

FINAL
MASSACHUSETTS
REINSURANCE PLAN

AUDIT COMMITTEE MEETING

Minutes of Meeting

May 3, 2023 @ 4:30PM

An Operations & Audit Committee meeting of the Massachusetts

Reinsurance Plan (“MRP”; “The Plan”) was held at the MIT Endicott House 80 Haven Street,
Dedham, MA 02026

The following committee members were participating remotely *via zoom*:

Margaret Bronneck, Esq, Chairperson (*zoom*)

Joseph Duffy *in person*

Richard W. Brewer *in person*

The following MMRP staff/consultants were present or participating remotely:

William T. McGrail, President/CEO (*in person*)

Robin Ward-Jackson, Director of Administration (*in person*)

Eric Piurkowski, CPA, CFO, (*in person*)

Steve Nestico, Senior Audit Manager, Crowe, (*in person*)

William Pomponi, Partner, Crowe, (*in person*)

1. Call to Order

Ms. Bronneck called the meeting to order at 4:30PM. Ms. Ward-Jackson kept a record of the proceedings.

2. Quorum and Notices

Ms. Bronneck noted that a quorum is present with all committee members participating remotely and that this would be a roll call vote meeting. Ms. Bronneck reported

that the required notices for the meeting had been sent to the Secretary of State, Executive Office of the Administration and Finance, and the Division of Insurance.

3. Approve prior minutes from May 4, 2022, meeting

Ms. Bronneck stated that all committee members have a copy of the prior minutes.

Mr. Duffy made a *motion* to approve the minutes from May 4, 2022, as presented; Mr. Brewer seconded the motion. It passed unanimously.

Roll Call vote:

Ms. Bronneck – Yes

Mr. Duffy – Yes

Mr. Brewer - Yes

4. Report of Independent Auditors – December 31, 2022– Crowe
William Pomponi, Partner
Steve Nestico, Senior Audit Manager

Mr. Pomponi distributed the Audit report to all; a copy of which is included within these minutes. Mr. Pomponi reviewed the agenda, audit results, audit team, timeline, results of services and required communications, noting that no material weaknesses or matters were noted, he stated that it was a very clean audit. Mr. Pomponi continued stating that they use specialists during the audit; Willis Towers Watson for actuarial review on unpaid loss and loss adjustment expense reserves and Crowe's independent pricing desk to provide certain valuation services related to the Investment portfolio. Crowe IT Assurance performed walkthroughs of IT key controls and any update in the information technology internal control structure. He continued stating that 2022 assets were \$21M; Liabilities were \$20M with \$560K in members surplus.

Mr. Nestico continued reviewing the audit results in detail. He reviewed fraud considerations stating that none were noted. Mr. Nestico began reviewing the financial portion of the audit presentation. He noted that the independent auditor's report is a clean opinion. Mr. Nestico continued reviewing the financials highlighting the state of the investment portfolio and the activity through the unpaid losses and noted that there were no differences between the annual statement and the accompanying statutory financial statements as filed with the Division. Mr. Nestico answered questions from Committee members. Mr. Brewer made a *motion* to accept the audit report as presented, Mr. Duffy seconded the motion; it passed unanimously.

Roll Call Vote:

Ms. Bronneck – yes

Mr. Brewer – yes

Mr. Duffy – yes

5. Other Business

There being no other business to come before the committee.

6. Adjournment

Mr. Duffy made a *motion* to adjourn the meeting at 5:12PM; it was seconded by Mr. Brewer. It passed unanimously.

Roll Call Vote:

Ms. Bronneck – yes

Mr. Duffy – yes

Mr. Brewer - yes

Transcribed by Robin Ward-Jackson on June 19, 2023



MMMRP Audit Committee