

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

Thursday, January 28, 2021 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
Andrew Greco
Peter Mynarski
Mike Wacek

Staff: Ken Berkson, Retirement Board Administrator
Daniela Barcello, Retirement Coordinator
Mary Pepe, Director, Human Resources
Aamina Ahmad, Assistant Town Attorney
Natalie Yemets, Treasurer

BET: Andy Duus, Miriam Kreuzer, David Weisbrod

Neuberger Berman: Meaghan Doyle, Vice President, Institutional Client Advisor;
Erik Knutzen, Managing Director & Multi-Asset Class Chief
Investment Officer; Michael Savinelli, Vice President Institutional
Client Advisor; Andrew White, Vice President, Investment
Strategist Group

RTM: Scott Kalb, (D-7), Public Works

Boomershine Consulting: Greg Stump, Chief Actuary

Chairman Pellegrino welcomed everyone to the first meeting of 2021, wished everyone a happy new year and gave a brief overview of the agenda.

APPROVAL OF MINUTES

Special Meeting Minutes November 23, 2020

Upon a motion by Mr. Wacek, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the Minutes of the Special Retirement Board Meeting of November 23, 2020. Motion carried.

Regular Meeting Minutes December 10, 2020

Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve the Minutes of the Regular Retirement Board Meeting of December 10, 2020. Motion carried.

INVESTMENTS and PERFORMANCE

Neuberger Berman (NB)

Performance Report Period Ending December 31, 2020

Mr. Knutzen began the presentation referring to the 2020 post-COVID-19 investment rally in comparison to past stock market events and showed the ranked performance by major assets classes since 2008. Due to technical difficulties, Mr. Savinelli took over and discussed the Plan's performance. He noted the 9.09% return for the Quarter-end, 14.25% for Fiscal year-to-date and 9.37% for the Calendar year-end. He commented it was good to see where the Plan ended up as compared to where it was just at on March 31, 2020. He also discussed the returns against benchmarks, where they outperformed the Investment Policy Benchmarks and had mixed results against the Allocation Benchmarks. Mr. Knutzen rejoined the call and commented that the drivers in the Plan's returns were both the Public and Private Markets. He then noted with the restructuring of the Plan's portfolio to the new Strategic Asset Allocation Regime based model, NB expects future performance to be driven by Private Markets and Asset Allocation and less by Security Selection. He also commented that for the quarter-end, the three new components (Defensive, Growth and Real & Diversifying) of Plan assets all outperformed their benchmarks, with Growth the key performer.

Mr. Knutzen then presented the Plan's Public Market asset class attribution, as Chairman Pellegrino commented that the Private Market information is not up-to-date, and that part of the presentation should be deferred until the annual Private Market presentation. Mr. Knutzen then proceeded with the Quarter and Year-end figures and NB's total attribution effect being 70 and 58 basis points, respectively. He separately presented the selection effect being negative due to timing in the portfolio change and the purchase of gold for the Plan to have commodity exposure. He explained that this gave NB the opportunity to have more risk exposure that produced a positive allocation effect.

Portfolio Positioning and Outlook

NB presented the current and target allocation of the Plan, their outlook on 2021 and commented that they feel the Plan is positioned accordingly and their 2021 views are fairly consensus. Mr. Wacek asked for a review of the risk statistics. Mr. Savinelli commented that this will be addressed during the upcoming Capital Market Assumption presentation to the Board. Mr. Wacek asked for a preview prior to the presentation, as well as including the risk statistics in the Performance presentations in the future.

Private Market Update

NB proceeded with the Private Markets Portfolio part of their presentation. This included a summary of investments, by Private Credit, Real Estate and Private Equity, as well as Modeling Capabilities and Analysis of the Plan portfolio. They also discussed the NB program dollar Commitment Plan through 2030, and new and upcoming specific commitments for 2021 and 2022. In addition, they discussed updates on two recent investment proposals, where one was rejected and they will not be proceeding for the Town and the more recent deal that is progressing and should be closed in the next 1-2 weeks.

NEW BUSINESS

N/A

OLD BUSINESS

Private Market Investments – Amended IPS

The Amended IPS based on the discussion between Mr. Wacek and Attorney Ahmad was reviewed by the Board.

Upon a motion by Mr. Wacek, seconded by Mr. Mynarski, the Board voted 5-0-0 to adopt the Investment Policy Statement as amended. Motion carried.

Neuberger Berman Contract – Period of Time

The Board discussed the period of time to utilize, to coordinate with the Plan's other contracts.

