

MASSACHUSETTS REINSURANCE PLAN

INVESTMENT COMMITTEE

Minutes of a Meeting

Tuesday November 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 (*Zoom*)
Catherine Powers, Consultant, Prime Buchholz (*Zoom*)
Brian Matthews, Consultant, Prime Buchholz (*Zoom*)
Peter Kiely, Chairman Emeritus, MRP Investment Committee (*Zoom*)
Spase Kace, DOI (*Zoom*)

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, Investment August 8, 2023, Committee meeting

A *motion* was made by Mr. Tympanick to approve the minutes from the August 8, 2023, meeting as presented; Mr. Zorola seconded the motion; it passed with three votes.

Roll call vote:

Mr. Bacon – yes

Mr. Tympanick – yes

Mr. Zorola –yes

Mr. Brewer – abstained.

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

Mr. Piurkowski reviewed his Investment Portfolio Breakdown as of 9/30/2023; a copy of which is included within these minutes. He began by stating that there is \$1.1M in cash & cash equivalents. Mr. Piurkowski continued stating that fixed income \$12.5M versus cases @ \$3.2M = surplus @ \$9.3M.

Equities \$7.7M down slightly by \$133K total assets are \$20M. Mr. Piurkowski stated that the Plan negotiated a new rate savings account @ Clinton Savings Bank for 4%.

5. Market & Portfolio update– Prime Buchholz

Mr. Matthews began reviewing Primes quarterly investment meeting materials; a copy of which is included within these minutes. Mr. Matthews stated that as of 9/30/2023 the total fund is +3.3% year to date; to \$18.5M. IR+M outperformed with 39% corporates/spread product and 15% securitized. Vanguard ETF fund underperformed, but in a small position. Mr. Matthews stated that markets have weathered year-long rate hikes, S&P500 +13% weighted by 7-8 growth names. Federal Reserve Bank hikes 10% chance of one more, markets say cuts likely sooner. Yield curve inversion has narrowed.

Prime Buchholz suggested a rebalancing proposal of \$500K from Clinton Savings Bank to fixed income. A discussion ensued.

A *motion* was made by Mr. Brewer to add \$400K to IR+M bond fund and \$100K to Cohen and Steers Preferred Securities and Income Fund. Mr. Tympanick seconded the motion; it passed unanimously.

Roll call vote:

Mr. Tympanic – yes

Mr. Zorola – yes

Mr. Brewer- yes

Mr. Bacon -yes

Mr. Kiely stated that macro factors are easy to see, Middle East, China and Ukraine, but challenging to decipher outcomes. Positive factors may outweigh: Consumer Price Index peaked; the GOP can win White House even if Trump cannot run; GOP can win house again and possibly Senate. He stated that the economy is resilient, and profits are

positive and valuations @ 17x not rich; large cap growth names should outperform with productivity gains.

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 @ 10:49AM, Mr. Zorola seconded the motion; it passed unanimously.

Roll Call Vote:

Mr. Bacon – yes

Mr. Tympanick – yes

Mr. Zorola – yes

Mr. Brewer – yes

A true record transcribed by Robin Ward-Jackson on November 23, 2023



MRP Investment Committee