

FINAL

MASSACHUSETTS REINSURANCE PLAN
GOVERNING COMMITTEE MEETING

Minutes of a Meeting Thursday May 5, 2022

A Meeting of the Governing Committee of the Massachusetts Reinsurance Plan (“MRP”) was held the MIT Endicott House, 80 Haven Street, Dedham, MA 02026 @ 9:30AM.

The following members were all participating:

William T. McGrail, Chairman (*in person*)
Richard W. Brewer Member (*in person*)
Jose Zorola, Treasurer (*Zoom*)
Margaret Bronneck, Esq., Secretary (*Zoom*)
Peter Robertson, Esq., Vice Chairman (*Zoom*)

The following MRP Staff/Consultants/Sub-Committee members participated:

Eric Piurkowski, CFO, CPA (*in person*)
Robin M. Ward, Director of Administration (*in person*)
James R. Bacon, Investment Committee Chairman (*Zoom*)
Matthew Mancini, Esq., DOI (*Zoom*)
John Tympanick, Investment Committee (*Zoom*)
William Pomponi, Crowe (*in person*)
Steve Nestico, Crowe (*in person*)

1. Call to Order

Mr. McGrail called the meeting to order at 9:30AM. Ms. Ward kept a record of the proceedings.

2. Quorum and Notice

Mr. McGrail stated that two Committee members were participating in person and two remotely, a roll call of members was performed. A quorum was present. Mr. McGrail 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 and placed on the Plan's website. Mr. McGrail stated that this would be a roll call meeting.

3. Approval of Minutes, Governing Committee meeting February 11, 2022

Mr. McGrail noted the minutes from the previous Governing Committee meeting held on February 11, 2022 had been distributed to all participating remotely. A copy of which is included within these minutes. Mr. Robertson made a *motion* to accept the minutes as presented and duly seconded by Ms. Bronneck. The motion passed unanimously.

Roll call vote:

Mr. Robertson – yes

Mr. Brewer – yes

Ms. Bronneck – yes

Mr. McGrail – yes

Mr. Zorola – yes

4. Quarter 1-2022 Financials – Eric Piurkowski, CPA CFO

Mr. Piurkowski began discussing the balance sheet portion of his financials through 03/31/2022, a copy had been distributed to all participating; and a copy is included within these minutes. Mr. Piurkowski stated that as of 03/31/2022 we had \$1.5M in Clinton Savings Bank and the number dropped due to a \$1.5M loss being paid out in Q1-2022. He stated that we have \$1.8M in cash & cash equivalents. He continued by stating that there is \$11.1M in bonds and \$8M in equities. Mr. Piurkowski continued stating that the premium receivable is \$135K. Mr. Piurkowski also stated that the total assets are \$21.1M. He then reviewed the profit & loss portion of his financials in detail and answered questions from Committee Members.

A *motion* was made by Mr. Robertson to accept the unaudited financials as presented; Mr. Zorola seconded the motion. It passed unanimously.

Roll Call Vote:

Mr. Robertson – yes

Mr. Brewer – yes

Ms. Bronneck – yes

Mr. McGrail – yes

Mr. Zorola - yes

5. Review of Investment Committee – James R. Bacon, Chairperson Investment Committee

Mr. Bacon distributed a handout to all; a copy of which is included within these minutes. He began by reviewing the headlines from his handout:

- U.S. Economy Strong/Record Inflation
- Covid waning, but permanent?
- Geopolitical Risks & U.S. Mid-Terms
- MRP 2021 record assets & performance & insulated

Mr. Bacon continued reviewing the assets, and the investment decisions for 2021; which included a new bond benchmark; \$500K cash added; bonds and floating rate debt, rebalanced equities to bonds 2X and swapped emerging markets funds to growth. Mr. Bacon continued reviewing his Investment Committee report stating that some of the conclusions: MRP assets – well diversified but expect lower returns. Inflation prolonged by Ukraine 12-18 months. FRB policy, recession 30-35% probability and U.S. corporate fundamentals healthy. Mr. Bacon answered questions from committee members.

Mr. Brewer made a *motion* to accept the Investment Committee report as presented. Mr. Robertson seconded the motion it passed unanimously.

Roll Call Vote:

Mr. McGrail – yes

Mr. Robertson – yes

Ms. Bronneck – yes

Mr. Zorola - yes

Mr. Brewer - yes

6. Other Business

No other business to come before the Committee.

7. Public Comment

There being no public comment.

8. Adjournment

Mr. Zorola made a *motion* to adjourn the Governing Committee meeting at 10:10AM, Mr. Robertson seconded the motion; it passed unanimously.

Roll call vote:

Mr. Brewer – yes

Mr. Robertson – yes

Ms. Bronneck – yes

Mr. McGrail – yes

Mr. Zolola - yes

A true record transcribed on June 21, 2022

A handwritten signature in black ink, appearing to be 'W. J. M.', written above a horizontal line.

MRP Chairman/Officer