440.98	19,211.25
INVESTMENT CONSULTANT	0.00	0.00	32,657.97	34,661.96
COMPUTER SERVICES	0.00	34.99	6,834.99	1,234.99
CUSTODIAL FEES	269.25	2,855.03	6,256.17	65,760.33
INVESTMENT MANAGEMENT FEES	5,135.14	1,676.65	6,561.62	16,664.27
ATTORNEY FEES	30,641.32	2,547.50	62,350.62	16,597.50
TOTAL OPERATING EXPENSES	92,882.91	40,814.53	308,359.78	273,505.70
TOTAL EXPENSES	1,396,835.81	1,388,432.82	5,704,235.41	5,662,581.68
NET INCOME	\$ (2,602,303.01)	\$ (441,807.73)	\$ (2,318,517.97)	\$ (385,618.75)



Zenith American Solutions
 Attention: Accounting Department
 5655 Badura Ave., Suite 180
 Las Vegas, NV 89118

Re: Golden Gate Transit - Monthly Disbursements for April 2024

Payee	Check#	Check Date	Expense Description	Amount
Internal Revenue Service	5379	4/8/24	Form 8802 Filing Fee	185.00
Best Best & Krieger LLP	5380	4/30/24	Legal March 2024	30,641.32
Cheiron	5381	4/30/24	Progress Billing 01/01/2024 Actuarial Valuation	21,743.75
Mellon Investments Corporation	5382	4/30/24	Investment Management 1Q2024	1,138.75
Zenith American Solutions	5383	4/30/24	Administration April 2024	25,443.21
ATU Local 1575	5384	4/30/24	Contributions - Dues April 2024	3,534.94
ATU Local 1575	5385	4/30/24	Contributions - Dues April 2024	493.34
ATU Local 1575	5386	4/30/24	Contributions - Insurance April 2024	1,258.42
Total Checks Written:				\$ 84,438.73

**GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT BOARD
STATEMENT OF FIDUCIARY NET POSITION
AS OF MAY 31, 2024**

	May 31, 2024	May 31, 2023	% Change
<u>ASSETS</u>			
CHECKING/SAVINGS			
ADMIN - NORTHERN TRUST	\$ 903,809.66	\$ 2,796,075.12	(67.68)
CHECKING - NORTHERN TRUST	1,070,738.15	(30,011.82)	(3,667.72)
	1,974,547.81	2,766,063.30	(28.62)
OTHER CURRENT ASSETS			
ARB INVESTMENT ACCOUNTS	87,222,419.23	85,032,660.44	2.58
OTHER RECEIVABLES	(57,608.54)	(2,851,632.47)	(97.98)
DUE FROM BROKERS	(397,161.37)	(1,595,174.69)	(75.10)
	86,767,649.32	80,585,853.28	7.67
	\$ 88,742,197.13	\$ 83,351,916.58	6.47
<u>LIABILITIES AND FUND RESERVE</u>			
ACCOUNTS PAYABLE			
ACCRUED EXPENSES	\$ 70,000.00	\$ 70,000.00	0.00
	70,000.00	70,000.00	0.00
OTHER CURRENT LIABILITIES			
DUE TO BROKERS	(455,012.99)	(1,690,829.09)	(73.09)
PAYROLL LIABILITIES	42.07	42.07	0.00
LIABILITY FOR BENEFIT WH	3,951.47	0.00	0.00
	(451,019.45)	(1,690,787.02)	(73.32)
	\$ (381,019.45)	\$ (1,620,787.02)	(76.49)
FUND RESERVE			
FUND BALANCE	\$ 89,381,619.40	\$ 87,079,578.85	2.64
NET INCOME	(258,402.82)	(2,106,875.25)	(87.74)
	89,123,216.58	84,972,703.60	4.88
	\$ 88,742,197.13	\$ 83,351,916.58	6.47

GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT BOARD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FIVE MONTHS ENDING MAY 31, 2024

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
CONTRIBUTION INCOME				
CONTRIBUTIONS - GGT	\$ 435,346.34	\$ 348,737.88	\$ 2,482,571.29	\$ 2,075,262.73
CONTRIBUTIONS - ATU	0.00	0.00	11,855.11	0.00
CONTRIBUTIONS - EMPLOYEE	104,699.07	73,933.60	620,329.15	449,778.22
CONTRIBUTIONS - OTHER	0.00	0.00	0.00	0.00
TOTAL CONTRIBUTION INCOME	540,045.41	422,671.48	3,114,755.55	2,525,040.95
INVESTMENT INCOME				
DIVIDENDS	46,336.53	287,379.00	302,791.50	517,577.72
REALIZED GAIN / LOSS	(720,515.36)	(94,667.10)	(643,113.55)	(181,699.35)
UNREALIZED GAIN / LOSS	2,911,240.40	(930,223.16)	4,014,296.44	2,101,203.83
TOTAL INVESTMENT INCOME	2,237,061.57	(737,511.26)	3,673,974.39	2,437,082.20
OTHER INCOME	0.00	100.00	24.84	100.00
TOTAL INCOME	2,777,106.98	(314,739.78)	6,788,754.78	4,962,223.15
BENEFIT EXPENSES				
PENSION BENEFITS	1,147,637.52	1,149,967.14	5,794,961.35	5,765,029.98
BENEFIT WITHHOLDING TAXES	147,783.67	149,484.45	755,008.16	778,393.15
TERMINATION BENEFITS	0.00	41,636.00	52,968.53	101,755.24
SPECIAL PAYMENT PLAN BENEFITS	39,680.99	22,831.65	128,039.77	107,816.85
TOTAL BENEFITS PAID	1,335,102.18	1,363,919.24	6,730,977.81	6,752,995.22
OPERATING EXPENSES				
ADMINISTRATION FEES	23,507.00	23,507.00	117,984.75	117,535.00
SALARY EXPENSE	23,507.00	23,507.00	117,984.75	117,535.00
PAYROLL WITHHOLDINGS & EXPENSE	5,296.70	4,585.26	26,524.00	16,232.30
INSURANCE EXPENSE	3,484.80	3,597.67	(1,944.68)	7,195.34
OFFICE SUPPLIES & EXPENSES	246.75	0.00	(2,260.93)	5,432.00
BANK SERVICE CHARGES	694.25	612.33	3,471.24	3,260.65
POSTAGE	252.91	526.81	1,261.70	1,906.37
PRINTING AND STATIONERY	286.12	480.78	3,219.34	1,081.68
DUES & SUBSCRIPTIONS	0.00	83.40	(54.12)	125.31
MEETINGS & EDUCATION	3,345.00	2,230.36	5,252.19	2,230.36
MISC EXPENSE	0.00	0.00	185.00	0.00
AUDIT AND ACCOUNTING FEES	0.00	0.00	36,927.23	19,211.25
INVESTMENT CONSULTANT	32,934.70	0.00	34,184.21	34,661.96
COMPUTER SERVICES	0.00	0.00	5,634.99	1,234.99
CUSTODIAL FEES	238.91	4,825.55	23,995.08	70,585.88
INVESTMENT MANAGEMENT FEES	0.00	(3,819.18)	(9,290.79)	12,845.09
ATTORNEY FEES	9,542.46	5,967.50	71,090.58	22,565.00
TOTAL OPERATING EXPENSES	79,829.60	42,597.48	316,179.79	316,103.18
TOTAL EXPENSES	1,414,931.78	1,406,516.72	7,047,157.60	7,069,098.40
NET INCOME	\$ 1,362,175.20	\$ (1,721,256.50)	\$ (258,402.82)	\$ (2,106,875.25)



Zenith American Solutions
 Attention: Accounting Department
 5655 Badura Ave., Suite 180
 Las Vegas, NV 89118

Re: Golden Gate Transit - Monthly Disbursements for May 2024

<u>Payee</u>	<u>Check#</u>	<u>Check Date</u>	<u>Expense Description</u>	<u>Amount</u>
American Arbitration Association	5387	5/6/24	Case 01-23-0004-9690-2-DC - Arbitrator Compensation	4,950.00
International Foundation	5388	5/6/24	IFEBP 2024 Conference Registration and Hotel Deposit	3,345.00
Alan D Biller & Associates, Inc.	5389	5/31/24	Investment Consulting 1Q2024	32,934.70
ATU Local 1575	5390	5/31/24	Contributions - Dues May 2024	3,544.94
ATU Local 1575	5391	5/31/24	Contributions - Cope May 2024	493.34
ATU Local 1575	5392	5/31/24	Contributions - Insurance May 2024	1,258.42
Best Best & Krieger LLP	5393	5/31/24	Legal April 2024	4,592.46
Copymat	5394	5/31/24	May 2024 Board Book	286.12
Zenith American Solutions	5395	5/31/24	Administration May 2024	23,960.38
Total Checks Written:				\$ 75,365.36

**GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT BOARD
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2024**

	June 30, 2024	June 30, 2023	% Change
<u>ASSETS</u>			
CHECKING/SAVINGS			
ADMIN - NORTHERN TRUST	\$ 1,933,876.55	\$ 6,997,472.00	(72.36)
CHECKING - NORTHERN TRUST	(152,475.13)	1,145,096.80	(113.32)
	1,781,401.42	8,142,568.80	(78.12)
OTHER CURRENT ASSETS			
ARB INVESTMENT ACCOUNTS	87,390,185.95	82,570,684.48	5.84
OTHER RECEIVABLES	(73,758.56)	248,946.97	(129.63)
DUE FROM BROKERS	(38,317.81)	(573,198.25)	(93.32)
	87,278,109.58	82,246,433.20	6.12
	\$ 89,059,511.00	\$ 90,389,002.00	(1.47)
<u>LIABILITIES AND FUND RESERVE</u>			
ACCOUNTS PAYABLE			
ACCRUED EXPENSES	\$ 70,000.00	\$ 70,000.00	0.00
	70,000.00	70,000.00	0.00
OTHER CURRENT LIABILITIES			
DUE TO BROKERS	(112,319.45)	(417,376.17)	(73.09)
PAYROLL LIABILITIES	42.07	42.07	0.00
LIABILITY FOR BENEFIT WH	(415.35)	0.00	0.00
	(112,692.73)	(417,334.10)	(73.00)
	\$ (42,692.73)	\$ (347,334.10)	(87.71)
FUND RESERVE			
FUND BALANCE	\$ 89,381,619.40	\$ 87,079,578.85	2.64
NET INCOME	(279,415.67)	3,656,757.25	(107.64)
	89,102,203.73	90,736,336.10	(1.80)
	\$ 89,059,511.00	\$ 90,389,002.00	(1.47)

GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT BOARD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE SIX MONTHS ENDING JUNE 30, 2024

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
CONTRIBUTION INCOME				
CONTRIBUTIONS - GGT	\$ 476,762.75	\$ 209,478.43	\$ 2,959,334.04	\$ 2,284,741.16
CONTRIBUTIONS - ATU	0.00	0.00	11,855.11	0.00
CONTRIBUTIONS - GGT LUMP SUM	0.00	5,200,000.00	0.00	5,200,000.00
CONTRIBUTIONS - EMPLOYEE	102,779.54	43,546.24	723,108.69	493,324.46
CONTRIBUTIONS - OTHER	0.00	0.00	0.00	0.00
TOTAL CONTRIBUTION INCOME	579,542.29	5,453,024.67	3,694,297.84	7,978,065.62
INVESTMENT INCOME				
DIVIDENDS	133,922.16	(162,372.23)	436,713.66	355,205.49
REALIZED GAIN / LOSS	107,597.78	64,379.54	(535,515.77)	(117,319.81)
UNREALIZED GAIN / LOSS	598,535.41	1,810,139.17	4,612,831.85	3,911,343.00
TOTAL INVESTMENT INCOME	840,055.35	1,712,146.48	4,514,029.74	4,149,228.68
OTHER INCOME	0.00	0.00	24.84	100.00
TOTAL INCOME	1,419,597.64	7,165,171.15	8,208,352.42	12,127,394.30
BENEFIT EXPENSES				
PENSION BENEFITS	1,140,036.71	1,154,733.94	6,934,998.06	6,919,763.92
BENEFIT WITHHOLDING TAXES	142,659.18	155,261.45	897,667.34	933,654.60
TERMINATION BENEFITS	0.00	0.00	52,968.53	101,755.24
SPECIAL PAYMENT PLAN BENEFITS	18,979.82	49,083.74	147,019.59	156,900.59
TOTAL BENEFITS PAID	1,301,675.71	1,359,079.13	8,032,653.52	8,112,074.35
OPERATING EXPENSES				
ADMINISTRATION FEES	23,507.00	23,507.00	141,491.75	141,042.00
SALARY EXPENSE	23,507.00	23,507.00	141,491.75	141,042.00
PAYROLL WITHHOLDINGS & EXPENSE	5,301.70	5,232.20	31,825.70	21,464.50
INSURANCE EXPENSE	0.00	0.00	(1,944.68)	7,195.34
OFFICE SUPPLIES & EXPENSES	0.00	0.00	(2,260.93)	5,432.00
BANK SERVICE CHARGES	693.33	640.73	4,164.57	3,901.38
POSTAGE	0.00	232.48	1,261.70	2,138.85
PRINTING AND STATIONERY	0.00	202.10	3,219.34	1,283.78
DUES & SUBSCRIPTIONS	0.00	0.00	(54.12)	125.31
MEETINGS & EDUCATION	0.00	6,150.00	5,252.19	8,380.36
MISC EXPENSE	0.00	0.00	185.00	0.00
AUDIT AND ACCOUNTING FEES	0.00	0.00	36,927.23	19,211.25
INVESTMENT CONSULTANT	0.00	0.00	34,184.21	34,661.96
COMPUTER SERVICES	0.00	0.00	5,634.99	1,234.99
CUSTODIAL FEES	87,737.75	717.80	111,732.83	71,303.68
INVESTMENT MANAGEMENT FEES	0.00	3,069.71	(9,290.79)	15,914.80
ATTORNEY FEES	21,695.00	2,707.50	92,785.58	25,272.50
TOTAL OPERATING EXPENSES	138,934.78	42,459.52	455,114.57	358,562.70
TOTAL EXPENSES	1,440,610.49	1,401,538.65	8,487,768.09	8,470,637.05
NET INCOME	\$ (21,012.85)	\$ 5,763,632.50	\$ (279,415.67)	\$ 3,656,757.25



Zenith American Solutions
 Attention: Accounting Department
 5655 Badura Ave., Suite 180
 Las Vegas, NV 89118

Re: Golden Gate Transit - Monthly Disbursements for June 2024

<u>Payee</u>	<u>Check#</u>	<u>Check Date</u>	<u>Expense Description</u>	<u>Amount</u>
Best Best & Krieger LLP	5396	6/28/24	Legal May 2024	21,695.00
ATU Local 1575	5397	6/28/24	Contributions - Dues June 2024	3,544.94
ATU Local 1575	5398	6/28/24	Contributions - Cope June 2024	498.34
ATU Local 1575	5399	6/28/24	Contributions - Insurance June 2024	1,258.42
The Northern Trust Company	5400	6/28/24	Custodial Fees 1Q2023 through 1Q2024	87,500.00
Zenith American Solutions	5401	6/28/24	Administration June 2024	23,507.00
Total Checks Written:				\$ 138,003.70

**BOARD OF TRUSTEES MEETING
DEFINED BENEFIT APPLICATIONS FOR RATIFICATION
April 1, 2024 – June 30, 2024**

RETIREMENTS

NUMBER	EFF DATE	TYPE	OPTION	AGE/YRS SERVICE	HIGH YEAR	AVERAGE FINAL EARNINGS	GUARANTEED PERCENTAGE	GROSS BENEFIT
733	04/1/2024	Normal	SLA	65	\$89,113.04	\$7,426.09 (PEPRA)	8 x 2.35% x \$7426.09	\$1,396.10
734	5/1/24	Normal	50% J&S	67	\$104,619.09	\$8,718.26	33.15%	\$2,890.10

SPECIAL PAYMENT PLAN PAYMENTS

SPP NUMBER	SPP TOTAL	SPP ELECTION	SPP EFF DATE	GROSS BENEFIT

TERMINATION BENEFIT PAYMENTS

TERMINATION NUMBER	SEPARATION DATE	PAYMENT DATE	PAYMENT AMOUNT



August 15, 2024

To: Board of Trustees ~ Golden Gate Transit Amalgamated Retirement Plan
From: Robert Palinsky & Lauren Tham ~ Zenith American Solutions
Re: 2024-25 Cyber Liability Insurance Renewal

The Golden Gate Transit Amalgamated Retirement Plan's Cyber Liability policy is coming up for renewal on August 25, 2024.

The Cyber Liability policy for the 2023-24 Plan Year was \$10,831.00 plus fees, totaling \$11,626.63.

