

Lisa Serafin, Chairwoman
Michael Fitzmaurice, Elected Member
Antonio Torres, Elected Member

Ping Yin Chai, Appointed Member
Paul T. Hynes, Appointed Member
Joseph M. Petty, Executive Secretary

**MASSACHUSETTS HOUSING FINANCE AGENCY
EMPLOYEES' RETIREMENT BOARD
ONE BEACON STREET
BOSTON, MA 02108
(617) 854-1871, 1123**

Minutes of the Regular Meeting of Members
August 10, 2021

The regular meeting of the Massachusetts Housing Finance Agency Employees' Retirement Board was held via Zoom at 12:30 pm.

Present via Zoom were:

Lisa Serafin, Board Chairwoman
Ping Yin Chai, Appointed Member
Michael Fitzmaurice, Elected Member
Antonio Torres, Elected Member

Absent were:

Paul T. Hynes, Appointed Member

Others present via Zoom:

Joseph Petty, Executive Secretary
Michelle Shinnick, Sr. Retirement Analyst
Stephen MacLellan, Meketa Investments
Thomas Dunleavy, Meketa Investments
HarbourVest, Fran Peters and Ryan Gunther
Constitution Capital Partners, Dan Cahill, Vicente Miguel T. Ramos, Peter Melanson and Ashley Gleavy

Lisa Serafin called the meeting to order.

Tom Dunleavy and Steve MacLellan reviewed the system performance and noted that our System returned 5.8% for the second quarter and 28.6% for the trailing year. As of June 30, 2021, the System's market value was \$236m up from \$211.2m at the end of the first quarter. The increase was due to investment gains primarily in public and private equities along with MassHousing making an additional payment. As of June 30, 2021, all asset classes were within their respective target asset allocation ranges. Performance was strong for the year-to-date period across all risky asset classes through June 30th. It was noted that US equities were up 15.1% for the year while international developed equities were up 8.8% and emerging market equities were up 7.4%. Fixed income returns were mixed. Investment grade bonds were down 1.6%. TIPS was up 1.7%, while High Yield bonds were up 3.9%. Real Estate performance was positive for the year at 5.7%.

The next item of business was to interview finalist candidates for private equity fund of funds manager for the retirement system: Constitution Capital and HarbourVest. Steve MacLellan gave a background of our private equity allocation and noted that both Constitution Capital Partners and HarbourVest Partners were identified as strong candidates for this search. He reviewed for both managers the organization and team, investment philosophy and process, performance, and fees.

The Board interviewed both fund managers and allowed each firm to make presentations. The Board noted that both managers had been working together for a long period and is stable, strong track record and the management structure solid. After the Board members deliberated, they determined that they would like to invest in both funds, which would consist of a \$4 million investment in each fund.

UPON MOTION DULY MADE AND SECONDED, it was voted:

To approve both HarbourVest Partners XII Combined Program and Constitution Capital Partners Ironsides Co-Investment Fund VI, L.P. as our Private Equity Fund Managers with an investment of \$4 million each and to authorize the Executive Secretary to execute all appropriate contracts and documents to implement this selection, (4-0 roll call).

HarbourVest presented its annual fund review. The company focused on updates on their company and personnel updates, relationship team and performance and strategies of each of their funds.

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Ping Yin Chai), it was voted
To approve the minutes of the July 13, 2021, meeting. (Roll call 4-0).

The bank reconciliations, budget and financial records were reviewed. Joseph Petty noted that there were no transactions out of the ordinary, however we did pay MassHousing their reimbursement.

UPON MOTION DULY MADE (Michael Fitzmaurice) AND SECONDED (Ping Yin Chai), it was voted:

The retirements, refunds and transfer on the attached list were reviewed and approved along with the budget, retirement payroll, financial records and Warrant Number 202108 (see warrant), and capital calls. (4-0 roll call).

Joseph Petty noted that the audit being performed by CliftonLarsonAllen was complete and they would be presenting at the September meeting. He also reviewed Board member training and PERAC memos 21 – 23.

To adjourn the meeting at 1:55 pm (roll call 5-0).

Lisa Serafin - Board Chairwoman

Michael Fitzmaurice – Elected Member

Antonio Torres – Elected Member

Ping Yin Chai, Appointed Member

Paul T. Hynes – Member Appointed by Other Members