

MASSACHUSETTS REINSURANCE PLAN

INVESTMENT COMMITTEE

Minutes of a Meeting

Tuesday February 7, 2023

A Meeting of the Investment Committee of the Massachusetts Reinsurance Plan (“MRP”; the “Plan”) was held remotely/in person at 106 Southville Road, Southborough, MA 01772 @ 9:30AM

The following committee members participated remotely:

James R. Bacon, Chairman (*Zoom*)
Richard W. Brewer, Secretary (*Zoom*)
John W. Tympanick, Member (*Zoom*)
Joe R. Zorola, Vice Chairman (*Zoom*)

The following MRP Staff/Consultants participated:

William T. McGrail, Chairman (*In Person*)
Robin M. Ward-Jackson, Director of Administration (*In Person*)
Eric Piurkowski, CFO, CPA (*In Person*)
Catherine Powers, Consultant, Prime Buchholz (*Zoom*)
Brian Matthews, Consultant, Prime Buchholz (*Zoom*)
Peter Kiely, Chairman Emeritus, MRP Investment Committee (*Zoom*)
Matthew Mancini, Esq., DOI (*Zoom @ 10AM*)

1. Call to Order

The meeting was called to order by Chairman Bacon at 9:30AM. Ms. Ward-Jackson kept a record of the proceedings.

2. Quorum and Notices

Mr. Bacon stated that all members were participating remotely, and a quorum was met. This would be a roll call vote meeting.

Mr. Bacon noted 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 MRP's website.

3. Approval of minutes from November 8, 2022, Investment Committee meeting

A *motion* was made by Mr. Brewer to approve the minutes from the November 8, 2022, meeting as presented, Mr. Zorola seconded the motion; it passed with three votes.

Roll call vote:

Mr. Bacon – yes

Mr. Brewer – yes

Mr. Tympanick – yes

Mr. Zorola –yes

4. Financial Status of the Plan – Eric Piurkowski, CFO CPA

Mr. Piurkowski reviewed his Investment Portfolio Breakdown as of 12/31/2022; a copy of which is included within these minutes. He began by stating that there is \$1.8M in cash & cash equivalents. Mr. Piurkowski continued stating that fixed income is \$13.3M or 64.7%; bonds \$11.5M and equities \$7.3M, total assets are \$20.7. Mr. Piurkowski

stated that case reserves are at \$3.3M with a surplus of \$10M. Mr. Piurkowski also presented a 12/31/2021 - 12/31/2022 comparison breakout; a copy of which is included within these minutes. Mr. Piurkowski stated that we have \$500K to invest, after a discussion it was agreed to transfer \$500K from Clinton Savings Bank to equities; Prime will suggest allocation shortly. There was also a discussion on bond maturities to be invested, Prime will discuss with IR+M (bond manager), on purchasing short-term USTbills pending allocation decision.

A *motion* was made by Mr. Zorola to transfer \$500K from Clinton Savings Bank into equities, Mr. Brewer seconded the motion; it passed unanimously.

Roll call vote:

Mr. Bacon -yes

Mr. Zorola – yes

Mr. Brewer – yes

Mr. Tympanick - yes

5. Market & Portfolio update– Prime Buchholz

Ms. Powers began reviewing Primes quarterly investment meeting materials; a copy of which is included within these minutes. Ms. Powers stated that all equity sectors-even year-to-date winner energy-were down in December. She discussed inflation expectations, aggressive Fed tightening cycle. She stated that 2023 the was down - 10.7%, but Q4 was +3.5% and January had positive returns. Prime continue reviewing their investment report and answering questions from committee members. A recommendation was made to adjust the Investment Policy Statement to regional weights in the equity segment to align with the broad market, as measured by the MSCI All Country World Index.

A ***motion*** was made by Mr. Tympanick to adjust the target policies in the Investment Policy Statement as follows: US equities from 13.5% to 15% and International Equities from 12.5% to 11%, as recommended by Prime; Mr. Zorola seconded the motion; it passed unanimously.

Roll Call Vote:

Mr. Tympanick – yes

Mr. Brewer- yes

Mr. Zorola – yes

Mr. Bacon - yes

******Note at the end of this meeting withdrawals were required for claims negating the investment decision and will be covered in next meeting notes******

6. Other Business

There being no other business to come before the committee.

7. Public Comment

There being no public comment to come before the committee.

8. Adjournment

Mr. Brewer made a ***motion*** to adjourn the Investment Committee meeting @ 10:42AM, Mr. Zorola seconded the motion; it passed unanimously.

Roll Call Vote:

Mr. Bacon – yes

Mr. Brewer – yes

Mr. Tympanick – yes

Mr. Zorola – yes

A true record transcribed by Robin Ward-Jackson on February 27, 2023

A handwritten signature in black ink, appearing to read "J. Zar", is written above a horizontal line.

MRP Investment Committee