The Cyber Liability policy for the 2024-25 Plan Year is \$10,831.00 plus fees, totaling \$11,626.63.

This is well below the amount that the Board has previously authorized the Trust Administrator to purchase on behalf of the Plan.

We request your authorization to purchase the Cyber Liability policy in the total amount of \$11,626.63 with a \$2M limit of liability.



ALAN BILLER AND ASSOCIATES
INVESTMENT CONSULTANTS

Golden Gate Transit - Amalgamated Retirement Plan

August 15, 2024

Consultants:

Simon Lim, CFA, CAIA

David Vas, ASA

David Silveira, CFA, CAIA

Performance Analysts:

Stephanie Ting

Robyn Harvey

Investment Consultant Report

To: Trustees, Golden Gate Transit - Amalgamated Retirement Plan

From: Dave Vas, David Silveira, Simon Lim

Re: August 15, 2024 Board Meeting

1. Market Update

The U.S. economy continued to show resilience, and corporate earnings were healthy. Investors' focus remained on the Fed as inflation continued to trend down, albeit slower than the Fed had hoped. Rates were held steady by the Fed with comments from the Chairman that bringing inflation under control remains its top priority.

The ongoing rally in a handful of mega-cap tech stocks (the "Magnificent 7") resulted in positive returns for the broad stock market. Due to the strong gains of the Magnificent 7, US stocks gained 3% while international stocks, which were hurt by a strong U.S. Dollar, gained 1 percent. The Fed's postponement of rate cuts resulted in flat bond prices with core bonds having gained 7 bps and long-U.S. Treasuries having lost 1.8 percent.

The economy and corporate fundamentals appear sound, and inflation seems to be under control. However, uncertainty remains elevated, and there is little room for error. News about economic growth and interest rates will likely drive the capital markets.

Insight into market dynamics may be found in [Section 2](#). Performance excerpts may be found in [Section 3](#) – the full performance report will be issued under separate cover.

2. Trust Operations

[Section 4](#) contains details on asset allocation and cash flows.

3. Spotlight on Infrastructure

As initial capital was recently invested into Blackstone Infrastructure Partners V, we wanted to provide some education on Infrastructure and why it can be a positive addition to an investment portfolio which can be found in [Section 5](#).



Section 2: Current Market Trends

1H 2024 Market Returns

	Q2	YTD	1 Year	3 Year	5 Year	10 Year
<i>US Equity</i>						
S&P 500	4.3	15.3	24.6	10.0	15.0	12.9
Russell 1000	3.6	14.2	24.0	8.8	14.6	12.5
Russell 1000 Growth	8.3	20.7	33.6	11.3	19.3	16.3
Russell 1000 Value	-2.2	6.6	13.1	5.5	9.0	8.2
Russell 2000	-3.3	1.7	10.1	-2.6	6.9	7.0
Russell 3000	3.2	13.6	23.2	8.1	14.1	12.1
<i>International Equity</i>						
MSCI EAFE	-0.4	5.3	11.6	2.9	6.5	4.3
MSCI EM	5.0	7.5	12.6	-5.1	3.1	2.8
MSCI ACWI ex USA	1.0	5.7	11.7	0.5	5.5	3.8
MSCI ACWI ex US Hedged	2.4	10.2	16.6	5.6	8.9	7.4
<i>Fixed Income</i>						
US Aggregate	0.1	-0.7	2.6	-3.0	-0.2	1.3
High Yield	1.1	2.6	10.5	1.6	3.9	4.3
Bank Loans	1.9	4.4	11.1	6.1	5.5	4.6
Long Treasuries	-1.8	-5.0	-5.6	-10.5	-4.3	0.6
3 Month T-Bills	1.3	2.7	5.5	1.2	0.7	0.3

Is It Finally “Go Time” for Interest Rate Cuts?

Y/Y Inflation Nearing Target:

Goods (gas, autos): down
Services and food: up

	Peak	Trending
CPI	9.1%	3.0%
PPI	7.1%	2.6%
Core PCE	5.4%	2.6%

Initial
Jobless Claims

Low But Rising

Continuing
Jobless Claims

Low But Rising

Net Job
Growth

Losses Now
Matching Gains

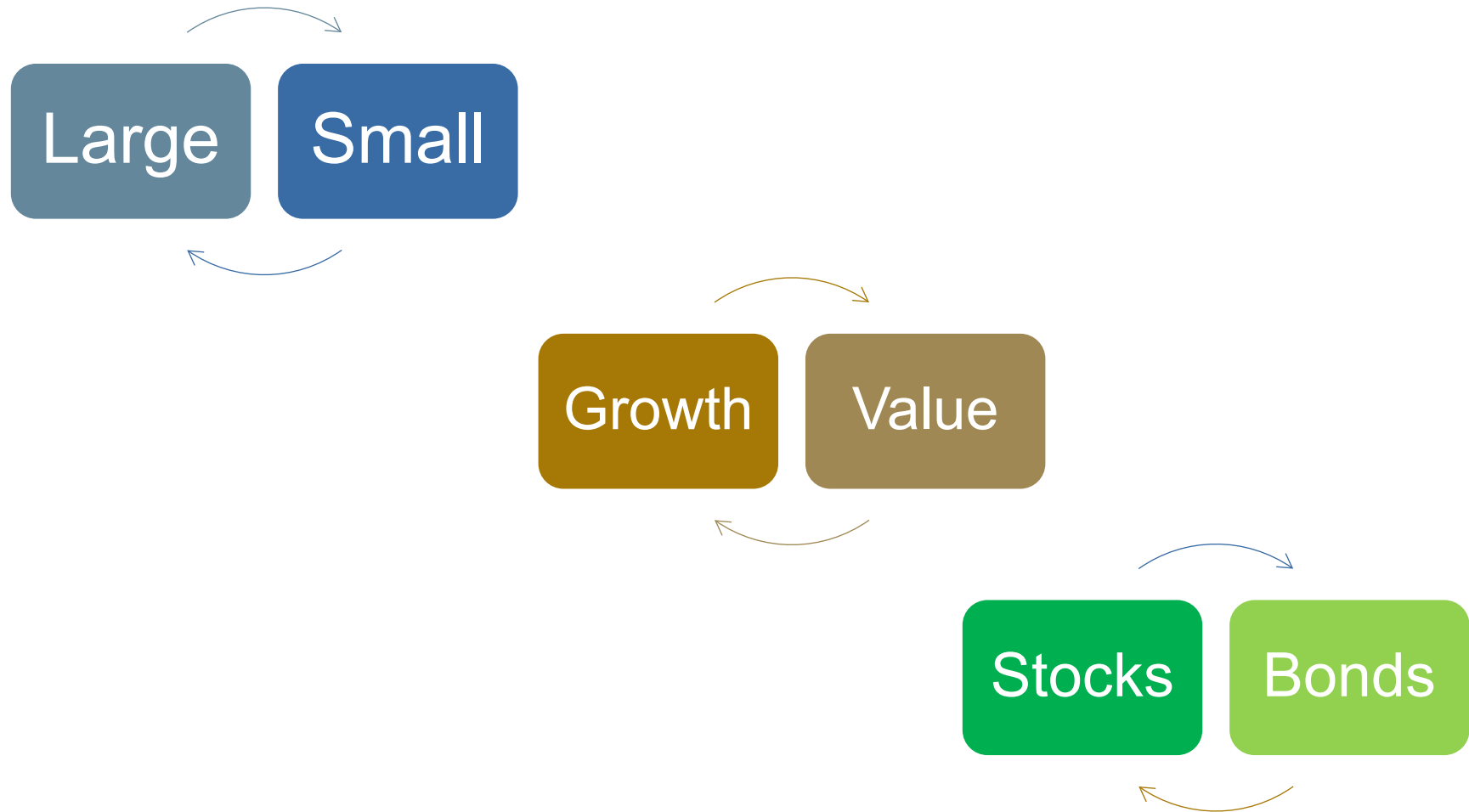
Consumer
Spending

Soft But Stable

Consumer
Credit

Late and
Delinquent Rising

Recent Rotation in the Market – Short Term or Trend?



Risks: Uncertainty

US
Presidential
Election

How much could geopolitical wildcards impact markets?

