

MASSACHUSETTS REINSURANCE PLAN

INVESTMENT COMMITTEE

Minutes of a Meeting

Tuesday August 6, 2024

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*)  
Tom Ferraro, Consultant, Prime Buchholz (*Zoom*)  
Matthew Mancini, Esq., DOI (*Zoom*) @ 9:45AM  
Kyle White, IR+M (*Zoom*) @ 10AM  
Margaret Schneider, IR+M (*Zoom*) @ 10AM  
Carrie Mermelstein, IR+M (*Zoom*) @ 10AM  
Robert White, Legislative Agent MRP (*In Person*) @ 10AM

1. Call to Order

The meeting was called to order by Chairman Bacon @ 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 May 1, 2024, Committee meeting

Mr. Brewer made a *motion* to approve the minutes of the May 1, 2024, meeting as presented; Mr. Tympanick seconded the motion; it passed unanimously.

*Roll call vote:*

*Mr. Bacon – yes*

*Mr. Tympanick – yes*

*Mr. Zorola –yes*

*Mr. Brewer – yes*

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

Mr. Piurkowski reviewed his Investment Portfolio Breakdown as of 06/30/2024; a copy of which is included within these minutes. He began by stating that there is \$2.8M in cash & cash equivalents. Mr. Piurkowski continued stating that fixed income \$14.6M

versus cases @ \$4M = surplus @ \$10.5M. Equities represented 38.6% total investments, assets are \$23.8M.

5. Market & Portfolio update– Prime Buchholz

Ms. Powers began reviewing Primes quarterly investment meeting materials; a copy of which is included within these minutes. Year to date the total fund is +3.8%; equities +10.6%; hedges approximately 9%; fixed income 0.6%. Further equity gains in July and a 3-day market correction in early August after weak US labor report and Japan rate increase. US equities sold off sharply, but bonds rallied with a sharp drop in yields. MRP's equities -6% x 42% of assets and fixed income +1.1% x 53% allocation, so about -1.4% decline for the total fund. Technology growth stocks have been dominating equity markets, but MRP is underweight. All other aspects of the portfolio are performing as expected.

IR+M reviewed the bond portfolio. Modest outperformance for 2024. Slightly negative since inception but positive relative to the benchmark. Yield was approximately 5%.

IR+M believes the Federal Reserve Bank rate cuts will proceed with short rates declining, but the US deficit financing needs will cause longer rates to stay elevated, steeper yield curve until debt service declines.

A discussion ensued on adding \$500K to Vanguard Total Bond Market ETF.

Mr. Brewer made a *motion* to add \$500K to the Vanguard Total Bond Market ETF.

Mr. Tympanick seconded the motion; it passed unanimously.

***Roll Call Vote:***

***Mr. Bacon – yes***

***Mr. Zorola – yes***

***Mr. Tympanick – yes***

***Mr. Brewer - yes***

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. Tympanick made a *motion* to adjourn the Investment Committee meeting @ 10:41AM, 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 September 9, 2024



---

MRP Investment Committee