

MAYFLOWER MUNICIPAL HEALTH GROUP FINANCE COMMITTEE
MINUTES OF MEETING
May 29, 2019
Mayflower Municipal Health Group
65 Cordage Park Circle, Suite 110, Plymouth, Ma. 02360

Attendees: Thomas O'Brien, MMHG Treasurer
Jeanne Sullivan, Town of Hanson
Lincoln Heineman, Town of Hanover
Michael Buckley, Town of Hull/Pembroke
Sheila Avery, MMHG
Dennis Mullins, US Bank

The meeting was called to order at 8:30 a.m.

1. **Accept Meeting Minutes**

Treasurer O'Brien suggested an amendment to the meeting minutes under #3, first paragraph, second sentence "we expect this will be close to our position at year end."

MOTION: Heineman made a motion to accept the April 25, 2019 meeting minutes, as amended.

SECOND: Buckley

VOTE: Motion passed, Unanimous

2. **Review-Operating Statement**

Treasurer O'Brien passed out and reviewed the Operating Statement, dated April 30, 2019. He stated MMHG has \$5,519,758.14 in net revenue for FY19.

MOTION: Sullivan made a motion to accept and approve the Operating Statement, dated April 30, 2019

SECOND: Buckley

VOTE: Unanimous

3. **Review- Statement of Net Assets**

Treasurer O'Brien reviewed the Statement of Net Assets, dated April 30, 2019. He stated MMHG has \$21,558,953.45 fund balance.

MOTION: Buckley made a motion to accept and approve the Statement of Net Assets, dated April 30, 2019.

SECOND: Sullivan

VOTE: Unanimous

4. **Review- Investment Portfolio**

Mullins passed out and reviewed the MMHG investment portfolio handout. He said we had a 10 month return of 4%, through April 30, 2019, which is in line with benchmarks.

Mullins stated the market has been up 15% per year for the last 10 years and we expect it to go up 7% per year for the next 10 years. He said we are expecting lower returns ahead and would like to suggest a few changes.

Mullins stated our non-U.S. equities in the MMHG investment policy is targeted at 18% + or – 5% and he suggests changing it to 18% + or – 10%. Treasurer O’Brien suggested changing it to 15% + or – 6%. Mullins said he would be fine with the Treasurer’s suggestion.

There was a brief discussion with the following action taken.

MOTION: Buckley made a motion to change our investment policy target for non-US equities from 18% + or - 5% to 15% + or - 6%.

SECOND: Sullivan

VOTE: Unanimous

Mullins suggested moving about 7% of the portfolio out of non-U.S. equities and transferring it to U.S. equities. He said we will have a neutral split in U.S. equities of large, mid and small to match the Russell 3000 which is 69 large, 23 mid, and 8 small. He said we will be looking at 60% large, 40% mid, and forego the small.

There was a brief discussion with the following action taken.

MOTION: Heineman made a motion to approve Mullins recommendation as outlined above.

SECOND: Sullivan

VOTE: Unanimous

5. **Review-Draft reserve guidelines and Fund Balance Policy**

Treasurer O’Brien stated our consultant was not able to attend the meeting and would like to review the draft reserve guidelines and fund balance policy at the next meeting.

6. **Any other matters that may appropriately come before the Committee**

None.

7. **Meetings Scheduled**

June 10, 2019, 8:30 a.m., at the Hanover Town Hall

Buckley motioned to adjourn the meeting at 9:30, seconded by Sullivan and voted unanimously.

Respectfully submitted,
Sheila Avery

Reference Documents for this Meeting:

US Bank MMHG’s portfolio overview

MMHG Operating Statement, dated April 30, 2019

MMHG Statement of Net Assets, dated April 30, 2019