

**MAYFLOWER MUNICIPAL HEALTH GROUP FINANCE COMMITTEE
MINUTES OF MEETING**

February 5, 2026

MMHG Offices, 65 Cordage Park Circle, Suite 110,
Plymouth, Ma. 02360

Attendees: Michael Buckley, Town of Hull
Wendy Lemieux, Wareham Fire District
Thomas J. O'Brien, MMHG Treasurer
Dennis Mullins, US Bank (remotely)
Sheila Avery, MMHG
Matthew Hanley, Plymouth County
Dan Pace, US Bank
Kevin Powell, MMHG Steering Committee member
Kelly Morse Perez, MMHG
John Lally, Plymouth County

The meeting was called to order at 9:02 a.m. with a quorum present. Treasurer O'Brien stated that Kathleen was unable to attend today's meeting.

1. **Accept meeting minutes (December 4, 2025)**

MOTION: Buckley made a motion to accept December 4, 2025, meeting minutes for discussion.

Treasurer O'Brien stated page 3, section 4, second paragraph, needs to be amended and should be 30%/70% and not 35%/65%.

MOTION: Buckley made a motion to amend the draft December 4, 2025, meeting minutes , changing page 3, section 4, second paragraph to 30%/70%.

SECOND: Lemieux

VOTE: Motion passed unanimously

MOTION: Buckley made a motion to accept December 4, 2025, meeting minutes as amended.

SECOND: Lemieux

VOTE: Motion passed unanimously

2. **Financial Report**

Lally distributed the draft financial statements dated November 30, 2025 and December 31, 2025. Treasurer O'Brien said November was a good month with revenue exceeding expenses and the fund balance was \$29,497,511.56.

Treasurer O'Brien said December was a positive month and the fund balance is \$30,543,990.15. He reminded the Committee that we have two new groups that joined for FY26 and one group is contributing above our set rates, which will help our assets throughout

the year. He said he expects we will see increased claims in future months but we are right where we want to be. He asked if there were any questions.

Powell asked what the enrollment fees are that is listed on the report and Treasurer O'Brien said he will confirm that it is the Scituate buy in.

Buckley asked if the Treasurer expects the surplus to continue. Treasurer O'Brien said he thinks it will start to trend in the other direction and hopes to end the year using less reserves versus anticipated.

Treasurer O'Brien said our investment performance has been good and helped offset our expenses.

MOTION: Buckley made a motion to accept the November 30, 2025 and December 31, 2025 Treasurer's Operating Statement and Statement of Net Assets, as presented by the Treasurer.

SECOND: Lemieux

VOTE: motion passed unanimously

3. **Investment performance update with Dennis Mullins (US Bank)**

Mullins introduced Dan Pace as the US Bank relationship manager.

Pace said he is the relationship manager as part of US Bank insurance team. He stated US Bank's online member portal is Pivot and MMHG can have access to it if they want to. He said he is available to provide training and see if electronic access and statements are something MMHG would like.

There was a brief discussion with no action taken.

Treasurer O'Brien said he will discuss Pivot with Dan after the transition in his office is complete.

Mullins reviewed investment report for period ending December 31, 2025. He stated the year-to-date return is 11.46%. He said this is a good return with a roughly 35% equity/65% fixed income structured portfolio. He said this is about the best return we will see.

Mullins said the bond market will perform much better verses previous years with anticipated return of 4%. He said this won't happen if interest rates are increased.

Mullins said the US Bank 5 year forecast for the S&P 500 is 6.8%. He said they anticipate returns to be lower verses the past five years.

Mullins discussed the market conditions and the future. He said MMHG is in a good position with 70% bonds which will help with market fluctuations.

Treasurer O'Brien asked if there was any questions and there were none.

4. **Investment policy statement review- vote**

Treasurer O'Brien passed out the updated investment policy for review based on votes at the last meeting.

Treasurer O'Brien stated the number of MMHG member units has increased to 33 to reflect our membership. He reviewed the investment guidelines section reflecting the Finance Committee vote at the last meeting as 20% U.S. Equities, 10% non U.S. equities and 70% fixed income and have the range at 5%. He said the GASB statement was added and review of the policy every 6-9 months.

