

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

**Thursday, January 30, 2020 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 Mary Pepe, Director, Human Resources
BET:	Andreas Duus, Miriam Kreuzer
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; Bruce Pflug, (D-5), Finance Cmte
Public:	Deputy Chief Mark Marino, Parking Services, Police Department

**INVESTMENTS and PERFORMANCE**

**Performance Report Period Ending December 31, 2019 – Neuberger Berman**

Mr. Savinelli began the Neuberger Berman (NB) presentation with an overview of its topics, including a year-end market and Plan portfolio review and updated outlook for markets. Mr. White discussed the market summary portion of the presentation, specifically how all asset classes ended negatively in 2018 compared to all ending positively in 2019. Mr. Knutzen then commented on the P/E ratio increase and the outlook for markets, including global growth, interest rates, inflation and political risk.

Mr. Knutzen explained NB's positioning strategy for the Plan portfolio, noting that in calendar year 2019 they delivered a 16.7% return which is above the Plan's policy benchmark return of

16.4%, but since NB's inception the annualized return is 8.1% which is below the policy benchmark return of 8.4%. The main reason for the ITD difference is that the Greenwich portfolio allocation to private markets continues to lag the policy target allocation. For the Financial Composite, which excludes private markets investments, the investment returns have exceeded the corresponding benchmark returns during calendar year 2019 (18.35% vs. 18.21%) and inception to date (7.44% vs 7.19%).

Going forward for 2020, NB believes that corporate earnings will grow moderately, global growth will pick up and the Fed would be more likely to cut than to raise interest rates. Mr. Knutzen also commented about more specific risk factors including trade conflicts, the 2020 election, high market valuation, the middle east and the coronavirus pandemic. NB remains optimistic going forward but without the expectations that the 2019 return performance will be duplicated. Mr. Knutzen further commented that the Plan's portfolio, as of the end of January, is overweight in equities, underweight in fixed income and private market compared to the Plan's Strategic Asset Allocation. In review of the Plan portfolio's asset classes, he noted that NB's total effect has outperformed excluding private markets. Chairman Pellegrino commented on one of the investment choices that he has previously expressed his dissatisfaction with and asked why the Plan is still invested. NB stated that have reduced the Plan's position and will continue to reduce.

## **PLAN ADMINISTRATOR REPORT**

Mr. Berkson provided a written report and commented on the following. Upon completion he asked if anyone had any questions regarding his comments or report:

- 1099Rs have been mailed – First under new provider, no issues reported.
- Data Project - Error identified in prior Widow's benefit (25% of compensation plus COLA) calculations. All current beneficiaries receiving the Widow's benefit reviewed. It was discovered that eight since 2011 did not receive the COLA. They will have their monthly benefits updated effective February 2020 and receive retro payments back to the date their Widow's benefit began. This amounts to approximately \$2,000 monthly and \$90,000 in retro payments. In addition, current retirees under this benefit formula have been identified and communicated to Milliman to ensure they are complete correctly.
- Operations Manual – Began work to ensure one central location for all policies and procedures. Integral for Retirement Office, Plan providers and succession planning.
- LIUNA Para – Will receive salary increase retro to July 1, 2019 in February 7<sup>th</sup> payroll due to settlement of contract. Need to update February 7<sup>th</sup> payroll and all payroll files back to July 1<sup>st</sup> to re-allocate pay. Also need to update 5 service retirements since July 1<sup>st</sup>.
- SECURE Act – Retirement Office sat in on Shipman & Goodwin webinar. Only change for DB plans will be RMD age to 72 from 70-1/2. Gov't Plan documents need to be updated by June 30, 2025.
- Neuberger Berman and Finance Department will be having a meeting on February 6<sup>th</sup> to discuss Trust Statement reconciliation issues.
- Legal Department – Continued discussion on response regarding Accidental Disability appeal request.

Mr. Coyner asked about the purpose of the secure site. Mr. Berkson responded that the Retirement Office is reviewing to see if it is acceptable for the Board to utilize for distribution of confidential documents.

Mr. Kordick commented that he wanted to ensure that the current process to pay outside attorney fees will continue with the new law firm being utilized by the Town.

Mr. Pellegrino commented that the progress being made on the administrative projects, including data clean-up, showed the importance of the recent hiring of Ms. Barcello to assist with all these integral projects to ensure the accurate administration of the Plan.

