

TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee

MINUTES – Parks and Recreation Conference Room
Second Floor, Town Hall
8:00 A.M.

Wednesday – July 9, 2014

Present:

Committee Members: Bill Drake, Chairman, Randall Huffman, Art Norton
John Blankley (did not attend the first session of the
Investment Advisory Committee meeting)

Other Attendants: Peter Mynarski, Comptroller, Kathleen Murphy,
Treasurer, Robert Stricker, Chairman, OPEB Trust Board,
Laurence Simon, Retirement Board Member

BET: Members: Sean Goldrick

The meeting was called to order at 8:03 A.M.

1. Interview William Ferdinand for the OPEB Trust Board, for a three year term to June 30, 2017

The Committee members interviewed Mr. Ferdinand for a three year term to June 30, 2017. On a motion by Mr. Huffman, seconded by Mr. Norton, the Committee voted 3 to 0 to extend Mr. Ferdinand's term to June 30, 2017. Mr. Blankley was not present for the vote.

2. Interview Robert Stricker to serve as Chair OPEB Trust Board for a one-year term to June 30, 2015

The Committee members interviewed Mr. Stricker for a one-year term as Chairman of the OPEB Trust Board to June 30, 2015. On a motion by Mr. Norton, seconded by Mr. Huffman, the Committee voted 3 to 0 to extend the term of Chairman for Mr. Stricker to June 30, 2015. Mr. Blankley was not present for the vote.

3. Adjourn Meeting for the Meeting of the OPEB Trust Board

On a motion by Mr. Norton, seconded by Mr. Huffman, the meeting was adjourned at 8:11 A.M. for a meeting of the OPEB Trust Board.

4. Reconvene Meeting at conclusion of OPEB Trust Board

The meeting of the BET Investment Advisory Committee was reconvened at 9:48 A.M.

5. Approve minutes of BET Investment Advisory Committee Meeting of April 11, 2014

Mr. Norton made a motion to approve the April 11, 2014 minutes, seconded by Mr. Huffman. The motion passed 3 to 0 in favor, Mr. Blankley was absent for the April 11, 2014 meeting.

6. Review actions OPEB Trust Board Meeting

Mr. Huffman made a motion, seconded by Mr. Norton, to approve the action by the OPEB Trust Board to move approximately \$200,000 from the Vanguard Prime Money Market Fund (VMMXX) to the Vanguard Domestic Equity Fund (VITSX). The motion carried on a vote of 4 to 0.

7. Report from the Treasurer: Quarterly Public Depository Statements (March 31, 2014)

Mr. Mynarski informed the Committee that there was an issue with the Automated Data Processing (ADP) payroll implementation project. Specifically, he said that ADP wanted the Town of Greenwich to use their bank, Deutsche Bank, to impound payroll funds on a bi-weekly basis. Mr. Mynarski stated that legally the Town Treasurer and Comptroller cannot deposit Town funds into a bank that was not a Qualified Public Depository, per State of Connecticut Statutes. Mr. Mynarski stated that the Town's Steering Committee and the Town Treasurer, Ms. Murphy, are working with ADP officials to resolve the issue.

Ms. Murphy then proceeded to explain the contents of previously distributed Quarterly Public Depository Statements from various banks the Town uses to the Committee members.

8. Approve the July 1, 2013 OPEB Actuary Report

Mr. Simon and Mr. Mynarski explained the contents of the July 1, 2013 Other Post-Employment Benefits Actuary Report to the Committee members. After an extended discussion, Mr. Blankley made a motion to accept the July 1, 2013 report using a 7.25% discount rate. Mr. Norton seconded the motion and the vote carried in favor 4 to 0.

9. Revision to Amendment #3 (2014-1) to Supplement Article 14 of the Town Charter – Mortality Tables & Actuarial Equivalent Interest Rate Assumption used by the Retirement System

Amendment #3 (2014-1) was distributed to the Committee members. Mr. Simon and Mr. Mynarski explained that this amendment had been previously approved by the BET and that this amendment was simply cleaning up language so that the mortality tables attached could be utilized by the Actuary and Transamerica, the retiree payroll processor. As a result, Mr. Norton made a motion to accept the new amendment, seconded by Mr. Blankley and the vote carried in favor 4 to 0.

10. Old Business

There was no old business to discuss.

11. Discussion of Topics for Future Investment Committee Meetings

Mr. Simon appeared before the Investment Advisory Committee to give the members an update on future events impacting the Committee. They are as follows:

- Mr. Simon told the Committee members that the Retirement Board was looking at investing in the Welsh, Carson, Anderson and Stowe (WCAS) Fund 12. He stated that two previous funds WCAS Funds CPIV and XI were winding down and the Retirement Board was happy with the returns generated by both of those funds. Unfortunately, Mr. Simon reported that the Retirement Board's consultant does not agree with this investment and will not provide the Town of Greenwich Retirement Board with a comfort letter supporting this investment.
- Mr. Simon also reported to the Committee that the Retirement Board is in the process of issuing two Requests for Proposals (RFP) for 1) a consultant to the Retirement Board and 2) a custodian for the Retirement Board's funds. He informed the Committee that the current consultant is in its final option year and in addition, they were not happy with the financial reporting provided by the current custodian, State Street Bank. Mr. Simon stated he will distribute the RFP for the consultant to the BET members for input and was looking for a distribution list of potential custodians.
- Mr. Simon also updated the Committee that the amendment to Charter Section 208a, that was previously approved by the Retirement Board and the BET was stalled with an adhoc group of RTM members working on rewording the amendment. Mr. Simon offered to provide a substitute amendment that would be voted on by the Retirement Board at its July 2014 meeting. Mr. Drake firmly stated he was opposed to such an action. He felt it would have an adverse effect on the RTM adhoc group working on the current version of the amendment to Section 208a of the Charter. The matter was dropped.

12. Adjournment

On a motion by Mr. Norton, seconded by Mr. Huffman, the meeting adjourned at 11:18 A.M. on a vote of 4 to 0.



Bill Drake, Investment Committee Chairman



Peter Mynarski, Recording Secretary