

1. BET Investment Advisory Comm. Meeting Agenda

Documents:

[BET_IAC_MEETING_AGENDA_07-16-19.PDF](#)

2. SUB TO APP BET Investment Advisory Comm. Meeting Minutes

Documents:

[SUB_TO_APP_BET_IAC_MEETING_MINUTES_07-16-19.PDF](#)



TOWN OF GREENWICH

**BOARD OF ESTIMATE & TAXATION
INVESTMENT ADVISORY COMMITTEE MEETING**

**Tuesday, July 16, 2019
10:00 A.M.**

**Mazza Room
1st Floor, Town Hall**

AGENDA

1. Acceptance of the BET Investment Advisory Committee Meeting Minutes of June 6, 2019
2. Review and approve actions of the OPEB Trust Board Meeting
3. Compare OPEB and Retirement Plan investment performance as of 6/30/19
4. Discuss Vanguard Institutional Advisory Services (VIAS) Outsourced CIO capabilities and pricing
5. Review CD Program holdings as of 6/28/19
6. Review General Fund cash flows: actual for June 2019 and projected for Fiscal Year 2019-2020
7. Adjournment

Next Meeting: Wednesday, September 11, 2019 at 10:00 A.M. in the Mazza Room

TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee
MINUTES – Tuesday, July 16, 2019
Mazza Conference Room

Present:

Committee: David Weisbrod, Chairman; William Drake, Andreas Duus, Anthony Turner

Staff: Joan Lynch, Assistant to the Treasurer; Peter Mynarski, Comptroller;
Nataliya Yemets, Treasurer

Public: Joseph Pellegrino, Member, OPEB Trust

The meeting was called to order at 10:00 A.M.

1. Acceptance of the BET Investment Advisory Committee Meeting Minutes

Upon a motion by Mr. Duus, seconded by Mr. Drake, the Committee voted 3-0-1 (Abstain: Turner) to accept the Investment Advisory Committee Meeting Minutes of June 6, 2019. Motion carried.

2. Review and approve actions of the OPEB Trust Board Meeting

At the OPEB Trust Board meeting on July 16, 2019, the OPEB Trust Board voted on two actions: (i) to roll over the U.S. Treasury Bills maturing on 8/22/19, 8/31/19 and 9/5/19 into ninety-day U.S. Treasury Bills, and (ii) to invest the Town contribution to OPEB in the amount of \$648,452.16 (net of previous fiscal year OPEB expenses) in ninety-day U.S. Treasury Bills and/or the S&P 500 ETF (SPY) in sufficient amounts to bring the Portfolio's asset allocation close to the current target allocation of 50% equities and 50% fixed income.

Mr. Drake made a motion, seconded by Mr. Duus to approve the actions of the OPEB Trust Board stated above. The Committee voted 4-0-0. Motion carried.

3. Compare OPEB and Retirement Plan investment performance as of 6/30/19

Ms. Yemets presented comparison of the investment performance of the Town of Greenwich Retirement System Portfolio managed by Neuberger Berman (NB) (market value of \$406 million, excluding private markets investments) with the OPEB Trust Portfolio (market value of \$31 million). The comparison was done at the composite level as well as by asset class. The results of the analysis were mixed: the OPEB Portfolio did better on the total composite level and in the emerging markets investments, whereas the Retirement Plan Portfolio outperformed in domestic equities and fixed income. Considering these results, relatively high management fees and concentration of NB mutual funds in a proposed portfolio, it was decided that it was premature to start discussions with NB regarding an Outsourced Chief Investment Officer (OCIO) role for the OPEB Trust Portfolio. The Committee agreed that OPEB's current management arrangement was most beneficial for the Town of Greenwich; however, recommended that the OPEB Trust Board should decrease the number of meetings from monthly to quarterly (as documented in the Trust's Investment Policy Statement) and

should review benefits of the Portfolio management style tilted more toward passive index investing.

4. Discuss Vanguard Institutional Advisory Services (VIAS) Outsourced CIO capabilities and pricing

Ms. Yemets presented to the Investment Advisory Committee Vanguard's response regarding their OCIO capabilities. Vanguard provides advisory services to public pension plans and OPEBs and serves as a co-fiduciary, with a focus on portfolio construction, manager selection and investment policy. Vanguard's proposed all-in management fees were compared to the current OPEB costs and Neuberger Berman proposed fees. The Committee also evaluated net performance for a composite of Vanguard's discretionary advisory relationships compared to the OPEB Trust and Town of Greenwich Pension Financial Composite. It was decided that OPEB's relationship with Vanguard should stay within the current scope and not be expanded to the advisory services or OCIO at this moment.

5. Review CD Program holdings as of 6/28/19

Ms. Yemets presented the Town's CD Program holdings report as of 6/28/19 provided by Financial Northeastern Companies (FNC). She informed the Investment Advisory Committee that that three CDs would be maturing in July and 24 CDs in August before IAC's next meeting in September. She will work with FNC to have these CDs rolled over at the best available yields within the constraints set by the Town of Greenwich Investment Guidelines.

6. Review General Fund cash flows: actual for June 2019 and projected for Fiscal Year 2019-2020

The Committee reviewed the Treasurer's Report showing the General Fund cash balance at the end of Fiscal Year (FY) 2019 of \$81.4 million compared to the previous fiscal year-end balance of \$82 million. The funds were invested in interest earning deposits at JPMorgan Chase, TD Bank and Webster Bank as well as in the State of Connecticut Short Term Investment Fund, CD Program and U.S. Treasury Bills. Ms. Yemets also presented a preliminary Cash Report with projected cash flows for FY2020.

5. Adjournment

Mr. Duus made a motion, seconded by Mr. Drake, to adjourn the meeting at 11:20 A.M. The Committee voted 4-0-0 in favor of the motion. Motion carried.

The next regular meeting of the Investment Advisory Committee is scheduled for Wednesday, September 11, 2019 at 10:00 A.M. in the Mazza Meeting Room.

Catherine Sidor, Recording Secretary

David Weisbrod, Chairman, Investment Advisory Comm.

Scheduled IAC meetings through June 2020

August – no meeting
September 11, 2019 (Wednesday)
October 8, 2019 (Tuesday)
November 12, 2019 (Tuesday)
December 10, 2019 (Tuesday)
January 9, 2020 (Thursday)
February 13, 2020 (Thursday)
March 12, 2020 (Thursday)
April 9, 2020 (Thursday)
May 7, 2020 (Thursday)
June 11, 2020 (Thursday)

SUBJECT TO APPROVAL