

**MINUTES OF THE MEETING
OF THE
MASSACHUSETTS CONVENTION CENTER AUTHORITY
RETIREMENT LIABILITY TRUSTEES MEETING
July 10, 2023**

A meeting of the Retirement, Liability, Trustees Meeting of the Massachusetts Convention Center Authority was convened on July 10, 2023 at 11:00am. The meeting was held at the MCCA's Boston Convention & Exhibition Center (BCEC) in Conference Room C and via Microsoft Teams.

Trustee Members in attendance were: Chairman David Gibbons, Michael Esmond, Christopher Donato, Devin Taylor and Michael Rodino. Also attending was Stephen MacClellan, Managing Principal at Meketa Investment Group, who participated remotely.

I. ROLL CALL

The meeting was called to order at 11:01 a.m., and a quorum was established by a call of the roll.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Following their review of the minutes of their last meeting on April 4, 2023, the trustees unanimously adopted the minutes.

III. TRUSTS INVESTMENTS PERFORMANCE

Mr. MacLellan provided a market update, as well as an overview of the trusts' performance.

According to Mr. MacLellan inflation in the US and global markets remained a key question and area of focus, meaning that bond market volatility would be expected to remain high through the year. The question of when and to what degree of severity a US recession may occur remains a key concern for investors. The overall expectation for global growth is that it will slow over the remainder of the year as monetary tightening continues to tighten credit conditions. However, a favorable trend remains that the US economy has continued to weather various adverse events over the first two quarters of calendar 2023, which helps some to conclude that an economic downturn will be manageable with respect to duration and impact. Global risks, particularly from the war in Ukraine, will continue to challenge investor sentiment.

Turning to the trusts' performance, Mr. MacLellan noted that the trusts' remain weighted heavily in cash since the trusts have not yet been rebalanced to the allocation schedule amended earlier in the year. Due to the increased volatility in the equity and bond markets, however, this fact has not resulted in a substantial downside (via lost earnings) for the trusts since their cash balances have continued to generate monthly earnings.

Mr. Gibbons asked when the Authority’s valuations for the pension and OPEB liabilities would be known for the fiscal year ending June 30, 2023. Mr. Rodino noted that they are typically final by mid-August and will be included in the financial reports presented to the Authority’s board and the Administration, Finance and Personnel Committee in the fall.

IV. TRUST INVESTMENT POLICY STATEMENT

Mr. Esmond introduced a vote for consideration by the trustees. He noted that the Investment Policy Statement, or IPS, originally adopted in April 2018 was thoroughly reviewed by himself, Mr. Rodino, Mr. Donato and Meketa for necessary updates. The IPS provides for a wide range of policy and procedural guidelines pertaining to the oversight and administration of the trusts by the trustees, including providing clarification of roles and responsibilities of key entities, such as the Investment Advisor or Investment Managers, as well as adopting the current investment allocation to be implemented by the trustees to meet their long-term goals for asset returns. The IPS also clarifies the role that the Investment Advisor plays in supporting the trustees in selecting one or more investment managers.

After discussion, Mr. Esmond asked for the trustees to consider for adoption the following:

Trustees Vote – Amendment to Investment Policy Statement

The Authority’s Pension and OPEB Liability Trusts’ Investment Policy Statement (“IPS”) was originally adopted in April 2018. The document is intended to provide a framework for how the assets of the Massachusetts Convention Center Authority’s Retiree Pension Benefits Trust and the Other Post-Employment Benefits Trust (the “Trusts”) will be managed and monitored. Since the IPS’ original adoption the Trustees have selected a new Investment Advisor, and have adopted a new Asset Allocation schedule for each of the Trusts. Additionally, the Trustees needed to update various sections of the IPS to account for revisions to the Authority’s Long-term Policy for addressing the liabilities, most recently amended in 2022, including clarifying the role of the Trustees. Finally, the Trustees’ amendments would clarify the role of its Investment Advisor with respect to conducting procurements for Investment Managers.

VOTE: The Trustees of the Massachusetts Convention Center Authority Retiree Pension Liabilities and OPEB Benefits Trusts approve the replacement of the Investment Policy Statement, dated April 2018, with the Investment Policy Statement, revised July 10, 2023.

Upon a motion duly made and seconded the vote was adopted unanimously.

V. INVESTMENT ADVISOR AGREEMENT AMENDMENT

Mr. Esmond proposed the following vote for consideration and adopted by the trustees.

Trustees Vote – Amendment to Investment Advisor Agreement

The Trustees of the Authority's Pension and OPEB Liability Trusts adopted a new Asset Allocation Schedule for each of the Trusts, including the potential to hire one or more investment managers. In reviewing its current agreement with its Investment Advisor, currently Meketa Investment Group, the Trustees are seeking to provide greater clarification, via a contract amendment, to the role that the Investment Advisor may play in procuring investment managers on behalf of the Trustees. While the ultimate selection of any investment manager will reside solely with the Trustees, the amendment would clarify that the Investment Advisor may be directed to identify, evaluate and recommend selection of additional or different investment managers, consistent with the investment objectives, investment policy and asset allocation adopted by the Trustees, per Article 5 of the Retiree Pension Benefits Irrevocable Trust Agreement and Other Post-Employment Benefits Irrevocable Trust Agreement.

VOTE: The Trustees of the Massachusetts Convention Center Authority Retiree Pension Liabilities and OPEB Benefits Trusts approve the amendment to its Investment Advisory Services Agreement, with Meketa Investment Group, effective, July 1, 2022, materially consistent with Exhibit A.

Upon a motion duly made and seconded the vote was adopted unanimously.

VI. OLD BUSINESS

Mr. Esmond noted that a long outstanding item for the trustees was to formerly adopt by-laws for the conducting of their business. Using the existing by-laws of the Authority's Board of Directors as a template, Mr. Esmond prepared draft by-laws for the trustees to consider. After brief discussion, Mr. Esmond proposed the following motion:

Trustees Vote – Adoption By-laws for Trustees

In accordance with Article 6 of the Retiree OPEB Benefits Irrevocable Trust Agreement and the Retiree Pension Benefits Irrevocable Trust Agreement, the Trustees authorized to adopt by-laws that they deem appropriate for the administration of the Trusts. The by-laws would include the following provisions: purpose and responsibilities of the Trustees; governing documents of the Trusts; Officers and related roles of the Trustees, including appointment of interim Trustees; procedures of Trustees' meetings, including clarification that such meetings shall be considered as public meetings; indemnification of Trustees; and, amendment of by-laws.

VOTE: The Trustees of the Massachusetts Convention Center Authority Retiree Pension Liabilities and OPEB Benefits Trusts approve the by-laws, dated July 10, 2023, as provided as Exhibit A.

Upon a motion duly made and seconded the vote was adopted unanimously.

VII. NEW BUSINESS

There was no new business.

VIII. ADJOURNMENT

Upon a motion duly made and seconded the meeting was adjourned at 11:42 a.m.

Attest:



Mike Esmond
Chief Financial Officer

10/04/2023

Dated: _____