

1. Retirement Board Meeting

Documents:

[01 AGENDA 07.30.19.PDF](#)

2. Retirement Board Meeting

Documents:

[01 VOTED AGENDA 7.30.19.PDF](#)

3. Retirement Board Meeting Minutes

Documents:

[02 RETIREMENT BOARD MINUTES 07.30.19 -APPROVED.PDF](#)

TOWN OF GREENWICH, CT  
RETIREMENT BOARD  
TUESDAY– JULY 30, 2019  
MAZZA. ROOM – FIRST FLOOR  
8:00 A.M.

AGENDA

1. Call to Order
2. Approval of Minutes
  - a. Special Meeting Minutes June 14, 2019
  - b. Regular Meeting Minutes June 20, 2019
3. Investments and Performance
  - a. Performance Report Period Ending June 30, 2019 – Neuberger Berman
4. New Business
  - a. Actuarial Presentation - Boomershine Consulting
5. Administrator’s Report
6. Approval of Retirements
  - a. August 2019
7. Approval of Payments
  - a. Routine Disbursements
  - b. Refunds – N/A
  - c. Military Buy Back – N/A
8. New Business (cont.)
  - a. Draft Calendar for 2020 (To Be Voted at September Meeting)
9. Old Business
  - a. Policy – Direct Transfers to BOE Plan
10. Executive Session – N/A
11. Adjournment

Next Meetings:

- Regular Meeting Thursday, September 26, 2019
- Regular Meeting Thursday, October 31, 2019
- Regular Meeting Thursday, December 12, 2019

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**TOWN OF GREENWICH, CONNECTICUT  
RETIREMENT BOARD  
REGULAR MEETING**

**Tuesday, July 30, 2019 Minutes - Mazza Meeting Room**

The meeting of the Retirement Board was called to order at 8:00 A.M.

In attendance were:

Members:	Joseph Pellegrino, Chairman Kevin Coyner Mark Kordick Peter Mynarski Mike Wacek
Staff:	Ken Berkson, Retirement Board Administrator Daniela Barcello, Retirement Coordinator
BET:	Jill Oberlander, Chair; Andreas Duus, Karen Fassuliotis, Leslie Tarkington, David Weisbrod
RTM:	Michael Basham, D-5, Finance Cmte Vice Chairman; Miriam Kreuzer, D-7, Legislative & Rules Cmte; Bruce Pflug D-5, Finance Cmte
Neuberger Berman:	Eric Knutzen, Michael Savinelli, Andrew White
Boomershine Consulting:	Gregory Stump

**APPROVAL OF MINUTES**

**Special Meeting Minutes June 14, 2019**

*Upon a motion by Mr. Mynarski, seconded by Mr. Kordick, the Board vote 4-0-0 to approve the Minutes of the Special Meeting of June 14, 2019. Motion carried. (Coyner arrived after vote was taken,)*

**Regular Meeting Minutes June 20, 2019**

*Upon a motion by Mr. Mynarski, seconded by Mr. Wacek, the Board vote 4-0-0 to approve the Minutes of the Regular Meeting of June 20, 2019. Motion carried. (Coyner arrived after vote was taken,)*

## **INVESTMENTS AND PERFORMANCE**

### **Performance Report Period Ending June 30, 2019 – Neuberger Berman (NB)**

Mr. Savinelli commented that it was the second anniversary of Neuberger Berman relationship with the Board and the Town's Pension Plan, then introduced Mr. Knutzen. Mr. Knutzen primarily discussed the performance of the Plan for the quarter ending July 31, 2019 and since Neuberger Berman's inception. Mr. Knutzen identified the following factors that impacted performance in a negative manner: disposal of legacy investments, volatility in public markets and performance in the following asset classes: cash, emerging markets and high yield fixed income. Chairman Pellegrino questioned the strategy of maintaining less productive allocations. Mr. Knutzen assured the Board that NB brought added value in managing the Portfolio's total risk and securities selection, to produce upside performance in six (6) of the nine (9) asset classes. Mr. White then discussed the individual managers and funds as well as the risk statistics. In further discussion of portfolio returns and market expectations, the Board was advised to expect lower returns in the upcoming year leading to discussions on whether the target rate of return should be lowered from 6.50% to 6.25% or if the tactical allocation should include more risk. Mr. Savenlli then discussed the Sample Strategic Asset Allocations. Chairman Pellegrino emphasized the need for patience in regards to the long term results of the Plan.

## **NEW BUSINESS**

### **Actuarial Presentation – Boomershine Consulting**

Mr. Stump commented on the potential impact of the FY19 investment experience return assumption. He commented that it implies a loss of \$3.4 million that would increase the Town's contribution by \$75,000. The expected FY20 valuation results using the current 6.50% return assumption, would be an accrued liability of \$635M, 77% funding ratio and a \$25.7M contribution. Mr. Stump also presented results using a 6.25% return assumption, which would be an accrued liability of \$650M, 75% funding ratio and a \$28.1M contribution. Mr. Stump also presented the funding and cost outlooks for the next 15 years at 6.50% and 6.25%. The Board discussed and will likely continue with the 6.50% assumption, though the final decision won't be made until the October meeting. Chairman Pellegrino cautioned that the Board of Estimate & Taxation (BET) would need to budget for future higher contributions, due to many additional factors, regardless of the decision is to remain at 6.50% or move to 6.25%. Mr. Stump summarized that the FY19 investment experience was not a significant factor in near term costs and best estimates for FY21 is \$25-28M. He also stated that a funding ratio of 80% is still expected within a few years and 90% within a decade. He continued stating that future contributions, as always, will depend on experience and risks do remain. There is also an experience study scheduled for 2020.

