

**TOWN OF GREENWICH, CONNECTICUT  
RETIREMENT BOARD**

**January 26, 2017 Minutes – Mazza Meeting Room**

The regular meeting of the Retirement Board was called to order at 8:01 a.m.

In attendance were:

Members:	John Chadwick, Chairman Kevin Coyner Mark Kordick Peter Mynarski (until 9:15am) Joseph Pellegrino
Staff:	Atiya Jones, Retirement Administrator Mary Pepe, Director of Human Resources
NEPC:	Kevin Leonard
BET:	Bill Drake
RTM:	John Dolan Mike Wacek

**APPROVAL OF MINUTES**

Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 4-0-1 (Mr. Pellegrino abstained) to approve the minutes, as amended, of the Regular Meeting of December 15, 2016.

**ADMINISTRATOR’S REPORT**

As of January 24, 2017, the State Street cash balance was \$15,393,386. The projected State Street cash balance for February 28, 2017 is \$13,184,816. As of today, we expect to have capital calls \$56,362 and distributions \$45,435 for February, 2017. There will be four Pension Payrolls and nine Employee Contributions for the Fiscal Year totaling estimated amounts of \$9,200,000 and \$665,064, respectively.

Ms. Jones and Mr. Mynarski had a monthly call with the Transamerica team on January 24, 2017 to review outstanding items. The Transaction History reporting will need some adjustments from Transamerica. Also, Transamerica will review the process for the new mortality table.

As a reminder, we will have pension data updates for several union contracts. There are no updates reported for the Fire Fighters contract as of July 1, 2015 and Teamsters, LIUNA, and LIUNA Representing the Professional Assistants and Security Personnel contracts as of July 1, 2016. The GMEA contract is complete and posted on the Town’s website. The three retirees and an active death

participant received their retroactive pay on January 20, 2017. They will receive their pension retroactive payments by February 28, 2017. Mr. Coyner reported to Ms. Jones that several participants are concerned they will not receive the retroactive payment when the contracts settle. Ms. Jones informed the Retirement Board that the retroactive payment language was included with the GMEA contract. The policy is to implement the contracts as negotiated. Therefore, if the retroactive language is included, the participants will receive the retroactive payments.

We have received 13 proposals for the RFP for Investment Management Services. The committee should have the proposals reviewed and submitted to the Purchasing department by February 13, 2017. Updates will be provided at the next Retirement Board meeting.

Mr. McLaughlin provided the Law Department's legal opinion regarding the review of the Widow's benefit with respect to Mr. LaLuna. In short, the recommendation was to split the Widow's benefit equally between the two people with claims of interest. However, the Retirement Board was not in favor of designating a Widow's benefit payment to multiple beneficiaries.

Upon a motion from Mr. Pellegrino, seconded by Mr. Mynarski, the Board voted 3-2-0 (Mr. Chadwick and Mr. Coyner voted no) to approve Linda LaLuna (widow) the recipient of the Widow's Benefit.

The discussion continued on the vagueness of some divorce documentation. The policies will be reviewed and enhanced to provide more guidelines for processing survivor/alternate payee benefits. Some examples are; multiple ex-spouses, no election on the retirement form and a former wife who wasn't married to a retiree at the time of his death.

As of today, only Kevin Coyner is running for his existing position on the Retirement Board. There was a discussion of changing the election process. The change being considered would be to expand the time of the election from one day to allowing all employees to drop off a ballot in the Town's Clerks office the first week of February. This would require a change in the Town Charter. Ms. Jones will review the process and provide additional information to the Retirement Board.

Mr. Edmond Jacquin, nephew of a deceased retiree, requested information regarding the appeal process to continue expired benefits. The Retirement Board will review requests from participants and/or beneficiaries. These requests should be directed to the Retirement Administrator in letter form.