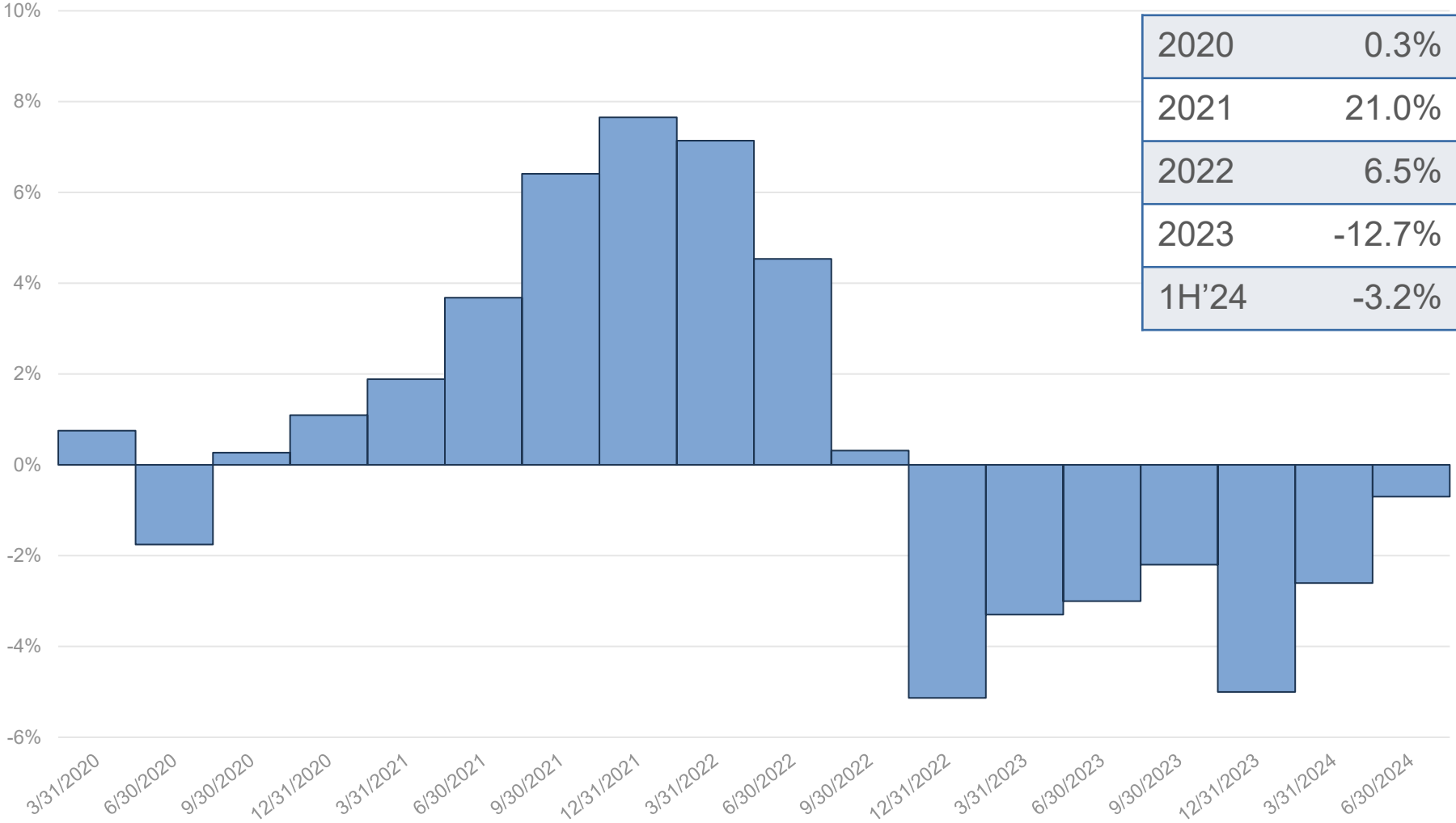
Russia -
Ukraine

Israel –
 Hamas/Iran

China –
 Taiwan

Real Estate: Moderation in Downtrend

NFI-ODCE Index Quarterly Returns, Net of Fees



Source: National Council of Real Estate Investment Fiduciaries (NCREIF)

Section 3: Performance

Trust Performance

- ✓ The Trust has either **outperformed or performed inline** versus the Policy Index across more recent timeframes.
- ✓ An underweight to and manager selection within **Fixed Income** was a **notable driver of relative performance**.

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Plan	87,110,601	100.0	1.1	4.8	9.2	2.1	5.6	5.2
<i>Policy Index</i>			0.7	4.2	9.2	1.3	6.0	6.3
Total Public US Equity	24,099,856	27.7	3.2	13.6	23.2	6.6	13.1	10.9
<i>Total US Eq Bmk (Russell 3000)</i>			3.2	13.6	23.1	-	-	-
Total Public Int'l Equity	10,926,396	12.5	0.3	5.1	9.5	-0.3	-	-
<i>Total Intl Eq Bmk (MSCI ACWI xUS)</i>			1.0	5.7	11.6	-	-	-
Total Public Fixed Income	26,335,903	30.2	0.6	1.1	5.6	-0.4	1.4	2.1
<i>Total FI Bmk (Bloomberg US Agg)</i>			0.1	-0.7	2.6	-3.6	-0.8	0.3
Total Private Debt	4,571,588	5.2	0.2	2.2	6.2	6.0	-	-
<i>Total PD Bmk (Bloomberg US Agg)</i>			0.1	-0.7	2.6	-	-	-
Total Commodities	1,749,720	2.0	0.0	5.1	22.6	23.8	-	-
Total Real Estate	7,322,576	8.4	-0.4	-0.5	-7.4	1.0	2.1	3.6
<i>Total RE Bmk (NFI ODCE Net)</i>			-0.7	-3.2	-10.0	-	-	-
Total Private Equity	6,940,464	8.0	0.0	-0.4	-0.6	4.2	-	-
<i>Total PE Bmk (Russell 2500)</i>			-4.3	2.3	10.5	-	-	-
Total Infrastructure	5,164,098	5.9	0.0	3.3	-	-	-	-
<i>CPI (SA) + 5%</i>			1.5	3.9	8.1	10.2	9.4	8.0

Public Investment Managers

- Mixed performance results from **international equities** this year driven by style tilts and stock selection.
- An overall tilt in favor of credit helped **bond investments** this year.

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Public US Equity	24,099,856	27.7	3.2	13.6	23.2	6.6	13.1	10.9
<i>Total US Eq Bmk (Russell 3000)</i>			3.2	13.6	23.1	-	-	-
BNYM Mellon DB SL Broad Market Stock Index	24,099,856	27.7	3.2	13.6	23.2	-	-	-
<i>Russell 3000 Index</i>			3.2	13.6	23.1	8.1	14.1	12.1
Total Public Int'l Equity	10,926,396	12.5	0.3	5.1	9.5	-0.3	-	-
<i>Total Intl Eq Bmk (MSCI ACWI xUS)</i>			1.0	5.7	11.6	-	-	-
BNYM Mellon DB SL ACWI ex-US	3,618,324	4.2	1.2	5.8	11.8	-	-	-
<i>MSCI AC World ex USA (Net)</i>			1.0	5.7	11.6	0.5	5.5	3.8
Dodge & Cox International Stock Fund (DODFX)	3,612,806	4.1	0.0	3.2	8.7	-	-	-
<i>MSCI EAFE Index</i>			-0.2	5.7	12.1	3.4	7.0	4.8
William Blair International Leaders	3,695,266	4.2	-0.6	6.2	7.6	-	-	-
<i>MSCI AC World ex USA IMI (Net)</i>			0.9	5.3	11.6	0.2	5.6	3.9
Total Public Fixed Income	26,335,903	30.2	0.6	1.1	5.6	-0.4	1.4	2.1
<i>Total FI Bmk (Bloomberg US Agg)</i>			0.1	-0.7	2.6	-3.6	-0.8	0.3
Camden Bonds Plus LLC	6,293,680	7.2	0.6	0.5	3.9	-	-	-
<i>Blmbg. U.S. Aggregate Index</i>			0.1	-0.7	2.6	-3.0	-0.2	1.3
JPMorgan Core Bond	5,516,039	6.3	0.4	0.2	3.7	-	-	-
<i>Blmbg. U.S. Aggregate Index</i>			0.1	-0.7	2.6	-3.0	-0.2	1.3
Neuberger Berman Strategic Multi-Sector Fixed Income	7,247,270	8.3	0.8	1.6	7.1	-	-	-
<i>Blmbg. U.S. Aggregate Index</i>			0.1	-0.7	2.6	-3.0	-0.2	1.3
PIMCO Income (PIMIX)	7,278,914	8.4	0.4	1.8	7.2	-	-	-
<i>Blmbg. U.S. Aggregate Index</i>			0.1	-0.7	2.6	-3.0	-0.2	1.3

Private Investment Managers

- **Energy** produced strong returns from post-COVID demand recovery and constrained supply.
- Performance drag from **real estate's** slight overweight offset by Blackstone's outperformance.
- **Infrastructure** called initial capital recently.

