CALL TO ORDER

Welcome New Board Member

The meeting of the Retirement Board was called to order at 8:01 A.M by Mr. Mynarski. Mr. Mynarski communicated that Mr. Pellegrino’s term has come to an end and introduced Ms. Frederick as a new Board Member.
ELECTION FOR CHAIRMAN

Mr. Mynarski then opened the floor for nominations for the Chairmanship of the Retirement Board, replacing Mr. Pellegrino.

*Mr. Coyner nominated Mr. Wacek for Chairmanship of the Retirement Board, seconded by Ms. Frederick. There were no further nominations.*

*Upon a motion by Mr. Mynarski, seconded by Ms. Frederick, the Board voted 5-0-0 to approve Mr. Wacek for Chairmanship of the Retirement Board. Motion carried.*

Mr. Mynarski congratulated Mr. Wacek and turned the meeting over to him. Mr. Wacek thanked the Trustees for their confidence in him and paid tribute to Mr. Pellegrino for all his work with the Retirement Board and appreciation for his service. Mr. Wacek presented Mr. Pellegrino with a plaque and asked him if he would like to make any comments.

Mr. Pellegrino accepted and individually recognized the Board and Staff contributions with appreciative thanks to: each Board Member; the Retirement Administrator Dept., Mr. Berkson, and Ms. Barcello; the Treasurer, Ms. Yemets, and Assistant to the Treasurer, Ms. Lynch; the Director of Human Resources, Ms. Pepe; the BET Liaisons and Attendees; RTM members Mr. Kalb and Mr. Ozizmir; Assistant Town Attorney Ahmad; the Neuberger Berman team; and the Recording Secretary Ms. Sidor. In closing, Mr. Pellegrino enumerated the Board’s accomplishments and wished the Board continued success.

APPROVAL OF MINUTES

Regular Meeting Minutes June 24, 2021

*Upon a motion by Mr. Mynarski, seconded by Mr. Greco, the Board voted 3-0-2 (Abstain: Coyner, Frederick) to approve the Minutes of the Regular Retirement Board Meeting of June 24, 2021. Motion carried.*

INVESTMENT AND PERFORMANCE

Performance Report Quarter & Fiscal Year End June 30, 2021 – Neuberger Berman (NB)

Mr. Savinelli introduced Mr. Knutzen’s presentation as an update on the market outlook and the current positioning of the Plan’s portfolio. Mr. Knutzen described the rapid recovery after the drawdown in March 2020 as nothing less than an extraordinary environment. He noted the overall fiscal year-to-date performance of 26.54% and the June quarter performance of 8.83%, both well above the Policy benchmarks. He also noted the 10.15% annual return since NB began OCIO services with the Plan, over 1% higher than the benchmarks.
Mr. Knutzen continued with NB’s outlook, including future risk, specifically inflation. He also discussed that the biggest driver in this year’s investment return was private equity. Due to this, the Plan is slightly overweight in its’ private equity position and the measured portfolio risk is slightly above the prescribed risk limit.

A question-and-answer period followed in which NB Team expanded on the impact the growth in the value of the private equity position had on the portfolio risk. Mr. Wacek proposed reviewing the private market target allocations among equity, debt and real estate, portfolio risk constraints and indicated portfolio return and risk based on the latest capital market assumptions, at the September meeting. The Board agreed that it was not necessary to instruct NB to take immediate action to reduce portfolio risk.

**NEW BUSINESS**

**Actuarial Presentation & 2021 Actuarial Valuation Plan Assumptions and Discount Rate – Boomershine Consulting**

Mr. Stump discussed the impact of the FY 2021 investment gain and due to this alone (with asset smoothing), the estimated Town contribution will decrease by $2.4M to $25.8M and the funding ratio would increase to 81%. He continued that these are preliminary estimates and the final figures would be different due to demographic experience yet to be determined.

Mr. Stump proceeded to discuss the possible change in the discount rate to 6.0% from 6.25%. The estimated Town contribution would be $28.6M and the funding rate would be 78%. He continued with projections at both 6.25% and 6.0% and explained that based on the FY 2021 investment gain the projected Town contributions by FY 2027 decreased by over 50% from the July 2020 Actuarial Valuation projections. He also stated that the projected Funding Ratio would be in excess of 95% in FY 2027, with either discount rate.

The Board had questions as to the settlement and recognition of the Fire Fighter Collective Bargaining Agreement (CBA) in the July 2021 Actuarial Valuation. Mr. Wacek elicited from Mr. Stump that the provisions of the final CBA would need to be in his hands by September 10th in order to be able to include them in the July 2021 Actuarial Valuation. Mr. Ozizmir noted that the RTM has 25 days after the arbitration award to accept or reject, needing a two-thirds majority to reject. Mr. Wacek then commented that it would be ideal to include the CBA in the July 2021 Actuarial Valuation, but would be acceptable if due to time constraints it could not be included until next year.

Mr. Wacek also commented on having the vote on the Discount Rate at the September meeting. Mr. Stump stated he supports either discount rate. There was also a discussion on the latest date Private Equity investments can be updated as to match the CAFR.
Draft Calendar for 2022 (To be voted at the September Meeting)

Mr. Wacek asked the Trustees to review the proposed meeting calendar for 2022 and be prepared to finalize and vote at the September Retirement Board Meeting.

