

TOWN OF GREENWICH

OPEB Trust Board Meeting Minutes

8:30 A.M. Wednesday, April 12, 2013

Mazza Room

First Floor, Town Hall

Present:

Trust Board: Robert Stricker, Chairman, William Ferdinand
Phil Skidmore

BET Attendees: Greg Bedrosian, Art Norton, Sean Goldrick, William Finger

Attendees: Peter Mynarski, Comptroller and ex-officio member of the
OPEB Trust Board, Kathleen Murphy, OPEB Board Trustee

The meeting was called to order at 8:34 A.M.

1. Approval of January 16, 2013 OPEB Trust Board Minutes

Mr. Ferdinand made a motion to approve the January 16, 2013 minutes, seconded by Mr. Stricker. The motion passed 3 to 0 in favor.

2. Review Performance of Trust Portfolio and Rebalancing

Ms. Murphy distributed the March 31, 2013 monthly OPEB Investment Performance report and related materials. Ms. Murphy reported that the portfolio had assets totaling \$21,999,409 at the end of March 31, 2013. Ms. Murphy also reported that the Portfolio had a gain of 1.81% or \$390,612 for March 2013. Ms. Murphy also reported that as of March 31, 2013, the allocation to fixed income is under weighted by 3%, or \$634,000 versus the current target of 50% fixed income and 50% equities.

Ms. Murphy prepared and distributed an Attribution Analysis as of March 31, 2013. The Board reviewed and discussed the analysis.

3. Review of Funds/Asset Allocations and potential new funds

Ms. Murphy prepared an analysis of a variety of current and potential funds for investment purposes. The documents were reviewed. Ms. Bedrosian cautioned the Board on one of the investments, the DoubleLine Total Return Bond Fund. Mr. Bedrosian reported that the Chief Financial Officer had abruptly resigned for unknown reasons.

As a result of a review of the materials and discussions for alternative choices, Mr. Ferdinand made a motion to sell 100% of the Vanguard Emerging Market Fund (VERSX) and buy iShares MSCI Emerging Markets Minimum Volatility Index Fund (EEMV) up to an asset allocation amount of 5% of the total fund value. The motion included selling 100% of the DoubleLine Total Return Bond Fund Class 1 (DBLTX). The proceeds of the DoubleLine sale would be used to fund the iShares MSCI Emerging Markets Minimum Volatility Index Fund up to the 5% allocation amount and the remainder of the DoubleLine Fund proceeds would be used to purchase shares in the PIMCO Income Fund (PONDXX). Mr. Skidmore seconded the motion and the vote carried 3 to 0 in favor.

Mr. Skidmore made a motion to sell 100% of Met West High Yield (MWHYX) and with the proceeds purchase Credit Suisse Floating Rate High Income Fund (CSHIX). Mr. Ferdinand seconded the motion and the vote carried 3 to 0 in favor.

4. Cash flow requirements of the Trust funds.

Ms. Murphy and Mr. Mynarski explained the year ending requirement to liquidate assets in the OPEB Trust Fund to pay back the General Fund for the advance funding to pay the OPEB benefits during the year by the General Fund. As a result, Mr. Skidmore made a motion to liquidate the iShares 1 – 3 Year Credit Fund (CSJ) to pay back the General Fund in June 2013. The amount will be determined by the Treasurer in June 2013. Mr. Ferdinand seconded the motion and the vote carried 3 to 0 in favor.

5. Update – Actuarial Valuation assumption re the discount rate

Mr. Mynarski reported to the Board that the discount rate for the OPEB Trust Fund was lowered from 7.75% to 7.50% by the Board of Estimate and Taxation, effective July 1, 2012. Mr. Mynarski added that the rate was now the same as the Retirement Board assumption and the ultimate goal was to get to 7.0% in two years.

6. Status of the Bloomberg Terminal Recommendation

The Board and BET members discussed licensing a Bloomberg terminal starting July 1, 2013. Mr. Mynarski told the Board and BET members that the costs would be paid out of the OPEB Trust Fund budget, which has \$100,000 budgeted for the next fiscal year for administrative expenses and would be adequate to cover the cost of the license. Ms. Murphy explained that the terminal would be located in the Finance Department and would have limited access to only OPEB Trust Board members and the Treasurer. There was an extended discussion by BET members about who would have access to the terminal.

Mr. Mynarski noted that this issue was on the agenda for the BET Investment Advisory Committee meeting which would proceed immediately after the conclusion of the OPEB Trust Board meeting.

7. Update: Potential additional brokerage accounts (Fidelity & Charles Schwab)

The Treasurer reported that the Retirement Board was able to invest directly into an investment product, the PIMCO Total Return Fund, instead of through a brokerage account. Ms. Murphy suggested that the OPEB Trust Board do the same as the Retirement Board and invest directly with a selected fund.

8. Approve Meetings Schedule for the Year

- July 12, 2013
- October 18, 2013

The Board members acknowledged the approved meetings noted above and agreed to their scheduling.

9. New Business: Discussion of topics for future meetings

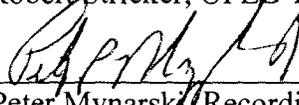
No new business topics for future meetings were discussed.

10. Adjournment

On a motion by Mr. Ferdinand, seconded by Mr. Skidmore, the Board voted 3 to 0 to adjourn the meeting at 10:01 A. M.



Robert Stricker, OPEB Trust Board Chairman



Peter Mynarski, Recording Secretary