CALL TO ORDER

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

Chairman Wacek summarized the agenda items, estimated timeframe, and then turned the meeting over to Mr. Savinelli of Neuberger Berman (NB). Mr. Savinelli thanked the Board for their approval of the one-year extension to its contract with the Town as Outside Chief Investment Officer. He then introduced Mr. Amato to share his thoughts. Mr. Amato remarked that NB appreciated the partnership, that these type of relationships are very important to them and they expect to continue to deliver good outcomes. He then asked the Board if they had any questions
or comments. Chairman Wacek commented that the Board was pleased with the relationship and the NB team’s performance for the Town of Greenwich Retirement System investments.

**APPROVAL OF MINUTES**

*Regular Meeting Minutes December 9, 2021*

*Upon a motion by Mr. Mynarski, seconded by Ms. Frederick, the Board voted 5-0-0 to approve the Minutes of the Regular Retirement Board Meeting of December 9, 2021. Motion carried.*

**INVESTMENT AND PERFORMANCE – Neuberger Berman**

*Performance Report for Quarter and Calendar Year Ending December 31, 2021*

Mr. Knutzen began with comments about the remarkable post-Covid19 recovery, using comparisons to the Financial Crisis and Great Depression which took much longer to recover. He continued with the “striking element” of the lack of volatility (not more than a 5% draw down) during the recovery through 2021. In 2022, NB does feel that this will change and we are seeing such in the 1Q ’22 and a choppier environment.

He continued with the market performances by market indices and then transitioned to the Plan performance. He stated the Plan’s strong performance in 4Q ’21 of 4.62%, but it was slightly trailing the Policy Benchmark of 4.89%. He also stated the fiscal year-to-date return of 8.04%, well above the Policy Benchmark of 5.90% and above the Plan’s assumed annual rate of return of 6%. He wrapped up with the calendar year-to-date return of 19.66%, also well above the Policy Benchmark of 14.44%. He then commented that it is not only important to outperform the Policy Benchmark, but to do so with an appropriate level of risk. He then presented the risk statistics, including the Estimated Annual Standard Deviation. He explained that there is a challenge from a Policy standpoint, where the current Estimated Annual Standard Deviation is 9.78% (Long Term SAA) and the Policy parameter only allows up to 105% of this figure. Therefore, they are currently above the parameters at 10.72% (December 31, 2021). He commented that this is due to performance, specifically Private Markets, which has led to an overweight position in equities, and will be addressed during this meeting.

Proceeding with the market outlook, he stated that the market environment and the most important aspect of moving from 2021 to 2022 is a changing growth and inflation mix associated with key inflections of monetary and fiscal policy. He continued that NB believes we are in the mid (early-mid) economic cycle that will be persistent for some time, going from early cycle recovery to a more standard expansion phase. They see this as being positive for equities, government bonds and real assets (commodities and REITs). However, in the short-term NB sees volatility in equities and will let this play out, looking for clarity and points of entry. Chairman Wacek commented about how the portfolio is overweight in total equities (public and private) compared to the SAA target %, the reason for the risk issue, and it will be necessary to address this position. Mr. Knutzen agreed and stated it is the main topic for the upcoming discussion.
Chairman Wacek followed up on a prior discussion on inflation and asked NB for their view today. Mr. Knutzen responded that they anticipate a decrease in the trailing 12-month figure from current levels to 3-3.5% by year end 2022, which Chairman Wacek noted is a slight increase from their prior assumption of 2.5-3% last year.

NEW BUSINESS – Investment Policy

Strategic Asset Allocation (SAA) Considerations and Review of Targets and Constraints in (Investment Policy Statement (IPS) Appendix 1

Mr. Savinelli commented that this topic is a continuation from the last few months and will include NB updates and additional perspective.

Chairman Wacek stated his goal is to review and if appropriate revise the asset allocation targets, as well as the Private Equity, Total Private Market and Risk constraints. He continued that he hopes to have all the current issues resolved at this Board Meeting, by adopting an updated Appendix 1 to the IPS.

Mr. Savinelli continued that NB will present the current strategic and portfolio %’s, as well as two suggested SAA for consideration. There was lengthy discussion and questions with the Board and NB. Mr. Coyner expressed concerns about maintaining adequate liquidity, which NB believes their considerations meet the liquidity profile of the plan.

Upon a motion by Mr. Mynarski, seconded by Mr. Greco, the Board voted 4-1-0 (Opposed: Frederick), to revise the asset class target allocation %’s as shown in the column labeled Adjusted SAA #1 on page 5 of Neuberger Berman presentation with the risk constraint set at 105% of the target portfolio standard deviation. Motion carried. Ms. Frederick noted that she thought the 105% was too tight a constraint and would prefer to give NB more leeway.

Chairman Wacek then asked the Trustees to consider the timing of NB to get the portfolio back in-bounds with the newly approved risk constraint. NB was asked their thoughts and they commented that the end of quarter would be a good timeframe, but saw possible delays in Private Market sales to the extent that such sales formed part of the rebalancing. Chairman Wacek stated that the current total equity portion of the portfolio is nearly 60%, with a target of 50%. He continued that he finds it difficult to understand the reluctance of NB to trim public equities to get the portfolio in-bounds, which should not take much work. NB stated they heard Chairman Wacek “loud and clear” and will follow the guidelines as discussed and the spirit of the conversation.