Upon a motion by Mr. Mynarski, seconded by Mr. Greco, the Board voted 5-0-0 to include two 1-year Town options for the years ended June 30, 2022 and 2023 in the Neuberger Berman Contract. Motion carried.

PLAN ADMINISTRATOR REPORT

Mr. Berkson provided a written report and highlighted the following topics:

- Milliman – Update on Milliman staff assigned to Plan. Mr. Stump will prepare a presentation to the Board with examples of the optional form (i.e., J&S) benefit amounts due to the Plan's assumption change. This will be used to determine if the Board would like to proceed with a 1-year phase in of the change, which will need to be programmed by Milliman.
- Active Payroll (ADP) – All refunds of excess employee contributions have been completed and pensionable earnings calculations have been updated. ADP is now working on the resolution of payroll reporting issues. This effects all payroll files since October 10, 2020. The Retirement Office is reviewing and updating all payroll files until reporting issue is resolved.
- Employee Board Position Election - February 5, 2021. Location and time changes due to COVID-19, e-mail and mail communications have been sent to Plan participants.
- Retiree 2011-12 overpayment and repayment method for Mr. Andersen – Mr. Andersen recently contacted the Retirement Office regarding how this was previously handled.

Mr. Berkson summarized the information supplied to the Board and the Legal Departments comments on repayment options. The Board discussed and agreed that Mr. Andersen did have to pay the Plan back for overpayments received. The Board continued to discuss the method of the repayment. It was discussed that since the overpayment was due to Town error that Mr. Andersen should only repay the original overpayment, with no actuarial assumptions. Mr. Wacek commented that he thought that this was previously discussed by the Board and there is no basis to change the current method of repayment. Chairman Pellegrino commented that any decision made regarding Mr. Andersen was specific to his case and not setting a precedent for any future overpayment and repayment issues.

Mr. Weisbrod commented about the overpayment and being discussed with the Audit Committee of the BET. Upon notification that the error was from 2011-12, he deferred to Mr. Mynarski on how to proceed. Mr. Mynarski communicated that he will take responsibility to work with Mr. Berkson on obtaining information to report to the Committee.

Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 4-1-0 (Opposed: Wacek) to revise Mr. Anderson's repayment method to cease upon the full repayment of overpayments made to him. Motion carried.

Mr. Coyner commented about the Plan's policy to only allow Plan participants to pay off their deficiency when they commence Plan benefit payments. He would like to complete more research regarding the policy for when a deficiency occurs due to a Town error and discuss at a future meeting.

APPROVAL OF RETIREMENTS

The Board reviewed the January 2021 retirements of the individuals listed below:

Mitchell Cooper
Gregory Hannigan
Leonard Nelson
Marie Simon
Marva Stewart
William Studwell

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

The Board reviewed the February 2021 retirements of the individuals listed below:

John Novak
Gertrude Thomas
David Waring

Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve retirement of the three (3) individuals listed above. Motion carried.

APPROVAL OF PAYMENTS

**Routine Disbursement/Refunds
December 2020**

Town of Greenwich, Connecticut			
Retirement December, 2020			
Payments to be Approved			
Reserve Fund			
V	Pensioners	December Payroll	\$2,889,588.70
	Refunds	Alexander Testani (Not-Vested - Refund of Employee Contributions)	<u>\$32,281.11</u>
		Pension Payroll Fund Total	\$2,921,869.81
Expense Fund			
SV	Empower/Milliman	3Q '20 Plan Admin Services	\$53,915.75
	AlphaGraphics	Board Election Mailing	\$579.58
	Iron Mountain	Storage & Retrieval (December 2020)	\$263.58
	Acme Signs	Name Plate for New Board Member	<u>\$30.31</u>
		Expense Fund Total	\$54,789.22
Payroll			
PV	Staff	December Payroll	<u>\$13,300.00</u>
		Staff Payroll Fund Total	\$13,300.00
		Grand Total	<u>\$2,989,959.03</u>

Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve the above routine disbursements for December 2020. Motion carried.

Military Buy Back

None

EXECUTIVE SESSION

N/A

ADJOURNMENT

Upon a motion by Mr. Mynarski, seconded by Mr. Wacek, the Board voted 5-0-0 to adjourn at 9:40 A.M. Motion carried.

Respectfully submitted,

Catherine Sidor, Recording Secretary

Joseph Pellegrino, Chairman

Next Meetings

Regular Meeting Thursday, February 25, 2021
Regular Meeting Thursday, March 25, 2021
Regular Meeting Thursday, April 29, 2021