

MINUTES FOR 03/23/2021 OPEB TRUST MEETING

MINUTES ACCEPTED ON 1/18/2022

In favor 3 , 1 abstention

The meeting was called to order by Tim Harrison at 3:04 pm. This was a remote meeting via ZOOM, and in attendance were James Smith, David Hall, Timothy Harrison, Chris Woodruff, Lisa Lynch and Nancy Konisky. Also in attendance were Brian Jamros & Kathleen Glowacki from Bartholomew & Company.

The first order of business was to accept the minutes from the 2/23/2021 meeting. Dave moved to accept the minutes, Chris seconded the motion. The minutes were approved by 4 in favor, and 1 abstention.

Next was a discussion with Brian Jamros and Kathleen Glowacki from Bartholomew & Company about the Town potentially adding REAL ESTATE to their OPEB portfolio. First off, Brian noted that Real Estate is already listed in the Town's Investment Policy. He went on to say that adding Real Estate to our OPEB portfolio doesn't increase our risk, but just smooths out the ride. Chris asked how this would change our total allocation of alternative investments. Brian said that our current alternatives are 6.5% of our portfolio, and that adding Real Estate, which would be 4% of our portfolio, would bring the total to 10% in alternative investments. Brian did note that Real Estate is not a liquid investment.

Kathleen stated that commercial and retail real estate would only be a small portion of the investment. She continued to say that industrial real estate, like e-commerce, would be a much larger portion of the portfolio. It was noted by Kathleen that if we invest in Real Estate, 90% of our portfolio will be liquid, with only 10% not being liquid. Chris thinks it is good that the real estate is diversified, but he did note that it is a higher risk investment.

Jim stated that he has some reservations about adding Real Estate to our portfolio, and wondered if we could try a smaller percentage. Brian reiterated that the Real Estate portion of the portfolio would only be 4% and Kathleen said she thinks about this from a long term perspective. She felt that adding Real Estate would balance out the portfolio. Dave noted that 75% of the Real Estate portion is invested in multi-family and industrial real estate, which he felt was stable. Jim then agreed to defer to our investment professionals.

Dave moved to allow Bartholomew to invest in Blackstone Real Estate Income Trust @ 4% of our portfolio. Chris seconded the motion. The motion passed unanimously.

Next, Tim asked if there was any old or new business to discuss, but there was not.

Tim motioned to adjourn, and Dave seconded the motion. All in favor.

Meeting adjourned at 3:27 pm.

Respectfully submitted,

Lisa A. Lynch

Secretary, OPEB Trustees

