

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

March 21, 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 Board Clerical Assistant
William McCormick, Business Services Manager, Public Works
(left at 9:30 A.M.)

Board: Andreas Duus (left at 9:10 A.M.)

Mr. Pellegrino welcomed attendees to the meeting.

APPROVAL OF MINUTES

Regular Meeting Minutes February 21, 2019

Upon a motion by Mr. Wacek, seconded by Mr. Mynarski, the Board voted 4-0-1 to approve the Minutes of the Regular Meeting of February 21, 2019. (Abstained: Coyner)

ADMINISTRATOR'S REPORT

Mr. Berkson commented on the following:

- State Street Implementation of Benefit Payments – The February benefit payments (2nd month) made by State Street's went smoothly. Prior issues in January of addresses and tax withholding for disability retirements were resolved. All but two of the disability retirements who had taxes withheld in error (approx. 15-20) have received a refund check. This was possible since their tax withholding should have been \$0. The other two, who had excess tax withholding (but should be greater than \$0), it was communicated that they can update their tax withholding for the remainder of the year or reconcile upon filing their 2019 tax return to receive their tax overpayment.

- Empower/Milliman
 - Call Center Issues – Minimal issues have been reported by participants since the prior Board Meeting. Mr. Berkson has requested reports from Milliman for measuring progress.

Mr. Kordick, and Mr. McCormick, individually, and as representatives of participants, related concerns for those who do not have the ability to utilize the online Pension Calculator and the delays in their manual calculations. Mr. Berkson stated he discussed with Milliman the importance of expediting the backlog and to reduce the turn-around time of manual estimates. It was also discussed that Milliman is working on the automation of (Union) Transfer calculations that will eliminate a substantial amount of manual calculations. Mr. Berkson communicated he requested a target date from Milliman for its' completion, but has yet to receive a response. He will follow up and communicate upon receipt. It was also discussed that there are other manual calculations, such as QDROs. Mr. Kordick pointed out that the Milliman/Empower contract specifies an hourly charge for manual calculations and he cautioned of the possible high Plan expense for multiple requests that require manual intervention. Mr., Kordick stated that we should discuss automation of QDRO calculations (with qualifying comments) to reduce the amount of manual calculations. Mr. Berkson will discuss with Milliman, as well as monitor the manual calculation expenses (especially for the delayed calculations). Mr. McCormick and Mr. Kordick also discussed, as was once completed in the past, an annual estimate statement to all active participants. The manual calculations look to be the main issue as Mr. Coyner whose calculation is automated ran a benefit estimate on his cell phone during the meeting.

- Implementation – The Milliman employee who played an integral role in the conversion and the Town's current projects has left their organization as of March 20th. Mr. Berkson discussed with Milliman his concerns about the loss and they ensured there is a succession plan for the transition of knowledge and his workload.
- Day 2 Items – Empower/Milliman is working on further system automation of calculations (i.e., transfers, prior service/re-hires) and additional information on participant retirement packages.
- Projects – Silver Shield retirees eligible for updates to their benefit due to retro pay from the new CBA will be reflected in their March payment. The remaining retro pay updates (LiUNA, LiUNA Paraprofessional and Teamsters) are scheduled for 2Q 2019. Discussions on COLA updates, Silver Shield Changes and Valuation Data for July have commenced.

- Data – Revised 1099Rs for the two 2018 Ordinary Retirements have been sent by Transamerica. A full review of the Disability and Death pension (tax) calculation process is being completed by Mr. Berkson and Attorney Cohen (Shipman & Goodwin). Then a review of past Disability and Death (tax) calculations will be completed. A project in reviewing participant paperwork for “one-off” issues (i.e., QDROs, Transfers, EE contributions & deficiencies, breaks-in-service, etc.) is about 33% completed. Also, data is currently maintained at the Town, Boomershine consulting and Milliman. We are working on having all data maintained and kept at Milliman with reporting features.
- Survey – A draft of the planned customer experience survey will be circulated to Board Members for input. It was also discussed to speak with the HR Department/Benefits Team as to including the DC Plans which also recently converted to Empower. The survey will include a communication piece describing all the changes regarding providers (internal and external). It will also be researched as to an exit survey after a participant contacts a provider.
- Neuberger Berman – Custodian change (State Street Paying Agent change in relationship) The Neuberger Berman Paying Agent contract is currently being reviewed with Attorney McLaughlin and Neuberger Berman’s attorney. The Custodian contract has already been completed. Milliman, State Street and Neuberger Berman had a meeting and minimal changes will be necessary for their processes. They are confident that everything will be in place and we are on target for June 30, 2019.

APPROVAL OF RETIREMENTS

The Board reviewed the **April 1, 2019** retirement profiles for the individuals listed below (it was noted that Albert Morano has withdrawn his application):

Elnetta Watkin
Marianne Weill

Upon a motion made by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the retirements on April 1, 2019 for the individuals listed above.

APPROVAL OF PAYMENTS

Routine Disbursements

Town of Greenwich, Connecticut			
Retirement March 31, 2019			
Payments to be Approved			
Reserve Fund			
V	Pensioners	March Payroll	<u>\$2,670,002.64</u>
Pension Payroll Fund Total			\$2,670,002.64
Expense Fund			
SV	Shipman & Goodwin	Attorney Fees	\$384.00
	Iron Mountain	Storage & Retrieval- March 2019	\$86.07
	Town of Greenwich	Transfer to HR Department	\$33,000.00
	ADP	Updates to DB file and electronic delivery to Milliman	<u>\$17,500.00</u>
Expense Fund Total			\$50,970.07
Payroll			
PV	Staff	February Payroll	<u>\$11,550.00</u>
Staff Payroll Fund Total			\$11,550.00
Grand Total			<u>\$2,732,522.71</u>

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

Refunds

None

Military Buy Back

None

NEW BUSINESS

The Board reviewed and discussed Neuberger Berman's 2019 Capital Market Assumptions (CMA) presentation recently supplied in conjunction with Exhibit 1 of the Plan's Investment Policy Statement (IPS). Mr. Wacek stated that to keep Appendix 1 of the IPS consistent with the findings in the CMA, the Total Portfolio Risk Limit Strategic Target should be updated to 12.0% from 13.4% and the Permissible Tactical Range to 12.6% from 14.0%.

Upon a motion by Mr. Wacek, seconded by Mr. Mynarski, the Board voted 5-0-0 to accept and adopt the update to Appendix 1 of the IPS as stated above.

Mr. Wacek also noted that according to the most recent Flash Report, the Plan's Portfolio has lagged on CYTD and FYTD returns.

OLD BUSINESS

N/A

EXECUTIVE SESSION

N/A

Next Meetings:

The Board reviewed upcoming meeting dates and changes will be based on the availability of Neuberger Berman and their presentation. If they are available April 25th, the April 30th meeting will be changed to such date. If they are not available, the April 30th meeting would be cancelled. The May meeting will be changed to May 16th from May 23rd. If the April meeting is cancelled, it would be combined with the May meeting, including approval of retirements and payments from the prior month and Neuberger Berman's presentation. The June meeting was changed to June 20th from June 27th.

ADJOURNMENT

Upon a motion by Mr. Wacek, seconded by Mr. Kordick, the Board voted 5-0-0 to adjourn the meeting at 9:54 A.M.

Respectfully Submitted,

Catherine Sidor, Recording Secretary

Joseph Pellegrino, Chairman

Next Meetings:

Regular Meeting Thursday, April 25, 2019
Regular Meeting Thursday, May 16, 2019
Regular Meeting Thursday, June 20, 2019