

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, 1123**

Minutes of the Regular Meeting of Members
May 12, 2020

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

Present via Zoom were:

Andris Silins, Board Chairman
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 M. Petty, Executive Secretary
Michelle Shinnick, Retirement Analyst
Dan Dynan, Meketa Investments

Andris Silins called the meeting to order.

UPON MOTION DULY MADE (ANTONIO TORRES) AND SECONDED (MICHAEL FITZMAURICE), it was voted:

To approve the minutes of the April 14, 2020 meeting. (4-0 roll call).

The bank reconciliations, budget and financial records were reviewed. Andris Silins inquired whether there were any transactions out of the ordinary. Joseph Petty noted that there were no transactions out of the ordinary.

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 vouchers 2020039-2020044, and capital calls (5-0 roll call).

Dan Dynan reviewed the system performance and noted that our System returned a -10.2 % for the 1st quarter and a 17.6% for calendar year 2019. As of March 31, 2020, the System's market value was \$157.6 million, a decrease of \$19.3 million from the end of 2019. The decrease was driven by investment losses, primarily in equity. Mr. Dynan noted that equities were down 20.6% for the quarter while international developed equities were up 24.5% and emerging market equities were down 21.8%. Core fixed income returns were slightly positive, investment grade bonds were, up 2.1%. TIPS was up 1.7%, while High Yield bonds and Emerging Market debt were down 15.1% and 15.9%, respectively. Real Estate performance was also negative, down 0.4% year to date while natural resources down by 32%. Infrastructure was down by 3.9%. As of December 31st, all asset classes were within their respective target asset allocation ranges excluding investment grade bonds and private equity. Private Equity was outside of range due to a valuation lag as values are as of Q4 and adjusted for cash flow. Investment grade bonds are currently 1.4 million outside of their target range. To bring back investment grade bonds inside the target range, Mr. Dynan recommended moving \$2.3 million from that asset class into high yield bonds, where the fund is currently underweight, were adjusted.

UPON MOTION DULY MADE (MICHAEL FITZMAURICE) AND SECONDED (ANTONIO TORRES), it was voted:

To transfer \$2.3 million from Longfellow Investment Grade Bond to Lord Abbett High Yield Core, (4-0 roll call).

Joseph Petty and the Board members reviewed the Vendor Disclosures and he also updated the Board on the PERAC audit noted the audit was complete and had no findings.

UPON MOTION DULY MADE (ANTONIO TORRES) AND SECONDED (MICHAEL FITZMAURICE), it was voted:

To accept the audit findings of PERAC. (roll call 4-0).

Joseph Petty reviewed PERAC memos 21 and 22 and Board member training.

UPON MOTION DULY MADE (ANTONIO TORRES) AND SECONDED (MICHAEL FITZMAURICE), it was voted:

To adjourn the meeting at 1:45 pm (roll call 4-0).

Andris Silins - Board Chairman

Michael Fitzmaurice – Elected Member

Antonio Torres – Elected Member

Ping Yin Chai, Appointed Member

Paul T. Hynes – Member Appointed by Other Members