Chairman Wacek continued that he did not want there to be mixed messages. The Board is not giving a specific directive about how and when to rebalance, but wants the portfolio in-bounds as soon as prudently possible. NB should not think they need to wait for the Board to approve a plan before they move forward and that these new risk limits are negotiable, they are intended to be hard limits. Over the course of the last nine months or so the Board did not react immediately to address the out-of-bounds condition with respect to the risk constraint as it worked with NB.
about how to do so, but they now want NB to understand that they need to get the portfolio back inside the revised limits and stay there. There is an understanding that this could take until the end of the 1Q ’21. NB again stated they understood and will proceed as such.

Chairman Wacek then communicated that the Board also has other constraints to review, regarding Private Markets. He commented that he believes the limits will need to be raised to fix the current excess %’s. He discussed some previous Board comments and then asked the Board for their current thoughts. Mr. Coyner expressed his discomfort on being in illiquid assets at a higher %, due to ensuring the Plan’s cash needs are met, reaffirming his liquidity concern from earlier in the meeting.

There was also a discussion regarding how to handle a future out-of-bounds condition with the new Private Market constraints. The Board stated in light of the difficulty in selling Private Investments in the secondary market, here they expect NB to explain the situation and a plan, as opposed to immediately selling assets, and especially at a discount to NAV. Chairman Wacek explained that is to be different from the Total Portfolio or Public Markets solution discussed previously.

A motion on the amended motion was made by Ms. Fredrick, seconded by Mr. Mynarski, the Board voted 4-1-0 (Opposed: Coyner), to approve the motion as amended, to revise the Maximum Private Equity % to 24%, Maximum Total Private Investments % to 32% and Maximum Private Credit % to 10%. Motion carried. Mr. Coyner noted that he was not comfortable increasing the maximum allocation to Private Equity and Private Markets in total.

Chairman Wacek then proceeded to discuss the Private Market pacing plan and commented that from all the discussion, the Board does not wish to be adding to Private Market holdings in the near term (not before the end of the quarter due to NB getting below the risk limits). He then opened it up to the Board for discussion and their thoughts. The Board agreed that they do not wish to have any new commitments at this time and will review on a month-to-month basis, where applicable, starting in March.

OLD BUSINESS
None

PLAN ADMINISTRATOR REPORT
Mr. Berkson previously provided a written report, but due to time constrains, there were no additional remarks, but asked if there were any questions. Hearing none, Chairman Wacek suggested moving to the next topic.

APPROVAL OF RETIREMENTS
Chairman Wacek commented that the Board could review both the January and February retirements together and have one vote unless there were any objections. There were no objections.

The Board reviewed the January 2022 retirements of the individual listed below:
  - Henry Barbarotto
  - Carmella Budkins
  - Carol Carino
  - Carol Greunke
  - Sonia McGregor
  - Michael Petersen
  - Lisa Wyllie

The Board reviewed the February 2022 retirements of the individual listed below:
  - Sandra Chan
  - Charles Edward
  - Bruce Kunkel
  - Kathleen Mullins
  - Charles Pennella
  - Kenneth Taylor

*Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the retirement of the thirteen individuals listed above. Motion carried.*

**APPROVAL OF PAYMENTS**

Routine Disbursement/Refunds

**December 2021**

<table>
<thead>
<tr>
<th>Town of Greenwich, Connecticut</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement December 2021</td>
</tr>
<tr>
<td>Payments to be Approved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reserve Fund</th>
<th>Pensioners</th>
<th>December Payroll</th>
<th>Reserve Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>V Pensioners</td>
<td>Arce, Ericka (NV - refund of contributions)</td>
<td>$3,022,792.62</td>
<td>$31,506.05</td>
</tr>
<tr>
<td>Refunds</td>
<td>Simon, Marie (EES interest Adj.; Retiree refund of contributions)</td>
<td>$336.94</td>
<td>$336.94</td>
</tr>
<tr>
<td></td>
<td>Pension Payroll Fund Total</td>
<td>$3,054,298.67</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expense Fund</th>
<th>Boomershine</th>
<th>Benefit Calculation Factor Change Review</th>
<th>$750.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>SV ASPPA</td>
<td>Annual Membership</td>
<td>$670.00</td>
<td></td>
</tr>
</tbody>
</table>
Greenwich Hospital | Medical Evaluation for Accidental Disability | $635.00  
Iron Mountain | Storage & Retrieval | $164.42  
Fed Ex | Letters to Term Vested to confirm address | $68.67  
Professional Services | Court Cost for copy of Divorce Paperwork | $31.50  
Doodle | Annual Fee | $83.40
**Expense Fund Total** | | **$2,402.99**

**Payroll**

| PV Staff | December Payroll | $14,560.00  
**Staff Payroll Fund Total** | | **$14,560.00**

**Grand Total** | | **$3,071,261.66**

Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the December disbursements. Motion carried.

**Military Buy Back**
None

**EXECUTIVE SESSION**
None

**ADJOURNMENT**

Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to adjourn the meeting at 11:30 A.M. Motion carried.

Respectfully submitted,

________________________
Catherine Sidor, Recording Secretary

________________________
Michael Wacek, Chairman

**Next Meetings**

Regular Meeting, Thursday, February 24, 2022
Regular Meeting, Thursday, March 24, 2022
Regular Meeting Thursday, April 28, 2022