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Private Debt	4,571,588	5.2	0.2	2.2	6.2	6.0	-	-
<i>Total PD Bmk (Bloomberg US Agg)</i>			0.1	-0.7	2.6	-	-	-
AB CarVal CVI Credit Value B IV LP	633,041	0.7	1.2	3.1	7.1	7.3	6.6	-
Alcentra European Direct Lending (Levered) II USD Feeder SCSp	2,347,268	2.7	0.0	1.8	5.6	4.8	3.5	-
KLCP Offshore LP	1,278,838	1.5	0.0	3.1	8.5	9.1	-	-
Whitehorse Liquidity Partners (Offshore) IV LP	312,441	0.4	0.0	0.1	0.4	4.2	-	-
Total Commodities	1,749,720	2.0	0.0	5.1	22.6	23.8	-	-
Kayne Anderson Energy VII LP	1,749,720	2.0	0.0	5.1	22.6	23.9	-9.6	-
Total Real Estate	7,322,576	8.4	-0.4	-0.5	-7.4	1.0	2.1	3.6
<i>Total RE Bmk (NFI ODCE Net)</i>			-0.7	-3.2	-10.0	-	-	-
Blackstone Property Partners LP	5,423,858	6.2	0.0	1.0	-5.8	1.4	2.4	-
<i>NCREIF Fund Index-ODCE (VW) (Net)</i>			-0.7	-3.2	-10.0	1.0	2.3	5.5
PGIM RE PRISA	1,898,718	2.2	-1.7	-4.4	-11.7	-	-	-
<i>NCREIF Fund Index-ODCE (VW) (Net)</i>			-0.7	-3.2	-10.0	1.0	2.3	5.5
Total Private Equity	6,940,464	8.0	0.0	-0.4	-0.6	4.2	-	-
<i>Total PE Bmk (Russell 2500)</i>			-4.3	2.3	10.5	-	-	-
AEA Investors Small Business IV LP	1,081,000	1.2	0.0	1.9	6.7	14.7	-	-
Axiom Asia V LP	1,019,065	1.2	0.0	-0.7	-1.9	2.5	11.6	-
GoldPoint Co-Investment VI LP	51,015	0.1	0.0	-0.1	-2.2	1.3	15.0	-
Industry Ventures Partnership Holdings V LP	1,607,547	1.8	0.0	-2.8	-13.3	6.1	21.1	-
Odyssey Investment Partners VI-A LP	520,403	0.6	0.0	2.3	10.0	7.7	-	-
Spark Capital Growth III LP	468,835	0.5	0.0	-0.4	-3.9	10.0	-	-
Spark Capital VI LP	206,936	0.2	0.0	-1.8	2.7	16.5	-	-
Thoma Bravo XIII-A LP	1,456,457	1.7	0.0	-1.5	6.2	6.7	25.2	-
Thoma Bravo XIV-A LP	529,206	0.6	0.0	4.1	9.8	7.1	-	-
Total Infrastructure	5,164,098	5.9	0.0	3.3	-	-	-	-
<i>CPI (SA) + 5%</i>			1.5	3.9	8.1	10.2	9.4	8.0
Blackstone Infrastructure Partners V Feeder LP	5,164,098	5.9	0.0	3.3	-	-	-	-

Section 4: Trust Operations

Asset Allocation at 6/30/2024

- ✓ Overweight to U.S. stocks almost offset by underweight to international equities. Capital calls will likely be sourced from liquid asset classes which are overweight the Policy target.
- ✓ Yields across bond sectors are higher than they have been for many years. This, in combination with the prospect for Fed rate cuts may contribute positively to performance in the near term.

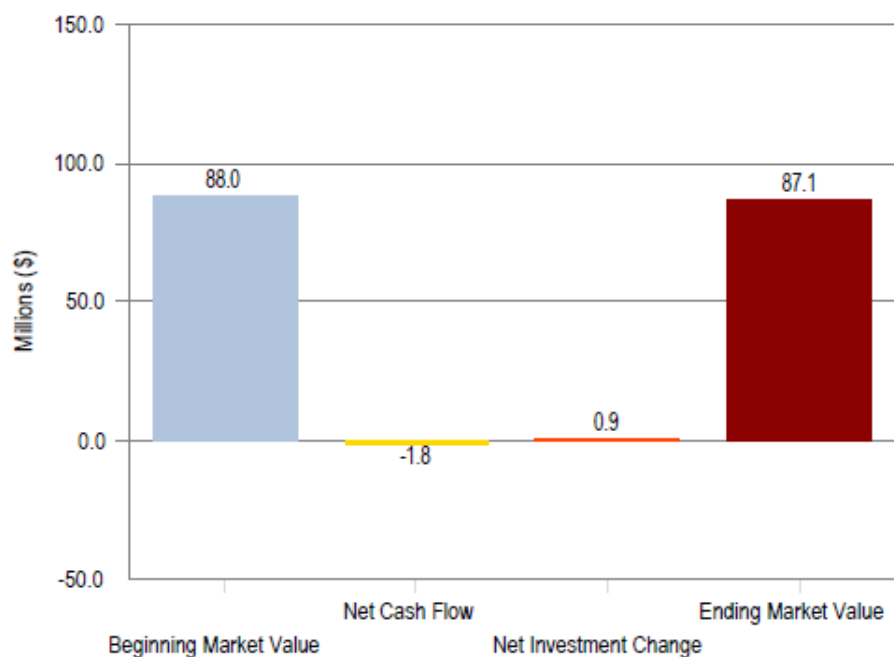
	Current Balance	Current Allocation (%)	Policy (%)	Differences (%)	Policy Range (%)	Within IPS Range?
Public US Equity	\$24,099,856	27.7	27.0	0.7	22.0 - 32.0	Yes
Public Int'l Equity	\$10,926,396	12.5	13.0	-0.5	8.0 - 18.0	Yes
Fixed Income	\$26,335,903	30.2	33.5	-3.3	23.5 - 43.5	Yes
Private Debt	\$4,571,588	5.2	5.0	0.2	0.0 - 10.0	Yes
Commodities	\$1,749,720	2.0	0.0	2.0	0.0 - 0.0	No
Real Estate	\$7,322,576	8.4	7.5	0.9	2.5 - 12.5	Yes
Private Equity	\$6,940,464	8.0	9.0	-1.0	4.0 - 14.0	Yes
Infrastructure	\$5,164,098	5.9	5.0	0.9	0.0 - 10.0	Yes
Total	\$87,110,601	100.0	100.0	0.0		

Cash Flow History

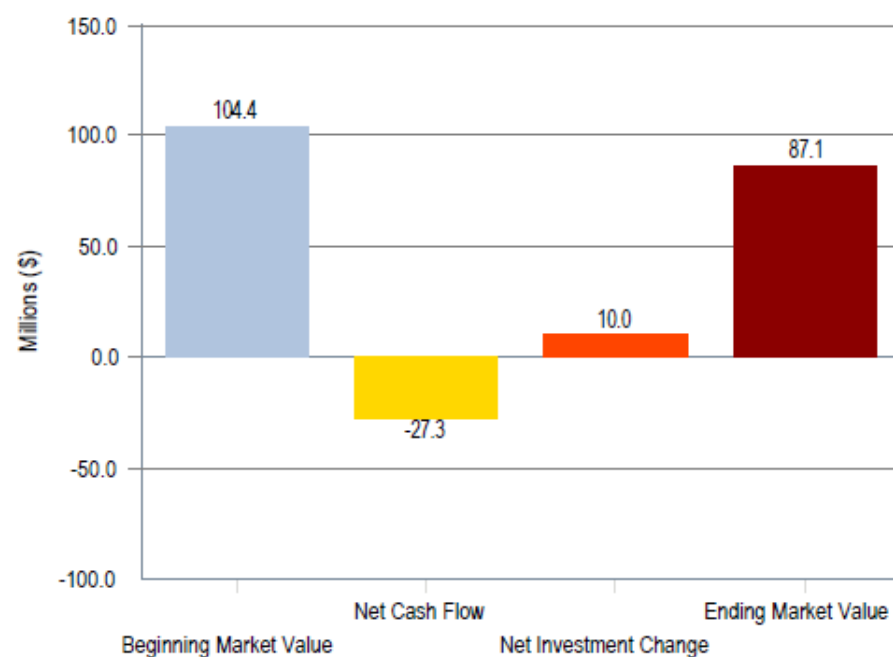
	Quarter-To-Date	Fiscal Year-To-Date	Year-To-Date	2023	2022	Since 4/1/21
Beginning Market Value	\$88,027,818	\$86,817,571	\$86,817,571	\$83,338,767	\$103,552,565	\$104,438,800
Net Cash Flow	-\$1,814,978	-\$3,784,403	-\$3,784,403	-\$4,828,460	-\$8,109,406	-\$27,302,158
Net Investment Change	\$897,761	\$4,077,433	\$4,077,433	\$8,307,263	-\$12,104,392	\$9,973,959
Ending Market Value	\$87,110,601	\$87,110,601	\$87,110,601	\$86,817,571	\$83,338,767	\$87,110,601