**APPROVAL OF PAYMENTS**

<b>Town of Greenwich, Connecticut</b>			
<b>Retirement JANUARY 31, 2017</b>			
<b>Payments to be Approved</b>			
<b>Reserve Fund</b>			
V	Pensioners	JANUARY PAYROLL	\$ 2,368,776
	Refunds		
		<b>Pension Payroll Fund Total</b>	\$ 2,368,776
<b>Expense Fund</b>			
SV	Shipman and Goodwin	November 2016 Expenses - IRS Cycle E	\$ 84
	Iron Mountain	December, 2016	\$ 162
	Patterson Belknap Webb & Tyler	Legal Services December 2016	\$ 1,292
		<b>Expense Fund Total</b>	\$ 1,538
<b>Payroll</b>			
PV	Retirement Administrator	January - Ms. Jones	\$ 7,375
		<b>Staff Payroll Fund Total</b>	\$ 7,375
		<b>Grand Total</b>	<b><u>\$ 2,377,690</u></b>

Upon a motion from Mr. Mynarski seconded by Mr. Pellegrino, the Board voted 5-0-0 to approve the above payments for \$2,377,690.

**RETIREEES**

The Board reviewed the retirement profiles for the two individuals listed below:

January 1, 2017

1. Brian Briggs
2. John Spang

Upon a motion from Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the retirement for the two individuals listed above for Retirement on January 1, 2017.

The Board reviewed the retirement profiles for the one individual listed below:

January 1, 2017

1. Pamela Gustovich

Upon a motion from Mr. Mynarski, seconded by Mr. Coyner, the Board voted 4-0-1 (Mr. Kordick abstained) to approve the retirement for the one individual listed above for Retirement on January 1, 2017.

The Board reviewed the retirement profiles for the three individuals listed below:

February 1, 2017

1. Daniel Allen
2. Alexander Roberts
3. Mark Wyner

Upon a motion from Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the retirement for the three individuals listed above for Retirement on February 1, 2017.

## **INVESTMENTS AND PERFORMANCE**

Presentation by NEPC (8:30 am)  
Kevin Leonard, Partner

Mr. Leonard presented the Flash Report for the Period Ending December 31, 2016. Fund Balance was \$418,581,984. Rate of return for December, 2016 was 1.3% and for the Fiscal Year to Date is 5.8%. Rate of return for the Year to Date is 9.2%.

Mr. Leonard presented the 2017 Actions and Market Assumptions. The Retirement Board continues to believe that the US is in a sustained recovery and overweighting domestic equities is a sound strategy. Conversely, the Board feels that interest rates will continue to rise and bonds, except for high yield, are to be avoided. Although there are many unknowns about the future of Europe, the uncertainty is priced into the market and an additional commitment to the continent seems sensible. Emerging markets are still a work in progress and our two investment managers in this area have performed poorly. In order to balance this, an investment in an emerging market index appears to be appropriate. There is a hint, but no more, of a pickup in inflation. The Board concluded to make a small commitment in TIPS. Funds for these purchases will come from existing cash.

Upon a motion from Mr. Coyner, seconded by Mr. Pellegrino, the Board voted 4-0-0 (Mr. Mynarski absent at time of vote) to approve to invest \$3 million into the State Street Daily MSCI Emerging Markets Index Non-Lending Fund.

Upon a motion from Mr. Coyner, seconded by Mr. Pellegrino, the Board voted 4-0-0 (Mr. Mynarski absent at time of vote) to approve to invest \$1 million into the State Street U.S. Treasury Inflation Protected Securities (TIPS) Index Securities Lending Fund.

Upon a motion from Mr. Pellegrino, seconded by Mr. Coyner, the Board voted 4-0-0 (Mr. Mynarski absent at time of vote) to approve to invest \$6 million into the State Street MSCI EAFE Index Securities Lending Fund.

**NEW BUSINESS**

None.

**OLD BUSINESS**

None.

**ADJOURNMENT**

A motion to adjourn was made by Mr. Coyner, seconded by Mr. Pellegrino, and carried unanimously at 11:20 a.m.

Respectfully Submitted,

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Atiya Jones, Secretary to the Board

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John D. Chadwick, Chairman