

Michael Fitzmaurice, Acting Chair/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 9, 2022

The regular meeting of the Massachusetts Housing Finance Agency Employees' Retirement Board was held via Zoom at 1:00 pm.

Present via Zoom were:

Michael Fitzmaurice, Acting Chair/Elected Member
Antonio Torres, Elected Member
Paul T. Hynes, Appointed Member
Ping Yin Chai, Appointed Member

Others present via Zoom were:

Joseph Petty, Executive Secretary
Michelle Shinnick, Senior Retirement Analyst
Peter Melanson, Ashley and Tim Asselin, Constitution Capital Partners
Anthony DeVicaris, Metlife
Gar Chung, Fin-News
Steve MacLellan and Gloria Hazzard, Meketa
Michael Fitzmaurice called the meeting to order.

Representatives of Constitutional Capital Partners and Metlife participated in its annual fund review. The companies focused on updates on their company and personnel updates, relationship team and performance and strategies of the fund.

Steve MacLellan and Gloria Hazard reviewed the system performance and noted that our System returned -6.5% during the second quarter and -3.5% for the trailing year. As of June 30, 2022, the System's market value was \$221.9 million down from \$233.9 million at the end of the first quarter. The decrease was due to driven mainly by investment losses within the plan. Our Retirement System did perform in the top percentile of its peer group during the second quarter and the trailing year. As of June 30, 2022, most asset classes were within their respective target asset allocation ranges. However Private Equity and Real Estate are above the range due to increase in valuations during the year coupled with losses across other asset classes. As of June 30, 2022 it was noted that US equities fell -16.2% and international developed equities were down -15.3% and emerging market equities were down -11.1%. Fixed income returns were largely negative. Investment grade bonds were down -5.0%. TIPS were down -6.1% and High Yield bonds were down -10.4%. Real Estate performance was positive up 5.0% quarter to date and Infrastructure was up 2.5%. Private Equity performance was also positive for the quarter at 4.0%. It was also noted that for July and August have been positive.

After a discussion on asset allocation ranges, it was recommended to increase our real estate range by 3% and private equity by 4%. This will reflect the dynamic of not reducing the size of the allocations because it would be costly and we do not change the underlying target allocation.

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Ping Yin Chai), it was voted
To increase the real estate range by 3% and private equity by 4% (Roll call 4-0).

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Ping Yin Chai), it was voted
To approve the minutes of the July 12, 2022, 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. He reviewed the two transfers to the State of Massachusetts.

UPON MOTION DULY MADE (Antonio Torres) AND SECONDED (Ping Yin Chai), it was voted:
The retirements, refunds and transfers on the attached list were reviewed and approved along with the budget, retirement payroll, financial records, and Warrant Number 082022 (see warrant), and capital calls. (Roll call 4-0).

Joseph Petty reviewed his memo reducing his work hours per week. He will work 19 hours per week beginning Monday, August 8, 2022 thru Friday September 9, 2022. Specifically, he would work 7hrs on Monday, 3 hours on Tuesday, 3 hours on Wednesday, 3 hours on Thursday and 3 hours on Friday. He would be available everyday as needed and Michelle Shinnick would be available for the hours I am not scheduled to work.

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Antonio Torres), it was voted
To accept Joseph Petty's reduction in hours. (4-0 roll call).

Joseph Petty noted that the 5% Cola approved by the legislature and Governor was only for State employees and teachers. The Governor sent the 5% Cola for the other retirement systems to the Senate for clarification. Joseph Petty updated the Board on the 2021 audit being conducted by CliftonLarsonAllen and reviewed PERAC memos 18-22.

UPON MOTION DULY MADE (Antonio Torres) AND SECONDED (Paul Hynes), it was voted
To adjourn the meeting at 1:55 pm (roll call 4-0).

Michael Fitzmaurice – Acting Chair/Elected Member

Antonio Torres – Elected Member

Ping Yin Chai, Appointed Member

Paul T. Hynes – Member Appointed by Other Members