1. Meeting Agenda - November 15
   Documents:
   MEETING AGENDA - 11 15 16.PDF

2. Minutes Subject To Approval - November 15
   Documents:
   MINUTES SUBJECT TO APPROVAL - 11 15 16.PDF

3. Approved Minutes - November 15
   Documents:
   APPROVED MINUTES - 11 15 16.PDF
TOWN OF GREENWICH

BOARD OF ESTIMATE & TAXATION
INVESTMENT ADVISORY COMMITTEE MEETING

Tuesday, November 15, 2016
10:30 P.M.

Gisborne Conference Room
1st Floor, Town Hall

AGENDA

1. Approval of BET Investment Advisory Committee Meeting Minutes
   October 6, 2016

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

3. Retirement Board Investment in State Street Emerging Markets Index &
   TIPS Funds

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

5. New Business

6. Adjournment
TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee
Tuesday, November 15, 2016
Gisborne Room, Town Hall

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

The meeting was called to order at 10:31 A.M.

Approval of Investment Advisory Committee Meeting Minutes of October 6, 2016

Upon a motion by Mr. Norton, seconded by Ms. Moriarty, the Committee voted 3-0-1 to approve the Meeting Minutes of October 6, 2016. (Abstain: Blankley – not present at 10/6/16 meeting)

Review and Approval of Actions of the OPEB Trust Board Meeting

During the OPEB Board’s preceding meeting, the Board agreed to increase the allocation to equities but debated the timing of any action. The Board voted 2-1 to increase the equity allocation by 10% over the next month.

The Board voted 3-0 to increase the portfolio’s equity allocation based on the October 31, 2016 report presented by the Treasurer, Ms. Murphy. The Board voted 3-0 to increase holdings in the technology sector fund (XLK) immediately so that the equity portfolio’s allocation to technology would equal the S & P 500’s allocation to technology of 22.0% (currently 18.08% of the equity allocation of the OPEB portfolio). Additionally, the Board voted 3-0 to increase holdings in the industrials sector fund (XLI) so that the equity portfolio’s allocation to industrials would equal the S & P 500’s allocation to industrials of 10.0% (currently 8.34%) and to increase holdings in the materials sector fund (XLB) so that the equity portfolio’s allocation to materials would equal the S & P 500’s allocation to materials of 3.0% (currently 1.98%). The Board voted 3-0 that proceeds from the sale of the entire position in iShares US Preferred Stock (PFF) and the PIMCO Foreign Bond US Hedged Fund (PFORX) were to be used to cover the purchase. If required, the PIMCO Income Fund (PIMIX) would be sold in sufficient amount to cover the approved purchases.

The Board voted 3-0 to give Mr. Pellegrino the authority to exercise his discretion on the timing for additional purchases to increase holdings in materials (XLB) by another 1% and industrials (XLI) by another 2% during the month as the opportunity arises. Proceeds from the sale of PIMCO (PIMIX) were to be used for any purchase.

Upon a motion by Mr. Norton, seconded by Mr. Drake, the Committee voted 4 - 0 to approve the forgoing transactions of the OPEB.

Retirement Board investment in State Street Emerging Markets Index and TIPS Funds

Due to the arrival of the material within the previous 24 hours, the Committee decided that more time was needed to consider the Agreements associated with these two investments.
Upon a motion by Mr. Norton, seconded by Mr. Drake, the Committee moved to postpone voting on this item at this time.

**Old Business - Consideration of Procedures for Review of Retirement Board Investment Agreements**

Mr. Drake gave the Committee a status report on the Law Department’s on-going review of the Account Agreement with State Street Global Markets. He noted the need for the new Procedures for Review of Retirement Board Investment Agreements. The BET Law Committee had approved the new procedures. The Retirement Board was considering outsourcing the investment process. Ms. Moriarty asked for clarification of IAC’s role to approve an outside manager. Mr. Norton remarked that the Purchasing Department had prepared an RFI which would give the IAC an opportunity to consider the scope of what was being sought. Mr. Mynarski commented that the RFI had become a RFP, and would contain the proposer’s information and fees. The subsequent process would be for the IAC, Law Committee and the Law Department to review the RFP document. Ms. Moriarty requested the opportunity to read a draft of the RFP, and Mr. Drake suggested that the Committee could submit questions to Mr. Mynarski or, if needed, a Special Meeting could be convened.

Upon a motion by Mr. Norton, seconded by Ms. Moriarty, the Committee voted 4-0 to consider the draft of the RFP, when available.

**New Business**

The Committee discussed whether the Town should have two or three rating agencies review TOG bonds before offering them to the market in January. Mr. Norton suggested that better rates and an increased number of bidders would result if three agencies rated TOG’s bonds. He described the constituencies of each agency: Moody’s focus was government bonds; S&P focused on corporate bonds; and, Fitch’s focus was specific sectors.

Upon a motion by Mr. Drake, seconded by Ms. Moriarty, the Committee voted 2-2 that 2 of the 3 agencies constituted a sufficient review of TOG bonds. Motion failed. (Opposed: Blankley, Norton)

**Schedule of Future Meetings**

Planned meetings of the Investment Advisory Committee are 2 hours following the planned meetings of the OPEB Board.

OPEB Board meeting schedule:
- December 8, 2016 at 11:00 A.M.
- January 5, 2017 at 8:30 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
Adjournment

The Committee voted unanimously to adjourn at 11:05 A.M.

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Catherine Sidor, Recording Secretary

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William Drake, Investment Committee Chairman

SUBJECT TO APPROVAL
TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee
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  Committee: William Drake, Chairman, Leslie Moriarty, Arthur Norton, John Blankley

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- 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 7, 2017 at 8:30 A.M.

Adjournment

The Committee voted unanimously to adjourn at 11:05 A.M.

[Signature]
Catherine Sidor, Recording Secretary

[Signature]
William Drake, Investment Committee Chairman