

**TOWN OF GREENWICH, CONNECTICUT
RETIREMENT BOARD**

December 18, 2017 Minutes – Cone Meeting Room

The regular meeting of the Retirement Board was called to order at 8:05 a.m.

In attendance were:

Members:	Joseph Pellegrino, Chairman Kevin Coyner (absent) Mark Kordick Peter Mynarski Mike Wacek
Staff:	Atiya Jones, Retirement Administrator Mary Pepe, Director of Human Resources Natalia Yemets, Assistant to the Treasurer
Neuberger Berman:	Edward Berman Michael Savinelli Stephen Polito
BET:	Bill Drake

APPROVAL OF MINUTES

Upon a motion by Mr. Mynarski, seconded by Mr. Wacek, the Board voted 3-0-1 (Mr. Kordick abstained) to approve the minutes, as amended, of the Regular Meeting of October 19, 2017.

Upon a motion by Mr. Mynarski, seconded by Mr. Kordick, the Board voted 4-0-0 to approve the minutes, as amended, of the Special Meeting of November 2, 2017.

ADMINISTRATOR'S REPORT

As of December 14, 2017, the State Street Cash Balance was \$7,537,257. This balance includes reported capital calls, redemptions, purchases and sells through December 14, 2017. The projected State Street Cash Balance for January 31, 2018 is \$3,000,000. The cash to be raised by Neuberger Berman by January 31, 2018 is \$3,463,580 to maintain the minimum of \$3,000,000 for retiree pension payments.

Ms. Jones provided an update of the Third-Party Administrator Record Keeper Services for Defined Benefit and Defined Contribution proposal. The evaluating committee has submitted the scores from the interviews. There are additional questions that were developed for the finalists. Upon submission and response, there will be another round of interviews.

Ms. Jones provided an update of the reconciliation process with State Street. As of today, the July 31, 2017 invoice and subsequent invoices are not available. A Request for Proposal (RFP) for the Pension Fund custodian is scheduled to be released to the public by year end. The evaluating committee for this proposal has been established.

As of today, there are no updates reported for the Fire Fighters contract as of July 1, 2015, the Teamsters, LIUNA, and LIUNA Representing the Professional Assistants and Security Personnel contracts as of July 1, 2016, and the United Public Service Employees Union (UPSEU) and Silver Shield contracts as of July 1, 2017.

Ms. Jones reviewed the major 2018 projects and calendar.

APPROVAL OF PAYMENTS

Town of Greenwich, Connecticut			
Retirement November 30, 2017			
Payments to be Approved			
Reserve Fund			
V	Pensioners	November Payroll	\$ 2,454,854
			Pension Payroll Fund Total
			\$ 2,454,854
Expense Fund			
SV	Boomershine Consulting Group	2017 Actuarial Valuation	\$ 3,949
	Patterson Belknap Webb & Tyler	Legal Services September 2017	\$ 1,749
	Patterson Belknap Webb & Tyler	Legal Services October 2017	\$ 5,406
	Iron Mountain	October, 2017	\$ 68
	Occupational Health	October 31, 2017 Review	\$ 750
			Expense Fund Total
			\$ 11,922
Payroll			
PV	Retirement Administrator	November - Ms. Jones	\$ 7,711
			Staff Payroll Fund Total
			\$ 7,711
			Grand Total
			\$ 2,474,487

Upon a motion from Mr. Mynarski seconded by Mr. Wacek, the Board voted 4-0-0 to approve the above payments for \$2,474,487.

RETIREEES

The Board reviewed the retirement profile for the one individual listed below:

December 1, 2017

1. James Latham

Upon a motion from Mr. Mynarski, seconded by Mr. Wacek, the Board voted 4-0-0 to approve the retirement for the one individual listed above for Retirement on December 1, 2017.

The Board reviewed the retirement profiles for the three individuals listed below:

January 1, 2018

1. Rosa Galesky
2. Richard Gibson
3. David Krobot

Upon a motion from Mr. Mynarski, seconded by Mr. Wacek, the Board voted 4-0-0 to approve the retirement for the three individuals listed above for Retirement on January 1, 2018.

INVESTMENTS AND PERFORMANCE

Presentation by Neuberger Berman (8:30 am)

Mr. Savinelli presented the Performance Report Period Ending October 31, 2017. The Total Composite Balance was \$469,733,076. The Net Performance Rate of Return for October 2017 was 1.06%. The Rate of Return for the Fiscal Year to Date was 4.74%. The Rate of Return for the Calendar Year to Date was 12.50%.

Mr. Savinelli presented the Performance Report Period Ending November 30, 2017. The Total Composite Balance was \$475,166,824. The Net Performance Rate of Return for November 2017 was 1.15%. The Rate of Return for the Fiscal Year to Date was 5.95%. The Rate of Return for the Calendar Year to Date was 13.80%. It was noted that NB Research Opportunities and NB Green Small Cap Intrinsic Value trailed slightly to the benchmark. Also, NB Emerging Markets Equity CIT and NB Risk Balanced Commodity Strategy Fund outperformed the benchmark.

Mr. Polito discussed 2018 future projections. This discussion focused on upgrade to MLPs (part of our inflation/commodity theme), upgrade to muni fixed income and upgrade to commodities. There other outlooks remain the same from last quarter in regards to US Large Cap, US Small Cap, non-US Equity and Emerging Markets.

NEW BUSINESS

The Board reviewed the Annual Report for the CAFR presented by Ms. Jones.

Upon a motion from Mr. Mynarski, seconded by Mr. Kordick, the Board voted 4-0-0 to approve the Retirement Board Annual Report for CAFR (as amended with the substitution of the following language of “System Management Administration” to “Retirement System Administration”).

OLD BUSINESS

Investment Policy Statement

There was a robust discussion of the final language edits of the statement. Some of the highlights of this conversation were:

- Monitor and review the investment performance of the Fund
- Goals and constraints set forth in this Statement
- Promptly inform the Board regarding all significant matters
- Prohibited investments
- Comingled Vehicle
- Leveraged investment funds
- Target Allocation Policy
- Portfolio risk
- Expected gross and net returns
- Risk limits

See Retirement Board Supplemental Notes to Investment Policy Statement for additional detail.

Approval of Investment Policy Statement

Upon a motion from Mr. Wacek, seconded by Mr. Kordick, the Board voted 4-0-0 to approve the Investment Policy Statement excluding Appendix I, as revised, subject to final attorney review.

Upon a motion from Mr. Wacek, seconded by Mr. Mynarski, the Board voted 4-0-0 to approve Appendix I of the Investment Policy Statement, which is titled “Asset Allocation and Portfolio Risk Constraints”, as revised (to correspond to SAA #3 with risk limits of 13.8% and 14.1% for the strategic target and permissible tactical range, respectively).

Ms. Jones will provide the final Investment Policy Statement for review of the Retirement Board’s attorney. If there aren’t any modifications, the final version will be posted to the website. The signature version will be posted by January 31, 2018.

Executive Session

The Board voted unanimously to go into Executive Session at 10:20 a.m. to review disability retirements.

The Board voted unanimously to come out of Executive Session at 10:59 a.m.

Upon a motion from Mr. Mynarski, seconded by Mr. Kordick, the Board voted 4-0-0 to approve the accidental disability retirement for Pasquale Bruno effective December 1, 2017.

ADJOURNMENT

A motion to adjourn was made by Mr. Mynarski, seconded by Mr. Kordick, and carried unanimously at 11:09 a.m.

Respectfully Submitted,

Atiya Jones, Secretary to the Board

Joseph Pellegrino, Chairman