OLD BUSINESS
N/A

PLAN ADMINISTRATOR REPORT
Mr. Berkson previously provided a written report and highlighted the following topics:

- Retiree payments will be updated in July for Contractual COLAs & Retiree Town Medical Premium updates
- Retiree payment updates for commencement dates after October 2020 due to Active Payroll Issue with ADP should be completed in August. These retirees are not yet eligible for COLAs.
- Participant Survey – Compiling results and positive feedback looks to be exceeding the results from the prior survey
- Empower is acquiring the full-Service Retirement business of Prudential Financial Inc.

Mr. Coyner introduced a new topic and asked the Board to clarify their position on a current situation, where a Plan participant is eligible to commence benefits (at the credited service maximum) and would like to return to work with the Town in a different capacity. He stated that the current Town Charter and Town/Human Resources policy would not allow this participant to receive a pension and work for the Town at the same time as the Town considers this “double-dipping”. He continued that he understands this if the employee returned to their same position, but this situation would be different as the job would be in a different capacity (and union). Mr. Greco added that allowing this seems to benefit the Town in job experience and savings in expenses, as well as there have been exceptions made in the past. Mr. Wacek commented and Mr. Coyner agreed that this is not a Retirement Board issue to determine. Mr. Mynarski commented that he believes Mr. Coyner would have the Board’s support, but agrees that the Board does not have authority on this matter. The Board then discussed the current Charter provision and how it is outdated due to the fact that most (all if the Fire Fighter CBA adopts) new employees are no longer eligible for the Plan and may need to be amended.

Mr. Greco then asked Mr. Duus about the BET study regarding ways to decrease the annual contribution to the Plan, which included a DROP option. Mr. Duus commented that their findings are being finalized for presentation at their September meeting, but based on the 2021 FY return of the Plan, the recommendation will be to take no action as the Plan looks to be on a good path.
APPROVAL OF RETIREMENTS

The Board reviewed the August 1, 2021 retirements of the individuals listed below:

Joseph Crevecoeur
Frank Gabriel
Barbara O'Toole
Hugo Santillan

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

APPROVAL OF PAYMENTS

Routine Disbursement/Refunds

June 2021

<table>
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<tr>
<th>Town of Greenwich, Connecticut</th>
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<tbody>
<tr>
<td>Retirement June 2021</td>
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<td>Payments to be Approved</td>
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<tr>
<th>Reserve Fund</th>
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<td>Pensioners June Payroll</td>
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<tr>
<td></td>
<td>Refunds</td>
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<td></td>
<td>Tiburcio, Roberto A. (NV - Refund of EE contributions)</td>
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<td></td>
<td>Cuthbert-Holmes, Kimberly (Bene - SLA Cash Refund)</td>
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<td>Pension Payroll Fund Total</td>
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<th>Expense Fund</th>
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<tr>
<td>SV</td>
<td>Empower/Milliman 1Q '21 Plan Admin Services</td>
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<td></td>
<td>Boomershine Assumption Change - Optional Form Analysis</td>
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<td>Shipman &amp; Goodwin Assumption Change - Amendment, QDRO</td>
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<td>Iron Mountain Storage &amp; Retrieval (June 2021)</td>
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<td></td>
<td>WB Mason Office Supplies</td>
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<td>Expense Fund Total</td>
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<td>Staff</td>
<td>June Payroll</td>
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|  |
|---|---|
| Payroll | Staff Payroll Fund Total | $13,300.00 |
| PV | Grand Total | $3,026,115.14 |
Upon a motion by Mr. Coyner, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve the June 2021 disbursements. Motion carried.

Military Buy Back
None

EXECUTIVE SESSION
Accidental Disability Retirement

Mr. Wacek stated that an Executive Session and review of an Accidental Disability Retirement was not necessary as the commencement date has been delayed.

CLOSING COMMENTS AND QUESTIONS

Mr. Wacek proposed a future review of the Board’s policy with respect to direct private market investments, which authorizes the Chairman to approve new commitments of up to $5 million. Given the retirement of the previous Chairman he suggested it would be appropriate for the Board to either re-affirm that policy or revise it.

Mr. Coyner asked to revisit the Retirement Process/Approval discussion from the June Board Meeting, since he was not in attendance. The original question was what happens if an employee’s status changes after the Board approves a retirement. The findings discussed at the June meeting was that the Board approves a retirement benefit, however, if there is a change in employment status after such approval, it is a personnel issue outside the Board’s purview and once resolved the Plan (Board) will review and approve where applicable updates and changes in Plan benefits. Mr. Wacek commented agreeing with this position.

Mr. Greco asked for clarification of beneficiaries and survivor benefits. Mr. Berkson discussed in further details how beneficiaries are determined under the Plan’s optional forms. He also explained how optional forms are calculated and payable to beneficiaries including Actuarial Equivalence for the applicable optional forms.

ADJOURNMENT

Upon a motion by Mr. Mynarski, seconded by Mr. Greco, the Board voted 5-0-0 to adjourn the meeting at 11:22 A.M. Motion carried.

Respectfully submitted,

____________________________________
Catherine Sidor, Recording Secretary

____________________________
Michael Wacek, Chairman
Next Meetings

Regular Meeting, Thursday, September 23, 2021
Regular Meeting, Thursday, October 28, 2021
Regular Meeting, Thursday, December 9, 2021