1. Meeting Agenda - October 6
   Documents:
   MEETING AGENDA - 10 06 16.PDF

2. Minutes Subject To Approval - October 6
   Documents:
   MINUTES SUBJECT TO APPROVAL - 10 06 16.PDF

3. Approved Minutes - October 6
   Documents:
   APPROVED MINUTES - 10 06 16.PDF
TOWN OF GREENWICH

BOARD OF ESTIMATE & TAXATION
INVESTMENT ADVISORY COMMITTEE MEETING

Thursday, October 6, 2016
10:30 P.M.

Mazza Conference Room
1st Floor, Town Hall

AGENDA

1. Approval of BET Investment Advisory Committee Meeting Minutes September 8, 2016

2. Review and Approve Actions of the OPEB Trust Board Meeting

3. Old Business – Consideration of BET Procedures for Review of Retirement Board Investment Agreements

4. New Business

5. Adjournment
Present:
Committee: William Drake, Chairman, Leslie Moriarty, Arthur Norton
Absent: John Blankley
Staff: Peter Mynarski, Comptroller

The meeting was called to order at 10:45 A.M.

Approval of Investment Advisory Committee Meeting Minutes of September 8, 2016
Upon a motion by Mr. Drake, seconded by Ms. Moriarty, the Committee voted 2-0-1 to approve the Meeting Minutes of September 8, 2016. Abstain: Norton

Review and Approval of Actions of the OPEB Trust Board Meeting
During the OPEB Board's preceding meeting, the Board voted 3-0 to increase holdings in Financial Select Sector SPDR (XLF) from 1.4% of portfolio and holdings in SPDR S&P Regional Banking (KRE) from 1.6% of the portfolio to a total of 5% of the portfolio; proceeds for the purchases are to come from sale of all the Trust's position in Vanguard Total Bond Market Index -ADM (VBTLX) (0.6% of the portfolio) with the remainder to come from sale of iShares US Preferred Stock E (PFF). Each of the financial sector funds, XLF and KRE, would be increased to 2.5% of the portfolio from these transactions. Rationale: the expected increase of interest rates will positively influence the earnings of financial institutions.

Upon a motion by Mr. Drake, seconded by Mr. Norton, the Board voted 3-0 to approve the foregoing transactions of the OPEB.

Additionally, the Board voted 3-0 to increase its holdings in the energy sector by investing 2% of the portfolio in the Energy Select Sector SPDR (XLE). Proceeds for the purchase were to come from sale of the needed amount of the Trust's position iShares US Preferred Stock E (PFF). Rationale: after the recent difficulty in the energy sector, valuations in this sector are attractive.

Upon a motion by Mr. Drake, seconded by Mr. Norton, the Committee voted 3-0 to approve the foregoing actions of the OPEB Trust.

Old Business - Consideration of a BET Procedure for Retirement Board Investments and Agreements
Further action on this item was continued until Mr. Fox and Mr. Smoot reconciled the Town's views on the interpretation of Section 208a.
Ms. Moriarty questioned the difference between OPEB investing in ETF vehicles and the Retirement Board being unable to do so. Mr. Drake explained that Section 208a states that the BET is to approve the Retirement Board’s investment “Agreements”, which is not the same as approving the investment merits of each.

**New Business**

Mr. Mynarski said that the Committee would likely be asked whether the Finance Department should hire three rating agencies or two to analyze the Town’s financial position for securing favorable future bond bidding. He commented that it had been recommended that only two agencies were needed and that the third, Fitch, be discontinued for a savings of between $20,000 and $30,000. Mr. Norton remarked that comparable AAA CT towns used all three agencies and it would be difficult to quantify the impact on bids for Greenwich’s bonds and the resulting impact on Wall Street’s opinion if TOG changed its current practice.

**Schedule of Future Meetings**

The Committee postponed voting on future meeting dates proposed by the OPEB Board below until its member, Mr. Blankley, could be consulted on his schedule.

November 15, 2016 at 10:30 A.M.
December 8, 2016 at 12:30 P.M.
January 5, 2017 at 10:30 A.M.
February – no meeting is scheduled
March 2, 2017 at 8:30 A.M.
April 6, 2017 at 8:30 A.M.
May 4, 2017 at 8:30 A.M.
June 7, 2017 at 8:30 A.M.
July 12, 2017 at 8:30 A.M.
August – no meeting is scheduled
September 7, 2017 at 8:30 A.M.
October 5, 2017 at 8:30 A.M.
November 8, 2017 at 8:30 A.M.
December 4, 2017 at 8:30 A.M.

**Adjournment**

Upon a motion by Mr. Norton, seconded by Ms. Moriarty, the Committee voted 3-0 to adjourn at 11:26 P.M.

________________________________________
William Drake, Investment Committee Chairman

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Catherine Sidor, Recording Secretary
TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee
Thursday, October 6, 2016
Mazza Room, Town Hall

Present:

Committee: William Drake, Chairman, Leslie Moriarty, Arthur Norton
Absent: John Blankley

Staff: Peter Mynarski, Comptroller

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[Signature]
William Drake, Investment Committee Chairman

[Signature]
Catherine Sidor, Recording Secretary