## **ADMINISTRATOR REPORT**

Mr. Berkson commented on the following:

- Empower/Milliman
  - Day Two Items – Completed – Re-hires and prior service calculation automation for majority of participants. Also, online input of multiple beneficiary. Future – EE contribution projections for those not contributing and at service maximum. Enhancement to availability of data and reporting.
  - Projects – Completed – Silver Shield EE contribution change to 6%; Teamster retiree retro payments; COLA (to be paid July 31); Valuation Data (August); QDRO Automation and benefits past NRD and 70-1/2 (TBD).
  - Outstanding 1<sup>st</sup> Q CY19 non-standard invoice, call center and calculation reporting.
- Disability and Death (tax) calculations  
Review of procedures and (tax) calculations, Shipman & Goodwin have forwarded a partial response. Follow-up planned.
- Data Project  
Ms. Barcello completed research of active and term-vested population “one-off” issues for Retirement Administrator review. Ms. Barcello is now reviewing the retiree population and recently supplied Milliman files regarding missing compensation and status issues.
- Survey  
573 participant responses received by June 28 deadline. Results being compiled for summary report to Board.
- Neuberger Berman  
Custodian and Paying Agent conversion completed, with first monthly retirement payments on July 31<sup>st</sup>. NB is also working on Private Equity (PE) and complete CY19 investment reporting (PineBridge information not yet received) and exhibit of all fees received by Neuberger Berman from Town relationship.
- QDROs  
Town Legal Department commented that we can reject QDROs that do not meet the Town’s QDRO policy at any time (as some QDROs are not received until application for retirement), but should be reviewed on a case-by-case basis.
- FOIA (request)  
External legal counsel commented that the Town is required to supply active employee addresses but not for former employees. Town is now working on policy regarding such requests.
- Calendar of Events  
Draft calendar of Plan events distributed to Retirement Board for comments.

- Researching organizations to document procedures, policies and work flows.
- Summary Plan Descriptions (SPDs) updated by Gail Sassos for review, except M&C.
- Delay in State Street paying agent invoices. Only received for 1<sup>st</sup> month of services. Need remaining invoices through June 30<sup>th</sup>. Beginning July 1<sup>st</sup>, NB will be invoicing for these services.
- Requested Shipman & Goodwin to review eligibility determination for Disability Pensions due to the new PTSD Workers' Compensation regulations.
- Open Retirement Coordinator position has been filled by Ms. Barcello.
- Participant Data Issue – There is a current request by a former employee about a benefit due. There has been conflicting data findings and information on prior determination. The Board requested if additional information can be located, including any payroll, and be supplied at the next Board Meeting.

### **APPROVAL OF RETIREMENTS**

The Board reviewed the **August 1, 2019** retirement of the individuals listed below:

Michael Carter – retro to July 1, 2019

*Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve the August 1, 2019 retirement with retro payments to July 1, 2019 for the individual listed above. Motion carried.*

Christine Bucknoff – retro to NRD (September 1, 2017)

*Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve the August 1, 2019 retirement with retro payments to September 1, 2017 for the individual listed above. Motion carried.*

Joseph Roberto  
 Sheila Babyak  
 Jack Hornak (Also requested refund of employee contributions)  
 Elaine Baruno  
 Faye Engwer  
 Joseph Ryan

*Upon a motion made by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the August 1, 2019 retirement of the six (6) individuals listed above. Motion carried.*

**APPROVAL OF PAYMENTS**

**Routine Disbursements**

<b>Town of Greenwich, Connecticut</b>			
<b>Retirement July 31, 2019</b>			
<b>Payments to be Approved</b>			
<b>Reserve Fund</b>			
V	Pensioners	July Payroll	<u>\$2,712,741.19</u>
		<b>Pension Payroll Fund Total</b>	\$2,712,741.19
<b>Expense Fund</b>			
SV	FedEx	Retro Pay Decrease Letters	\$44.16
	Shipman & Goodwin	Attorney Fees (Disability Pensions - Taxes)	\$445.00
	WB Mason	Supplies	\$301.98
	Iron Mountain	Storage & Retrieval-July 2019	<u>\$103.50</u>
		<b>Expense Fund Total</b>	\$894.64
<b>Payroll</b>			
PV	Staff	July Payroll	<u>\$11,725.00</u>
		<b>Staff Payroll Fund Total</b>	\$11,725.00
		<b>Grand Total</b>	<b><u>\$ 2,725,360.83</u></b>

*Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the above routine disbursements for July 2019. Motion carried.*

**Refunds**

None

**Military Buy Back**

None

**NEW BUSINESS (cont.)**

Draft Calendar for 2020 was distributed for vote at September Regular Board Meeting



## **OLD BUSINESS**

### **Policy for Direct Transfers to the BOE**

Based on comments from the prior meeting the policy was updated as follows:

Any active participant in the Town of Greenwich Pension Plan who transfers directly to the Board of Education and thereby becomes eligible for participation in the Connecticut Teachers' Retirement System will incur a termination of service with respect to the Town of Greenwich Pension Plan as of the transfer date.

*Upon a motion by Mr. Mynarski, seconded by Mr. Wacek, the Board voted 5-0-0 to approve the Policy for Direct Transfers to the BOE Plan. Motion carried.*

## **EXECUTIVE SESSION**

N/A

## **ADJOURNMENT**

*Upon a Motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 4-0-0 to adjourn the meeting at 11:03 A.M. (Kordick temporarily not present)*

Respectfully submitted,

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Catherine Sidor, Recording Secretary

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Joseph Pellegrino, Chairman

## **Next Meetings**

Regular Meeting Thursday, September 26, 2019

Regular Meeting Thursday, October 31, 2019

Regular Meeting Thursday, December 12, 2019