

**TOWN OF GREENWICH  
OPEB Trust Board Meeting Minutes**

8:30 A.M. Tuesday, June 21, 2016  
Mazza Room, First Floor, Town Hall

Present:

Trust Board: Robert Stricker, Chairman; William Ferdinand, Joseph Pellegrino  
:  
BET Attendees: William Drake, John Blankley, Leslie Moriarty, Arthur Norton

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

The meeting was called to order at 8:33 A.M.

**Approval of May 2, 2016 Meeting Minutes**

Upon a motion by Mr. Ferdinand, seconded by Mr. Pellegrino, the Board voted 2-0-1 to approve May 2, 2016 Meeting Minutes. (Abstain: Stricker due to absence)

**Review Performance of Trust**

Ms. Murphy distributed the May 31 and June 1-17, 2016 OPEB Investment Performance reports and related materials. She remarked that the total portfolio value of \$23,033,180 as of May 31 was a gain for the month of \$273,126. Performance for the month was 1.25% rate of return and 60 bps ahead of benchmark. She noted that the portfolio's weighting was balanced at 60% Equity and 40% Fixed Income.

The Board discussed the advantages and disadvantages of including previously sold securities in the monthly report. It was decided to continue listing the holdings because they were reflected in performance during the period when they were owned.

**Discussion of market conditions and investment strategy, including sector weightings**

The Board reviewed the performance of previous month's portfolio adjustments and commented that regional banking, healthcare and technology contributed to the equity allocation's favorable performance vs the benchmark in May. The additional investment in the Preferred Stock ETF (PFF) also made a favorable contribution to the fixed income allocation performance. Mr. Ferdinand commented that returns could be low in the future and that it would be difficult for the portfolio to achieve its goal of a 7% return unless 100% was invested in equities. Mr. Pellegrino proposed moving money out of Fixed Income and consider an energy infrastructure investment in Alerian MLP (AMLP), which was discussed previously, and/or a real estate investment partnership (REIT). Mr. Ferdinand responded that energy MLPs were better positioned than REITs with significantly higher yields. An investment in AMLP would be considered an Alternative investment which is allowed by the Investment Policy.

Upon a motion by Mr. Pellegrino, seconded by Mr. Ferdinand, the Board voted 3-0 to sell \$600,000 (approximately 2.5% of the Trust) of VBTLX and invest the proceeds in AMLP ETF.

**Discussion of potential change to the Vanguard Fed Money Market Fund vs. the Vanguard Prime Money Market Fund**

Due to regulatory changes the position in Vanguard's Prime MM will need to be marked to market daily. Vanguard's Federal MM will have a constant Net Asset Value of \$1.00. The Trusts uses this account as a sweep account in making trades.

Upon a motion by Mr. Ferdinand to move cash from VMMXX to VFMXX, seconded by Mr. Pellegrino, the Board voted 3-0 in favor of the change.

**Discussion of topics for future meetings**

- Review TOG's OPEB Fund relative to other retirement funds using data already available through the Actuary rather than requesting it from NEPC.
- Research the BIOTECH sector for possible future investment vehicle.
- Research Emerging Markets for an energy opportunity.
- Add High Yield category and Western Asset Management to Watch List

**Schedule future OPEB Board Meeting Dates**

July 6, 2016 – Wednesday  
August 8, 2016 – Monday  
September 7, 2016 - Wednesday

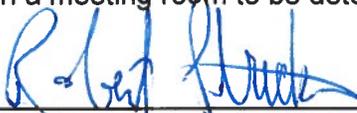
**Actionable Items for IAC**

- Approval of selling \$600,000 of VBTLX to invest in AMLP ETF
- Approval of an investment in AMLP of \$600,000, approximately 2.5% of the Trust
- Approval of moving cash reserves from the Vanguard Prime Money Market Fund (VMMXX) to Vanguard Fed Money Market Fund (VFMXX).

**Adjournment**

On a motion by Mr. Pellegrino, seconded by Mr. Ferdinand, the Board voted 3-0 to adjourn the meeting at 10:15 A. M.

Next meeting scheduled for July 6, 2016 at 8:30 A.M. in a meeting room to be determined.

  
\_\_\_\_\_  
For the OPEB Trust Board

  
\_\_\_\_\_  
Catherine Sidor, Recording Secretary