TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee
MINUTES – Tuesday, February 12, 2019
Mazza Conference Room

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

Staff: Gene McLaughlin, Assistant Town Attorney, Law Department; Peter Mynarski, Comptroller; Nataliya Yemets, Acting Treasurer

BET Attendees: Jeffrey Ramer

Other: Arthur Norton

The meeting was called to order at 10:30 A.M.

1. Acceptance of the BET Investment Advisory Committee Meeting Minutes

   Upon a motion by Mr. Drake, seconded by Mr. Duus, the Committee voted 3-0-0 to accept the Investment Advisory Committee Meeting Minutes of January 22, 2019.

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

   During the OPEB Board’s meeting of February 12, 2019, the Board voted to take the following actions:

   • Sell 100% of the Oakmark International Fund (OANIX) and a sufficient amount of the Vanguard Federal Money Market Fund (VMFXX) to make the following investments:
     a. Increase the T. Rowe Price Health Sciences Fund (PRHSX) to 1.5% of the Total OPEB Trust Portfolio
     b. Increase the iShares Core S&P Small Cap ETF (IJR) from 3.1% to 5.0% of the Total OPEB Trust Portfolio
     c. Increase the Alerian MLP ETF to 2.0% of the Total OPEB Trust Portfolio
     d. Buy the Vanguard Real Estate Index ETF (VNQ) in the amount equal to 3.0% of the Total OPEB Trust Portfolio

   • Sell most of the remaining Federal Money Market Fund and invest the proceeds in equal increments of 25% into three-, six-, nine- and twelve-months U.S. Treasuries, leaving some funds in the sweeping account.

   Upon a motion by Mr. Weisbrod, seconded by Mr. Duus, the Investment Advisory Committee voted 3-0-0 to approve the actions of the OPEB Trust Board stated above.

- Ms. Yemets was asked to provide an update regarding the U.S. Treasuries Investment Program. She noted that there were two options: to establish a brokerage account with J.P. Morgan Securities which would necessitate waiving the excess SIPC insurance requirement listed in the Cash Management Resolution, or use the Financial Northeastern Securities brokerage account that was established for the CD Investment Program to also trade U.S. Treasuries. It was suggested that both options be available for the Town and that Ms. Yemets select the most advantageous method at her discretion. Mr. McLaughlin presented a draft Resolution to waive Board of Estimate and Taxation Resolution Concerning Cash Management for J.P. Morgan Securities LLC; however, after discussing with Mr. McLaughlin the benefits that the Town would receive from the excess SIPC insurance, the Investment Advisory Committee decided that the requirement for such excess SIPC insurance should be removed from the Cash Management Resolution. BET approval will be sought at the Board of Estimate & Taxation’s next regular meeting.

Upon a motion by Mr. Duus, seconded by Mr. Drake, the Committee voted 3-0-0 to approve the deletion of the phrase “Provide excess SIPC insurance” in the Town’s Resolution Concerning Cash Management and recommend the change to the full BET at its next regular meeting.

4. CD Program Update

- The Committee reviewed the Town’s CD Program holdings as of 2/4/19 and maturity schedule provided by FNC, as well as pending rollovers for six CDs that matured in February. It was requested that Ms. Yemets prepare materials on IDC rating standards to be reviewed at the next IAC meeting and to be included in the information packet for future IAC meetings.

6. Old Business

- Ms. Yemets shared a comparative analysis of returns of the OPEB Trust portfolio and the Town’s Retirement System portfolio run by Neuberger Berman. She compared the two Portfolios’ performance versus Callan’s Public Small Fund Sponsor Database (OPEB) and Public Medium Fund Sponsor Database (NB/TOG Retirement System). On a three-year basis, both Portfolios’ returns were above median as compared to the respective Callan universes. Mr. Weisbrod proposed reviewing the performance of the two Portfolios on a quarterly basis.

7. Adjournment

The Committee unanimously agreed to adjourn at 11:10 A.M.

Next Meeting Tuesday, March 19, 2019 at 9:00 A.M. in the Gisborne Meeting Room.

[Signature]

Catherine Sidor, Recording Secretary
Schedule IAC meetings through December 2019 at 10:00 A.M.

March 19, 2019 (Tuesday) at 9:00 A.M.
April 9, 2019 (Tuesday)
May 14, 2019 (Tuesday)
June 11, 2019 (Tuesday)
July 10, 2019 (Wednesday)
August – no meeting
September 11, 2019 (Tuesday)
October 8, 2019 (Tuesday)
November 12, 2019 (Tuesday)
December 10, 2019 (Tuesday)