1. OPEB Trust Board Meeting Agenda
   Documents:
   OPEB_TRUST_BOARD MEETING AGENDA 09-27-19.PDF

2. SUB TO APP OPEB Trust Board Meeting Minutes
   Documents:
   SUB_TO_APP_OPEB_TRUST_BOARD_MEETING_MINUTES 09-27-19.PDF
AGENDA

1. Acceptance of the OPEB Trust Meeting Minutes of July 16, 2019

2. Review Performance of Trust as of the end of August 2019, including the rebalancing trades during the month and the resulting asset allocation percentages

3. Discuss market conditions and investment strategy, including asset allocation, index investing back test and strategy and timing for international and emerging markets

4. Discussion of topics for future meetings

5. Adjournment

Next Meeting Tuesday, October 8, 2019 at 8:30 A.M. in the Mazza Room, 1st Floor.
TOWN OF GREENWICH  
OPEB Trust Board Meeting  
Friday, September 27, 2019  
Human Service Conference Room, 3rd Floor, Town Hall

Present:

Trust Board: Robert Stricker, Chairman; William Ferdinand; Joseph Pellegrino

BET Attendees: William Drake, Andreas Duus

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

The meeting was called to order at 8:30 A.M.

1. **Acceptance of OPEB Meeting Minutes**

   Mr. Ferdinand made a motion, seconded by Mr. Pellegrino, the Board voted 3-0-0 to accept the Meeting Minutes of July 16, 2019. Motion carried.

2. **Review Performance of Trust as of the end of August 2019, including the rebalancing trades during the month and the resulting asset allocation percentages**

   Ms. Yemets provided an overview of major market indices returns in August commenting that most experienced negative results: S&P 500 lost (1.58%); MSCI All Country World ex US lost (3.09%); and Bloomberg Barclays U.S. Aggregate Bond Index lost (2.59%).

   Focusing on the OPEB Trust August results, Ms. Yemets reported that the Portfolio’s ending balance as of 8/31/19 was $31,614,900 before operating cash. The Portfolio lost $356 thousand or (1.11%) during the month. This result, while negative on an absolute basis, is in line with the blended benchmark return. The Portfolio FYTD loss was $105 thousand or (0.52%). At the month-end, 43.4% of the Total OPEB Trust Portfolio was allocated to Domestic Equities; 6.2% to International Equities, currently represented by the MSCI Emerging Markets ETF (EEM); and 50.5% was allocated to Domestic Fixed Income and Cash. All allocations were in line with target allocations and within the ranges specified in the IPS.

3. **Discuss market conditions and investment strategy, including asset allocation, index investing back test and strategy and timing for international and emerging markets**

   The Board Members discussed domestic market conditions and debated about the probability of a recession in 2020 or 2021. While certain market players warn that the economy is getting closer to a recession, many technical charts do not support such view. The Board agreed that the current inverted yield curve was not because of the usual reasons, and discussed strategies to deal with potential zero or negative rates. It was decided to research fixed income actively managed fund options that offer the interest rate duration reduction while keeping the spread duration. Mr. Pellegrino offered his opinion on international markets, specifically China and Japan and suggested that the technology sector, where innovation drives growth, is the only one that has value. Mr. Ferdinand contemplated how the rising prices caused by the U.S.-China trade war will be absorbed, and whether they would cause inflation to increase or
decrease. It was agreed to make no changes in the OPEB Trust Portfolio at this time, as the current risk level is deemed appropriate.

The Board discussed the imminent October maturity of approximately $3 million of three-month U.S. Treasury Bills and agreed that the amount should be rolled over into a one-year Treasury Bill.

Mr. Pellegrino made a motion, seconded by Mr. Stricker, to roll over the Treasuries maturing in October, into one-year U.S. Treasury Bill. The Board voted 3-0-0. Motion carried.

4. **Discuss topic for future meetings**

   - Re-consideration of possible allocation to Invesco S&P 500 Equal Weight ETF (RSP).
   - Research actively managed fixed income funds for potential investment and/or to replace the PIMCO Income Fund.

5. **Adjournment**

   Upon a motion by Mr. Stricker, seconded by Mr. Pellegrino, the Board voted 3-0-0 to adjourn the meeting at 9:36 A.M. Motion carried.

Next OPEB meeting scheduled for November 12, 2019 at 8:30 A.M. in Human Services Conference Room. The OPEB meeting scheduled for October 8, 2019 is cancelled.

OPEB Trust Board meetings tentatively scheduled through June 2020 (all at 8:30 AM)

- 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)