

**TOWN OF GREENWICH, CONNECTICUT
RETIREMENT BOARD**

January 22, 2009 Minutes – Gisborne Conference Room

The regular meeting of the Retirement Board was called to order at 7:30 a.m.

In attendance were:

Members Present:	Michael, Pagliaro, Chairman John Chadwick David D’Andrea (excused until 9:00 a.m.) Mark Kordick Peter Mynarski
Staff:	James Lavin, Retirement Plans Administrator
Other:	Larry Simon and Arthur Norton, BET Liaisons Douglas Moseley, NEPC Evan Dowd, Guest Kevin Coyner, Guest

Chairman Pagliaro noted that a quorum was present.

APPROVAL OF MINUTES

The Board reviewed the December 18, 2008, minutes of the Regular Meeting of the Retirement Board.

Upon a motion by Mr. Chadwick, seconded by Mr. Mynarski, the Board voted 4-0-0 to approve the Minutes for the December 18, 2008, Regular Meeting of the Retirement Board. Mr. D’Andrea was absent from this vote.

ADMINISTRATORS REPORT

Mr. Lavin noted that the Welsh Carson Anderson & Stowe contract has been execute for investment in its Growth Equity Fund XI, L.P.

There will be a Retirement Board election on February 6, 2009. Candidates must submit their nomination petitions no later than January 23, 2009.

Upon a motion by Mr. Kordick, seconded by Mr. Mynarski, the Board voted 4-0-0 to accept the administrator’s report. Mr. D’Andrea was absent from this vote.

Retirees

The Board reviewed the retirement profile for the below individuals:

Joseph Andre	Justine Benoit	Elia Bernadel	Patsy Crichlow
Beatrice Laverick	James Olencki	Michael Smith	Becky Stone

Upon a motion from Mr. Mynarski, seconded by Mr. Chadwick, the Board voted 4-0-0 to approve service retirements for the above listed individuals. Mr. D'Andrea was absent from this vote.

Approval of Payments

Reserve Fund

V Pensioners -- January payroll	\$ 1,683,840.53
Julie Andreoni -- refund of contributions job eliminated Dec. 15, 2008	6,818.66
Christopher Griffin -- resignation 10/6/08	17,930.88
Becky Stone -- refund of contributions retire 2/1/09	<u>14,508.12</u>
	1,723,098.19

Expense Fund

SV Artio Global Investors	Prof. Svcs. July to Sept. 2008	81,511.45
Buckhead Capital Management	Prof. Svcs. Oct. to Dec. 2008	24,279.25
Corporate Express	Office Supplies	126.68
Crystal Rock	Office Supplies	67.17
Gail Sasso	Prof. Svcs. Dec. 2008	825.00
Vanesa Francis Training	International Foundation Course	1,313.22
State Street Corp.	Nov. 2008 Custody Svcs	6,917.60
Ronald Thomas Exam	David B. Brown, MD	700.00
USI Consulting Group	Dec. 2008 Svcs.	650.00
Wachovia Bank (est.)	Dec. 2008 Payroll Services	3,104.19
Xerox	Copier	<u>44.03</u>
	Expense Fund Total	119,538.59

Payroll

PV Vanesa Francis	12/1 -- 12/31/08	5,369.14
James Lavin	12/1 -- 12/31/08	<u>8,885.51</u>
	Payroll Fund Total	14,254.65

Grand Total \$ 1,856,891.43

Upon a motion from Mr. Kordick, seconded by Mr. Mynarski, the Board voted 4-0-0 to approve bill payments listed above. Mr. D'Andrea was absent from this vote.

Military Service

None.

INVESTMENT PERFORMANCE AND LIQUIDITY REPORT

Mr. Moseley of NEPC presented the December 31, 2008, Flash Report. He noted that December showed a 2.5% gain. It may be possible that November 2008 was the trough in this market decline but recent market losses in January 2009 may test November. For the last year Greenwich's fund is down 23.1% which compares with other public funds reviewed by NEPC that are down 24.0% thereby showing a 90 basis point better than average comparison.