Treasurer O'Brien said one potential change could be to change the review to annually or more frequently if necessary. He explained that the Committee must look at it annually but also has the flexibility to look at it monthly if they want to. The Committee agreed with the change.

Mullins said the investment policy is used as a guiding document and is important as Committee members and the market changes.

There was a brief discussion on the adoption and signature of the statement with the following action taken.

MOTION: Buckley made a motion to adopt the Investment Policy Statement, as amended, effective February 5, 2026.

SECOND: Lemieux

VOTE: Unanimous

MOTION: Buckley made a motion to authorize the MMHG Treasurer, Thomas J. O'Brien to sign the Investment Policy Statement on behalf of the Finance Committee and have US Bank sign.

SECOND: Lemieux

VOTE: Unanimous

Treasurer O'Brien thanked everyone for their work on the Investment Policy Statement.

5. **Joint Purchase Agreement amendment- vote**

Treasurer O'Brien said we received an audit comment regarding their perceived discrepancies in the joint purchase agreement and the investment policy. He said the draft amendment handout states the Steering Committee will be responsible for establishing reserve targets and the Finance Committee shall be responsible for the investment policy. He said the Finance Committee can still make reserve target recommendations, but the final determination will be by the Steering Committee.

Treasurer O'Brien stated the wording change on the weighted average maturity is updated to 5 years.

Treasurer O'Brien stated the MMHG attorney reviewed the Joint purchase agreement and the investment policy and provided these amendments.

Avery said the General Board votes the amendments and this would be a recommendation by the Finance Committee.

MOTION: Buckley made a motion to adopt and accept the JPA amendment as presented and recommend approval by the MMHG General Board.

SECOND: Lemieux

VOTE: Unanimous

Treasurer O'Brien said we have \$500,000 in cash in the investment portfolio and doesn't think we will need it and if we do it wont be until April or May. Treasurer O'Brien stated he discussed with Mullins and it might be better to keep it in cash at this time.

Lemieux said we voted to move this money and keep it in cash in anticipation it might be needed. She said it doesn't make sense to move it now if we may need it in a month or so.

Buckley asked what we are earning on the cash and Mullins stated just under 4%.

MOTION: Buckley made a motion to keep \$500,000 cash in the investment portfolio.

SECOND: Lemieux

VOTE: Unanimous

6. **FY26 IBNR increase- vote**

Treasurer O'Brien said we set the incurred but not reported (IBNR) amount and the auditors review the amount which is currently \$7.2 million. He said in discussions with Avery we feel the IBNR is now too low due to the new groups being added. He said he is in favor of a mid year increase to IBNR in the amount of \$800,000. He said this helps with accurate financial statements as we are accounting for this liability. He said the Finance Committee can vote this change and the Steering Committee will be informed. He stated we might have to do this again in the future based on new member units joining MMHG.

Buckley asked if the \$800,000 is coming from fund balance and how the amount was determined. Treasurer O'Brien agreed it would come from the fund balance. Avery stated we've analyzed six months of claims, including lag reports, to determine the estimate as well as comparing to the consultant's estimate. Avery said we match the consultant on the difference of \$800,000 and feel it is a reasonable estimate at this time based on how many subscribers were added.

MOTION: Buckley made a motion to adjust the IBNR from \$7.2 million to \$8 million effective January 1, 2026.

SECOND: Lemieux

VOTE: Unanimous

Powell asked if the money is in the investment account and Treasurer O'Brien said yes.

7. **Any other matters that may appropriately come before the Committee**
There was a brief discussion on potential new MMHG member units with no action taken.
8. **Next Meeting**
May 13, 2026, 9:00 a.m.
MMHG Offices, 65 Cordage Park Circle, Suite 110, Plymouth, MA. 02360
9. **Adjourn**
MOTION: Buckley made a motion to adjourn at 9:40a.m.
SECOND: Lemieux
VOTE: motion passed unanimously

Respectfully submitted,
Sheila Avery

Reference Documents for this Meeting (5):

- 1) **US Bank investment review report dated February 5, 2026**
- 2) **MMHG draft Statement of Net Assets and Operating Statement dated November 30, 2025**
- 3) **MMHG draft Statement of Net Assets and Operating Statement dated December 31, 2025**
- 4) **MMHG Joint purchase agreement draft amendment**
- 5) **MMHG draft Investment policy statement**