Cash flow history only available from the beginning of the month in which Alan Biller became investment consultant for the Plan. (4/2021)

Change in Market Value
Quarter-To-Date



Change in Market Value
Since 4/1/21



Cash Flows Since Last Board Meeting

Date	Investment	Contributions	Withdrawals	Comments
5/20	Spark VI	1,670		Capital call
5/24	AEA		54,151	Distribution
5/29	Whitehorse		546	Distribution
6/4	Alcentra		116,280	Distribution
6/5	Dodge & Cox International		250,000	Raise cash for benefits & expenses
6/12	BNYM-M ACWI xUS		250,000	Raise cash for benefits & expenses
6/12	Industry Ventures	15,000		Capital call
6/25	Whitehorse	7,252		Capital call
6/26	AB CarVal		39,966	Distribution
6/28	Whitehorse		411	Distribution
6/28	PGIM PRISA LP		16,890	Distribution
6/28	Blackstone Property Ptnrs		13,579	Distribution
7/3	Spark VI	5,845		Capital call
7/9	Odyssey	2,717		Capital Call
7/10	Kayne Anderson		57,388	Distribution
7/11	BNYM Broad Mkt SIF		700,000	Raise cash for benefits & expenses
7/22	Axiom Asia		10,486	Distribution
7/29	Whitehorse		2,367	Distribution
7/31	BNYM Broad Mkt SIF		700,000	Raise cash for benefits & expenses

Section 5: Infrastructure

Infrastructure Introduction

Infrastructure is the physical structures or facilities which provide essential services to the public or society:



Transportation – toll roads, airports, seaports, railroads and others used to transport goods and people around the world



Power – generation, transmission, distribution of oil, gas and electricity



Water – treatment, delivery of water utilities and wastes



Telecommunications – phone lines, data centers, cable networks



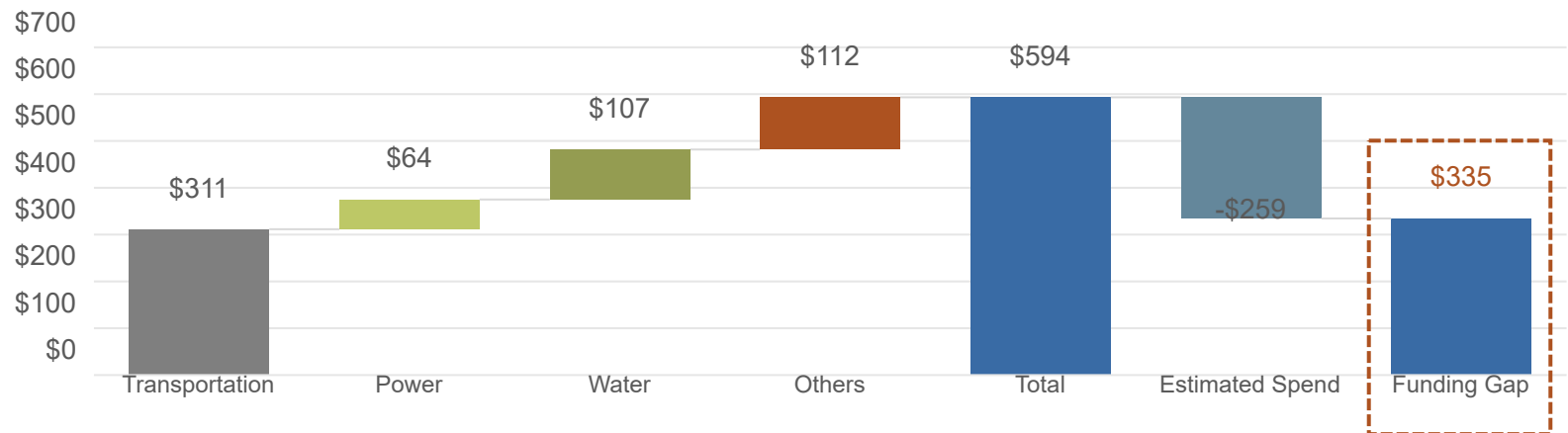
Social – schools, hospitals, public housing, prisons

Infrastructure is the backbone of the global economy and increased investment stimulates economic growth in both the near and long term.

Infrastructure Needs and Transactions

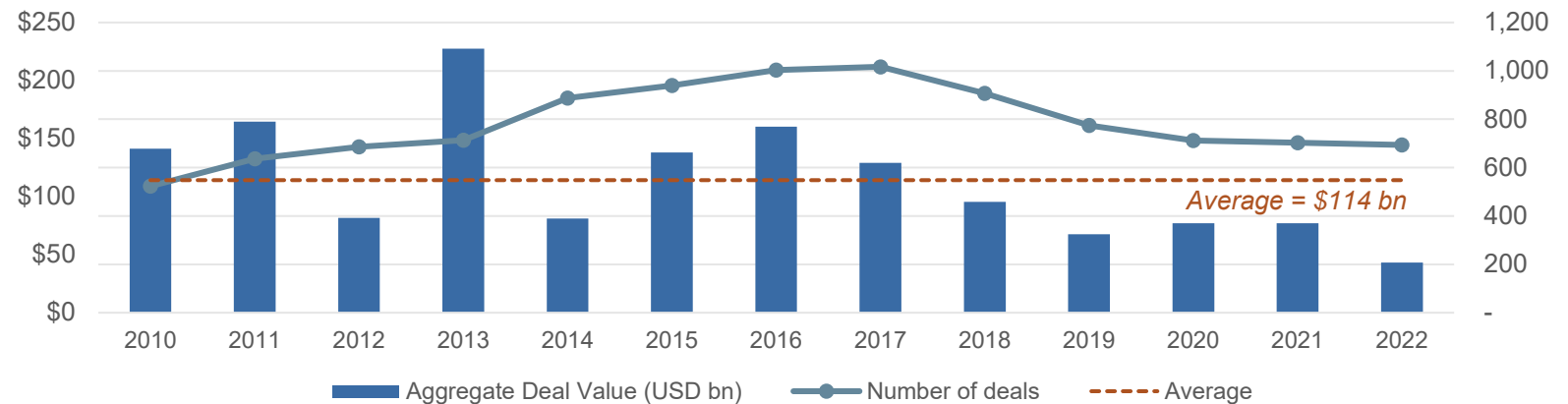
Significant funding gap exists for Infrastructure

U.S. Annual Infrastructure Need¹ (USD bn)



Infrastructure transaction averaged just over \$100 bn annually the past decade

Infrastructure Transactions²



- 10-year (2020-2029) projected demand. Source: ASCE 2021 Infrastructure Report Card (<https://www.infrastructurereportcard.org/wp-content/uploads/2020/12/2021-IRC-Executive-Summary.pdf>). Numbers are rounded.
- Source: Preqin

Infrastructure Economic Characteristics

Monopolistic

- Regulated by statute or contract.
- High barriers to entry, stable/limited supply.

Low Volatility

- Essential nature of the assets and long-term contracted demand profile.
- Low correlation to market cycles.

Economies of Scale

- High upfront cost to build assets.
- Low marginal production cost.

Inelastic Demand

- Consumer demand is typically less sensitive to changes in price.

