The meeting was called to order at 10:03 A.M.

1. **Approval of the BET Investment Advisory Committee Webinar Minutes**

   Upon a motion by Mr. Drake, seconded by Ms. Kreuzer, the Committee voted 4-0-0 to approve the Minutes of the IAC Meeting of November 10, 2020. Motion carried.

2. **Review and approval of proposed investment actions of the December 8, 2020 OPEB Trust Board Meeting**

   During the OPEB Trust's meeting of December 8, 2020, the Trust Board voted 3-0-0 to sell 100% of iShares Convertible Bond ETF (ICVT) and a sufficient amount of Vanguard Federal Money Market Fund (VMFXX) to invest the proceeds as follows: to bring the Vanguard Russell 2000 Index Fund ETF (VTWO) to 10% of the total Portfolio; to bring SPDR S&P 500 ETF (SPY) to 60% of the total Portfolio; and, to bring Vanguard FTSE All-World ex-US ETF (VEU) to 5% of the total Portfolio. The transactions were made to increase the equity portion of the Portfolio from 60.6% to 75.0% to capture a higher return.

   Upon motion by Mr. Duus, seconded by Mr. Drake, the Committee voted 4-0-0 to accept the transactions proposed by the OPEB Trust Board. Motion carried.

3. **Discussion of Proposed Changes to the OPEB Trust Funding Policy and Investment Policy Statement**
The Committee continued discussion begun in the immediately preceding OPEB Trust meeting.

Discussion ensued regarding the potential changes in the investment policy statement for the OPEB Trust, and the contrast between how the Town manages its investment of its pension assets versus its OPEB assets.

Although there was a general support among Committee members for greater equity weighting of the portfolio, less active management and less frequent meetings of the OPEB Trust Board, Mr. Weisbrod asked if it was not time now for the Town to consider the engagement of a professional outside investment manager for the OPEB assets, possibly with the current members of the Trust Board acting in a review capacity.

Mr. Duus suggested that an intermediate step might be considered, given the expertise of the OPEB Trust Board members, to adjust the OPEB Board schedule to quarterly meetings, and increase the equity/passive orientation of the investment portfolio. Ms. Kreuzer added that it is necessary to distinguish between passive management of instruments versus passive management of allocation.

Mr. Pellegrino expressed belief that investment performance likely would not be adversely affected by moving from monthly to quarterly meetings and the possible resetting of the investment targets. With respect to hiring an outside manager, Mr. Pellegrino would not want to pay for a manager who would be a closet indexer. Rather, he would prefer that manager to make real bets, to use their judgement to either over- or under-weight versus a benchmark, and keep the benchmark narrowly defined (such as Equity-US, Equity-Int’l, Equity-Emerging and FI-Aggregate).

Mr. Stricker did not object to having an outside manager provided they would actively manage asset allocation amongst passive funds, watch the asset portfolio every day and stay within the guidelines set by the IAC. In this case, the manager could execute trades without IAC approval and report to the Committee on a quarterly basis. Possibly, in this context, the OPEB Trust Board might function in an oversight capacity, i.e., the OPEB Advisory Board.

Mr. Duus identified follow-up for the January meeting to include proposed changes to the investment policy statement and collecting data on outside investment managers. In this connection Mr. Mynarski will circulate to the Committee a copy of another Town’s RFP for an OPEB investment manager.

4. **Review compliance with the Town of Greenwich Resolution Concerning Cash Management**

Done annually, Ms. Yemets reviewed the Resolution Concerning Cash Management with the Committee. She confirmed that the Town remains in full compliance with the Resolution, and recommended no change.

5. **Review Town’s cash position as of November 30, 2020, actual cash flows for November 2020 and projected flows for the remainder of fiscal year 2021**

The Town’s General Fund November-end cash balance was $135.7 million compared to the November 2019 cash balance of $125.4 million, the difference primarily due to higher cash flows associated with higher collections of conveyance taxes and Federal and State grants.
6. **New Business** – None

7. **Adjournment**

   Mr. Drake made a motion, seconded by Ms. Kreuzer, to adjourn the Regular Meeting of the Investment Advisor Committee at 11:25 A.M. The Committee voted 4-0-0. Motion carried.

Next Meeting: January 14, 2021 at 10:00 A.M. as a Virtual webinar.

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Catherine Sidor, Recording Secretary

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Andreas Duus, Chair, Investment Advisory Committee

**Schedule Investment Advisory Committee Meetings for calendar year 2021**

January 14 (Thursday)
February 11 (Thursday)
March 11 (Thursday)
April 8 (Thursday)
May 13 (Thursday)
June 10 (Thursday)