

Michael Fitzmaurice, Chairperson
Tom Flynn, Appointed Member
Paul T. Hynes, Appointed Member

Joseph M. Petty, Executive Secretary
Antonio Torres, Elected Member

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

Minutes of the Regular Meeting of Members

February 14, 2023

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, Chairperson
Tom Flynn, Appointed Member
Antonio Torres, Elected Member
Paul T. Hynes, Appointed Member

Others present via Zoom were:

Joseph Petty, Executive Secretary
Michelle Shinnick, Senior Retirement Analyst
Steve MacLellan, Meketa Investments

Michael Fitzmaurice called the meeting to order.

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Tom Flynn), it was voted
To approve the minutes of the January 10, 2023 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 have three refunds, Nicholas Cipponeri, Michael Horvitz and Carol Higginbotham; one transfer, Wilzor Exantus and two partial refunds, Anthony Richards and Kathy Perez.

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Tom Flynn), 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 022023 (see warrant), and capital calls. (roll call 4-0).

Steve MacLellan reviewed the system performance and noted that our System returned 3.7% during the fourth quarter and -8.5% for the trailing year. As of December 31, 2022, the System's market value was \$219.9.0 million up from \$214.00 million at the end of the third quarter. The increase driven mainly by investment gains over the course of the quarter. Our Retirement System performed in the 95th percentile of its peer group during the fourth quarter but the 5th, 1st and 2nd percentiles for the trailing year, 3-year and 5—year periods, respectively. As of December 31st, all asset classes were within their respective target asset allocation ranges. At the end of the second quarter, Private Equity and Real Estate ranges were increased to an upper amount of 20% and 14%, respectively. For the fourth quarter, US equities gained 7.7%, international developed equities were up 16.8% and emerging market equities were up 3.4%. Fixed income returns were positive for the 4th quarter. Investment grade bonds were up 1.7%. TIPS were up 1.9% and High Yield bonds were up 3.8%. Real Estate was down 4.7% quarter to date and Infrastructure was up 4.0%. Private Equity performance was down for the quarter at -.2. Steve MacLellan also gave an overview of ESG funds and GQG organizational changes.

Steve MacLellan discussed the RFP regarding the core real estate fund. He recommended that we continue with the current core real estate fund manager, Intercontinental and AEW. After discussion with Mr. MacLellan, the Board agreed. See the Meketa report.

UPON MOTION DULY MADE (Tom Flynn) AND SECONDED (Paul Hynes, it was voted:

To continue our core real estate investments with both Intercontinental and AEW for up to a 7-year period and to have the Executive Secretary execute all appropriate contracts and documents to implement this selection. (4-0).

Joseph Petty reviewed the Agency's economic mitigation stipend outlined by MassHousing regarding a onetime payment to employees of \$2,500.00 and recommended that to be applied to the employees of the Retirement System.

UPON MOTION DULY MADE (Paul Hynes) AND SECONDED (Tom Flynn), it was voted:

To make a onetime payment of \$2,500.00 the employees of the retirement system as implemented by the Agency's economic stipend. (4-0).

Joseph Petty reviewed recently issued PERAC memos 2-8. Joseph Petty updated the board on the Vendor Disclosures and reminded them of the State Ethics automation of the conflict-of-interest video and the summary of the conflict of interest.

UPON MOTION DULY MADE (Antonio Torres) AND SECONDED (Paul Hynes), it was voted

To adjourn the meeting at 1:30 pm (roll call 5-0).

Michael Fitzmaurice – Chair/Elected Member

Tom Flynn, Appointed Member

Antonio Torres – Elected Member

Paul T. Hynes – Member Appointed by Other Members