Infrastructure as an Asset Class

Attractive Characteristics

Hedge to unexpected inflation

- Often have inflation linked pricing contracts

Low Correlation to other assets

- Historically relatively low correlation to other investments

Income yield

- Provides regular income return (~3-6%)

Inefficient Market

- Opportunities for alpha generation given the right expertise

...With Considerations

Regulatory Consideration

- Utility “like” asset but sensitive to regulatory regimes & economic shifts

Leverage

- Infrastructure deals tend to use leverage

Sector Concentration

- Infrastructure funds can be industry / geographically specific

Illiquidity

- May require an initial lockup and potential for future limitations on redemptions

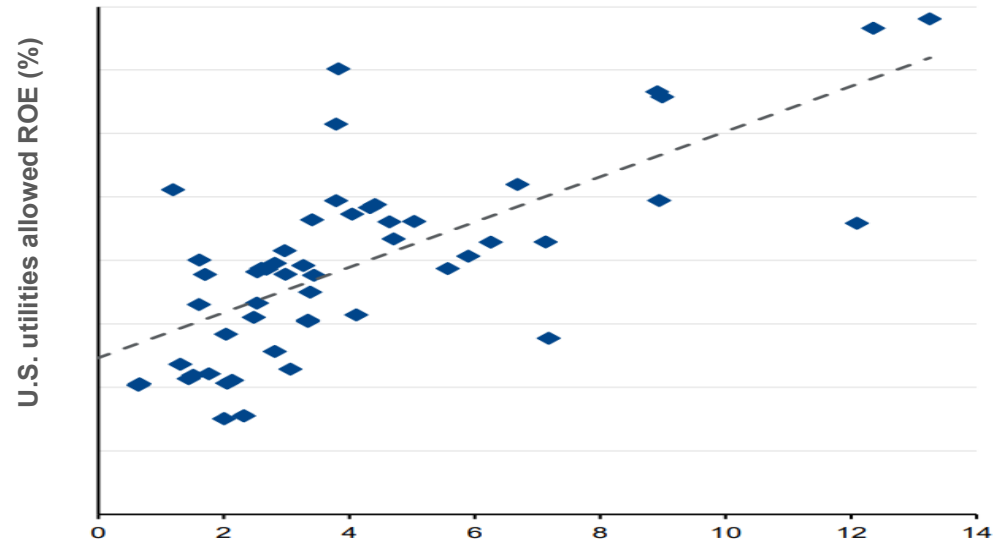
Manager selection and thoughtful diversification is critical

Infrastructure – Hedge Against Inflation







Direct relationship with inflation

Infrastructure is often regulated, indexed to inflation and/or have contractual price escalators that allows for protection against increasing inflation.

They usually have high barriers to entry and strong pricing power that allows them to pass-through inflation to customers.

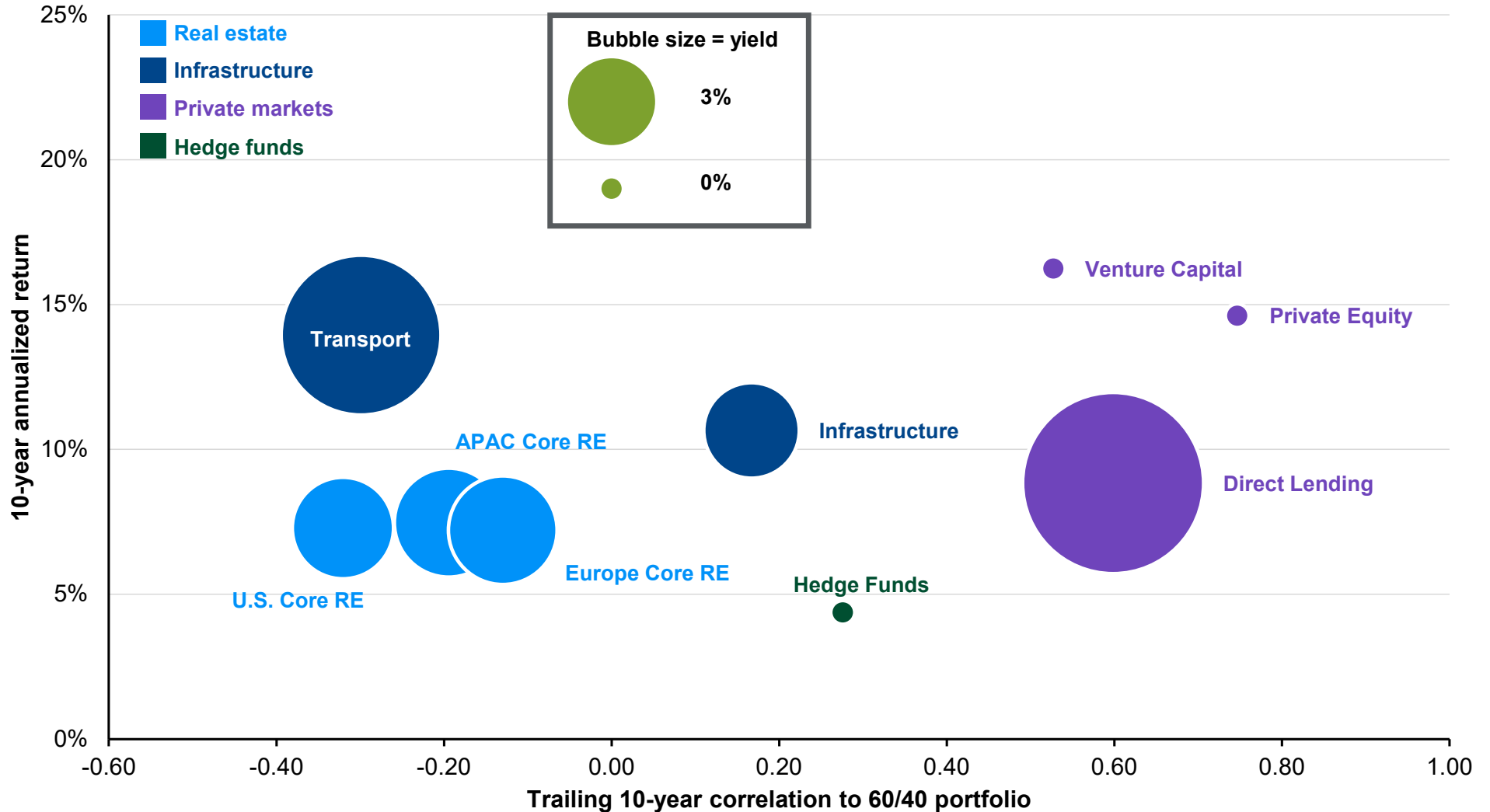


Source: JP Morgan Asset Management Guide to Alternatives May 31, 2024

Sector	Degree of Protection	Inflation Mechanism
Water / Utilities	High 	Regulated rate of return indexed to inflation
Toll Roads	High 	Tariffs indexed to inflation
Ports	Medium High 	Economic regulation and pricing power
Rails	Medium High 	High barriers to entry, duopolistic / monopolistic
Midstream Pipelines	Medium 	Contracted Escalators
Towers & Data Centers	Medium 	Contracted Escalators

Infrastructure – Correlations, Returns, and Yields

10-year correlations and 10-year annualized total returns, quarterly, 2014 - 2023



Source: JP Morgan Asset Management Guide to the Markets June 30, 2024

Infrastructure – Low Correlation

2Q08 - 4Q23	Global Bonds	Global Equities	Global REITs	U.S. Core RE	Europe Core RE*	APAC Core RE	Global Core Infra	Transport	Timber	Direct Lending	Venture Capital	Private Equity	Equity Long/Short	Relative Value	Macro	Bitcoin
Global Bonds	1.0															
Global Equities	0.4	1.0														
Global REITs	0.5	0.8	1.0													
U.S. Core RE	-0.3	0.0	-0.3	1.0												
Europe Core RE*	-0.2	0.0	-0.1	0.7	1.0											
APAC Core RE	-0.2	0.0	0.0	0.8	0.7	1.0										
Global Core Infra	-0.1	0.1	0.1	0.4	0.3	0.5	1.0									
Transport	-0.2	-0.1	-0.2	0.4	0.1	0.3	-0.1	1.0								
Timber	-0.2	-0.2	-0.1	0.3	0.1	0.3	0.2	0.0	1.0							
Direct Lending	0.1	0.7	0.6	0.2	0.2	0.3	0.3	0.0	-0.1	1.0						
Venture Capital	0.1	0.5	0.4	0.3	0.5	0.3	0.2	0.0	0.0	0.5	1.0					
Private Equity	0.3	0.8	0.7	0.3	0.4	0.3	0.2	0.0	-0.1	0.8	0.8	1.0				
Equity Long/Short	0.3	0.9	0.7	-0.1	0.0	-0.1	0.1	-0.2	-0.2	0.7	0.6	0.8	1.0			
Relative Value	0.2	0.9	0.8	-0.1	0.1	0.0	0.1	-0.2	-0.2	0.9	0.5	0.8	0.9	1.0		
Macro	0.0	0.3	0.3	0.0	0.2	0.0	0.0	-0.2	0.1	0.1	0.2	0.2	0.3	0.3	1.0	
Bitcoin	0.1	0.1	0.1	0.1	0.0	0.1	0.2	0.0	0.0	0.1	0.2	0.2	0.1	0.1	0.0	1.0

Source: JP Morgan Asset Management Guide to Alternatives May 31, 2024

Infrastructure Compared to other Assets

Infrastructure vs.

