TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee
Meeting Minutes - Wednesday, November 8, 2017
Mazza Room, First Floor, Town Hall

Present:
   Committee: William Drake, Chairman; John Blankley, Anthony Turner
   Absent: Arthur Norton

Staff: Peter Mynarski, Comptroller

The meeting was called to order at 10:25 A.M.

Approval of Investment Advisory Committee Meeting Minutes

Upon a motion by Mr. Blankley, seconded by Mr. Turner, the Committee voted 2-0-1 to approve the Investment Advisory Committee Meeting Minutes of October 5, 2017.

Review and Approval of Actions of the OPEB Trust Board Meeting

During the OPEB Board's preceding meeting, the Board took the following actions:

The OPEB Board voted (3-0) to increase the portfolio equity exposure to international equities by 5%. The increased allocation is to be split between the international developed markets equity fund, OANIX, and the emerging market ETF (EMM), raising the respective target allocations each by 2.5%. Sufficient number of shares of the S&P500 Index ETF (SPY) are to be sold to cover the purchases. The trades reflect OPEB's decision to reduce domestic equities based on the relative valuation of international equities.

The Board voted (3-0) to reduce Vanguard ST Corporate Bond Index holdings to 5% of the portfolio and invest the proceeds in PIMCO (PIMIX), a current holding of the Trust. The decision was made to reallocate funds to the actively managed fund that has more flexibility to move along the yield curve as fixed rate markets adjust to actions by the FED.

The OPEB Board voted (3-0) to take the following actions in the healthcare sector:
   i) To sell the entire position in the Vanguard Health Care fund (VGHAX);
   ii) To invest in two new positions, the T Rowe Price Health Sciences Fund (PRHSX) and the Delaware Healthcare Fund (DLHIX), in equal amounts to bring their respective allocations to 0.5% of the portfolio, and to bring the current investment in the SPDR S&P Biotech ETF (XBI) up to its target allocation of 1%. Funding for these purchases is to be met with the proceeds from the sale of VGHAX and from the sale of shares in SPY for any additional amount required.

These trades bring the Portfolio's healthcare exposure to market weighting. The new positions are both actively managed and are more diversified than VGHAX, having higher weightings in more growth segments of healthcare than big pharmaceuticals.
Upon a motion by Mr. Drake, seconded by Mr. Blankley, the Committee voted 3 - 0 to approve the foregoing transactions of the OPEB Trust.

Mr. Turner complimented the well thought out rationale of the OPEB Board in making the healthcare sector changes.

New Business

None

Adjournment

The Committee voted unanimously to adjourn at 10:33 A.M.

Catherine Sidor, Recording Secretary

William Drake, Chairman, Investment Advisory Committee

Schedule of Future Regular IAC Meetings

December 7, 2017 at 10:00 A.M. (Thursday)
January 9, 2018 at 10:00 A.M. (Tuesday)
February - no meeting is scheduled
March 14, 2018 at 10:00 A.M. (Wednesday)
April 11, 2018 at 10:00 A.M. (Wednesday)
May 9, 2018 at 10:00 A.M. (Wednesday)
June 13, 2018 at 10:00 A.M. (Wednesday)