### **APPROVAL OF RETIREMENTS**

The Board reviewed the **January 1, 2020** retirement of the individual listed below:  
Debra Nielson

*Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the January 1, 2020 retirement of the one (1) individual listed above. Motion carried.*

The Board reviewed the **February 1, 2020** retirements of the individuals listed below:

John Calabro  
Carmencita Erte  
Anthony Lackran  
Joseph McBride  
Robert McKierman  
Appolinaire Michel

*Upon a motion by Mr. Mynarski, seconded by Mr. Kordick, the Board voted 5-0-0 to approve the February 1, 2020 retirements of the six (6) individuals listed above. Motion carried.*

The Board reviewed the **February 1, 2020** retirements, including retro payments of the individuals listed below:

Katherine Aeschliman  
Walter Dembowski

*Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the February 1, 2020 retirements with retro payments of the two (2) individuals listed above. Motion carried.*

### **APPROVAL OF PAYMENTS**

#### **Routine Disbursement/Refunds**

#### **December 2019**

Town of Greenwich, Connecticut			
Retirement December 31, 2019			
Payments to be Approved			
<b>Reserve Fund</b>			
V	Pensioners	December Payroll	\$2,763,890.09
	Refunds	December	\$0.00
		<b>Pension Payroll Fund Total</b>	<b>\$2,763,890.09</b>
<b>Expense Fund</b>			
SV	Boomershine Consulting, Inc.	Actuarial Valuation, with Revisions	\$7,970.00
	Shipman & Goodwin	Disability Pension Review (new Workers Comp PTSD)	\$840.00
	WB Mason	Office Supplies	\$466.99
	Neuberger Berman	CY 3Q 2019 Services	\$141,480.73
	Iron Mountain	Storage & Retrieval-December 2019	\$104.22
		<b>Expense Fund Total</b>	<b>\$150,861.94</b>
<b>Payroll</b>			
PV	Staff	December Payroll	\$12,135.00
		<b>Staff Payroll Fund Total</b>	<b>\$12,135.00</b>
		<b>Grand Total</b>	<b>\$2,926,887.03</b>

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

### January 2020

Town of Greenwich, Connecticut			
Retirement January 31, 2020			
Payments to be Approved			
<b>Reserve Fund</b>			
V	Pensioners	January Payroll	\$2,765,330.84
	Refunds	January	\$0.00
		<b>Pension Payroll Fund Total</b>	<b>\$2,765,330.84</b>
<b>Expense Fund</b>			
SV	State Street	Paying Agent Services (Feb-June 2019)	\$20,251.95
	FedEx	Occ Health	\$6.86

	Empower (Milliman)	CY 3Q 2019 Services	\$51,265.15
	Iron Mountain	Storage & Retrieval-January 2020	\$105.89
		<b>Expense Fund Total</b>	\$71,629.85
<b>Payroll</b>			
PV	Staff	January Payroll	\$12,135.00
		<b>Staff Payroll Fund Total</b>	\$12,135.00
		<b>Grand Total</b>	<b>\$2,849,095.69</b>

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

### **Military Buy Back**

None

### **NEW BUSINESS**

N/A

### **OLD BUSINESS**

N/A

### **APPROVAL OF MINUTES**

#### **Regular Meeting Minutes December 12, 2019**

*Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the Minutes of the Regular Retirement Board Meeting of December 12, 2019. Motion carried.*

#### **Special Meeting Minutes December 27, 2019**

*Upon a motion by Mr. Mynarski, seconded by Mr. Wacek, the Board voted 4-0-1 (Abstain: Mr. Coyner). to approve the Minutes of the Special Retirement Board Meeting of December 27, 2019. Motion carried.*

#### **Regular Meeting Minutes October 31, 2019**

Mr. Coyner stated he made a request for a copy of the audio file of the Minutes of the Regular Retirement Board Meeting of October 31, 2019 to prepare written recommendations for changes to the text. The files will be forwarded after the meeting.

*Upon a motion by Mr. Coyner, seconded by Mr. Kordick, the Board voted 4-1-0 (Opposed: Pellegrino) to postpone a vote to approve the Minutes of the Special Retirement Board Meeting of October 31, 2019 until the next meeting, February 27, 2020. Motion carried.*

**EXECUTIVE SESSION**

N/A – Previously scheduled Accidental Disability reviewed postponed until February Board Meeting

**ADJOURNMENT**

*Upon a motion by Mr. Mynarski, seconded by Mr. Kordick, the Board voted 5-0-0 to adjourn the meeting at 9:23 A.M. Motion carried.*

Respectfully submitted,

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Catherine Sidor, Recording Secretary

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Joseph Pellegrino, Chairman

**Next Meetings**

Regular Meeting Thursday, February 27, 2020  
Regular Meeting Thursday, March 26, 2020  
Regular Meeting Thursday, April 30, 2020