Private Equity

Similarities

- May have management control
- May have similar legal structures

Differences

- Higher cash yield
- Lower capital growth
- More regulatory sensitive

Real Estate

- Location is important
- Significant cash yield
- Inflation hedge features

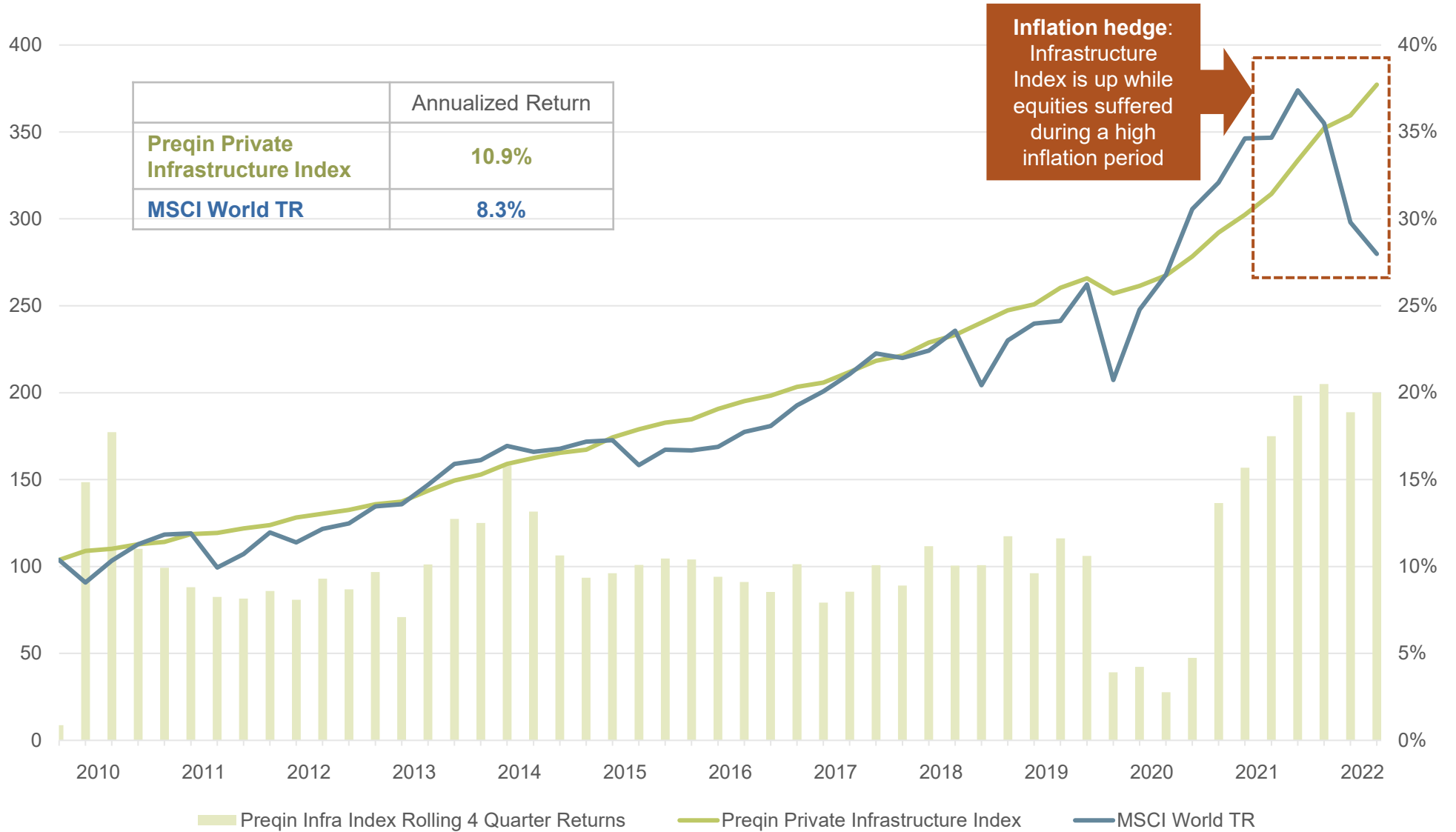
- Typically, higher barriers to entry
- Less exposure to property and market cycles
- More regulatory sensitive

Fixed Income

- Stable cash yield
- Long duration

- Inflation hedge features
- Equity-like total return potential
- More regulatory sensitive

Historical Returns



Source: Preqin

Infrastructure – Capital Market Expectations

Asset Class	Expected 10-Year Geometric Index-Level Return %	Standard Deviation %
Equity		
US Large Cap	6.6	17.1
International Developed Markets	6.6	19.0
Emerging Markets	7.8	23.9
Private, Direct	8.6	17.4
Fixed Income		
US Core	4.5	4.1
US Corporate High Yield	5.6	10.1
TIPS	4.3	5.2
Real Estate	6.5	13.7
Infrastructure	6.8	13.4
Cash	3.5	1.0

Source: Alan Biller and Associates 2024 long-term Capital Markets Assumptions. Derived from consensus estimates.

Blackstone Infrastructure Partners

Blackstone

\$44Bn

assets under management

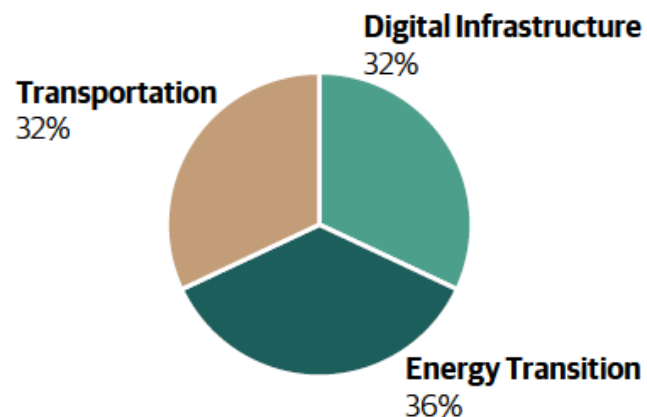
15%

net IRR since inception

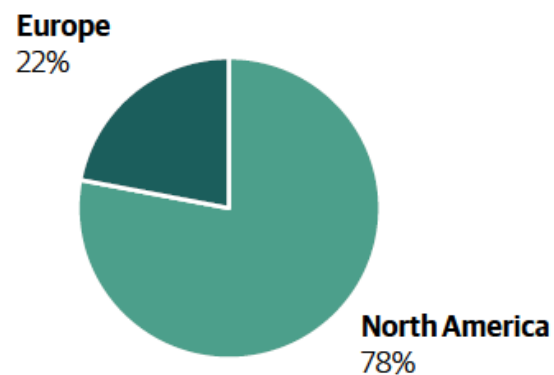
4%

2023 dividend yield

Sector by Unrealized Value



Geography by Unrealized Value



Firm data as of 6/30/2022

Summary

- Infrastructure consists of ownership interests in physical structures or facilities which provide essential services to the public.
- The high correlation and strong link to inflation make the asset class an attractive protection against inflation.
- Given the low correlation to other asset classes, a modest **allocation (e.g. 5%)** to infrastructure could provide **diversification** benefits.
- On top of diversification, infrastructure provides high levels of **current cash flow (~3-6%)** and potential for equity-like total returns.
- Blackstone is our highest conviction Infrastructure manager. We anticipate the Plan's recent \$5 MM investment will be additive to return, while providing diversification and strong cash flows.



2025 PROPOSED PENSION MEETING SCHEDULE

Q-1, 2025

Thursday, February 13th beginning at 11am

Q-2, 2025

Thursday, May 15th beginning at 11am

Q-3, 2025

Thursday, August 14th beginning at 11am

Q-4, 2025

Thursday, November 13th beginning at 11am