

Motion to Approve New MCDA OPEB Trust

WHEREAS, Marlborough Community Development Authority (MCDA) has other post-employment benefits ("OPEB") liabilities other than pensions, for eligible former employees of MCDA. Post-employment benefits aside from pensions, can include, but are not limited to, medical, dental, and life insurance.

WHEREAS, MCDA on July 28th, 2016 established an irrevocable OPEB trust (the "Trust") for the purpose of funding OPEB obligations with the intent of qualifying as a tax-exempt trust that will perform an essential governmental function in compliance with Section 115 of the Internal Revenue Code of 1986, as well as regulations issued for OPEB trusts under M.G.L. c. 32B, § 20.

WHEREAS, the General Court of the Commonwealth of Massachusetts amended M.G.L. c. 32B, § 20 effective November 7th, 2016, this amended law allows the MCDA to participate in another OPEB fund established by another governmental unit such as the City of Marlborough.

WHEREAS, the MCDA adopts the amended OPEB law of November 7th, 2016 and the MCDA OPEB committee is hereby modified to an advisory board; furthermore, the trust shall abide by the prudent investor rule as set forth in section 203C, (ii) section 23 of chapter 32.

WHEREAS, the Mayor of the City of Marlborough/ Chair of the MCDA has the continued authority to amend the OPEB Trust agreement, as needed and required and to appoint a treasurer for the OPEB fund who will also be the custodian and trustee of such OPEB fund. The Mayor shall also have such authority to make such amendments to establish and maintain the Trust in accordance with the relevant laws and regulations including modifications to the Trust document.

BE IF FURTHER RESOLVED, that the MCDA shall set aside 1% of its budget, from all programs, to the trust, unless a higher percentage is agreed to by the MCDA Board.

MCDA Members Present: 5 MCDA Members Absent: 1

Signatures of MCDA Members Approving this Motion:

Mayor Arthur G. Vigeant, MCDA Chair

1/30/18

Date