

Andris Silins, Chairman  
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, 1872**

Minutes of the Regular Meeting of Members  
May 9, 2017

The regular meeting of the Massachusetts Housing Finance Agency Employees' Retirement Board was held at the offices of the Massachusetts Housing Finance Agency, One Beacon Street, Boston, Massachusetts at 1:15 pm.

Present were:

Michael Fitzmaurice, Elected Member  
Paul T. Hynes, Appointed Member  
Antonio Torres, Elected Member

Others present:

Joseph M. Petty, Executive Secretary  
Michelle Shinnick, Retirement Analyst  
Dan Dynan, Meketa Investments  
Stephen MacLellan, Meketa Investments  
Craig Merry, MassHousing  
Paul Hagerty, MassHousing Auditor

Absent were:

Andris Silins, Board Chairman  
Ping Yin Chai, Appointed Member

UPON MOTION DULY MADE AND SECONDED, it was voted:

To approve the minutes of the April 11, 2017 meetings (2), (3-0).

The bank reconciliations and trial balance were reviewed. Mr. Hynes inquired whether there were any transactions out of the ordinary. Joseph Petty noted that there were no transactions out of the ordinary. However, we did one retirement, Edward Livingstone.

UPON MOTION DULY MADE AND SECONDED, it was voted:

The retirements, refunds and transfer on the attached list were reviewed and approved along with the retirement payroll and vouchers 2017044-2017050, (3-0).

  
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Dan Dynan reviewed the system performance and noted that our System returned 4.4% net of fees for the first quarter and the one year return was 11.4%. As of March 30<sup>th</sup>, the System's market value was \$132,567,643. Most asset class performance was positive during the quarter except natural resources; the biggest gains from our International Investments and Domestic and Private Equity. Antonio Torres asked why High Yield trailed the index. Steve MacLellan said it was a function of the index itself. For example, if there is a drop in oil, they removed that investment from the index and added it to the index when oil goes up. Mike Fitzmaurice asked whether we should be decreasing our investments in real estate. Steve MacLellan said no and that we will be adding infrastructure. Dan Dynan also mentioned that he was comfortable with this allocation. Mr. Fitzmaurice inquired why our private equity was trailing the index. Mr. Dynan responded that the Russell 3000 + 3% is a false number. Our asset allocation was within the ranges. Dan Dynan also reviewed the new investment with Longfellow Investment Management and proposed transfer \$2 million per quarter from RS Global Natural Resources portfolio to the SSgA Natural Resources portfolio. We will also wind down the legacy DFA emerging market equity by the end of the year. At the next Investment Committee meeting we will discuss the asset allocation and review the infrastructure managers.

UPON MOTION DULY MADE AND SECONDED, it was voted:

To approve the transfer of \$2 million per quarter from RS Global Natural Resources portfolio to the SSgA Natural Resources portfolio (3-0).

The Board Members reviewed and discussed the Annual Statement.

UPON MOTION DULY MADE AND SECONDED, it was voted:

To approve the 2016 Annual Statement. (3-0).


Mike Fitzmaurice asked that we hold the discussion and vote on Guidelines for Requesting Public Records to the next meeting.

Joseph Petty informed the Board the ASCENT annual meeting was on June 20, 2017.

UPON MOTION DULY MADE AND SECONDED, it was voted:

To adjourn the meeting at 1:50 p.m, (3-0)

  
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Andris Silins - Board Chairman

  
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Michael Fitzmaurice - Elected Member

  
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Antonio Torres - Elected Member

  
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Ping Yin Chai, Appointed Member

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Paul T. Hynes - Member Appointed by Other Members