Buckhead Capital and Artio Global Management have trailed their benchmarks and generally active management has detracted on the equity side.

In the fixed income area, BlackRock and Loomis Sayles beat their benchmarks for December. Mr. Moseley noted that BlackRock's figures are preliminary and should increase. The dollar continues to strengthen and is the global reserve currency of choice.

Mr. Moseley reported that he met with AIG officials to review their future plans. AIG is offering for sale certain asset management business operations of AIG Investments. However, AIG has added to its investment in the PEP V fund in which Greenwich is also invested. It's likely the fund will reach its investment target of \$750 million. More details will be provided in the near future.

ING Clarion property appraisers are marking down its properties. There is a redemption queue of approximately \$400 million which is 10% of the fund. Mr. Moseley indicated that commercial real estate will likely have poor performance for 2009. Mr. Chadwick interjected that he was disappointed in a recent report issued by ING as it did not provide any explanations.

Questions from the Board followed on the planned investment with Wellington in its Credit Opportunities Portfolio, and whether it was still a good investment. Mr. Moseley recommends it and continues to believe the Wellington investment could have returns in the mid-teens range.

Besides investment performance questions asked by the Board, a discussion ensued on whether the January retiree payroll costs should be funded from cash or by liquidation of funds from BlackRock.

Upon a motion from Mr. Mynarski, seconded by Mr. Chadwick, the Board voted 4-0-0 to pay the January Retiree Payroll from the STIF with State Street Bank. Mr. D'Andrea was absent from this vote.

Mr. Moseley presented the Board with the proposed 2009 work plan. In February it was agreed that an asset allocation review should take place to rebalance the portfolio. Additional managerial performance reviews will be scheduled for the early part of 2009, with the Board advising Mr. Moseley which managers it wishes to see first.

After a lengthy discussion on hedge funds, the Board informed Mr. Moseley that it did not plan to invest in hedge fund of funds and directed him to remove hedge fund educational sessions and potential manager interviews from the work plan.

OLD BUSINESS

Mr. Lavin noted he continues to have technical problems with the draft updated plan document but is working through them and expects to send it to the Board next week.

The Wellington Opportunities Portfolio contract is still under legal review by the Law Department. No action has been taken on pension software updates.

Mr. Lavin requested the Board that resolutions were needed on the 2008 valuation report and the FY 09-10 Budget Request submitted at its December meeting.

Upon a motion from Mr. Kordick, seconded by Mr. Chadwick, the Board voted 4-0-0 to approve the FY 09-10 Budget Request. Mr. D'Andrea was absent from this vote.

Upon a motion from Mr. Mynarski, seconded by Mr. Kordick, the Board voted 4-0-0 to recommend the 2008 valuation report with one correction on page 3 deleting the word "automatic" from the report. Mr. D'Andrea was absent from this vote.

NEW BUSINESS

None

EXECUTIVE SESSION

The Board voted unanimously to go into executive session to discuss two applications for an accidental disability retirement at 9:05 a.m. Note: Mr. D'Andrea arrived to join the meeting before it started.

The Board voted unanimously to come out of executive session at 9:47 a.m.

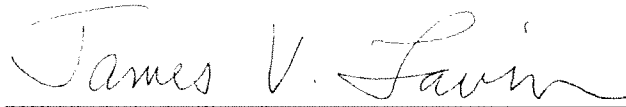
Upon a motion from Mr. Kordick, seconded by Mr. D'Andrea the board voted 5-0-0 to approve an accidental disability retirement for Mr. Ron Thomas.

Upon a motion from Mr. Kordick, seconded by Mr. Chadwick, the board voted 4-0-1 to approve an accidental disability retirement for Mr. James Maloney subject to receiving additional information from the Retirement Plans Administrator on the exact retirement date and retirement allowance amount. Chairman Pagliaro abstained.

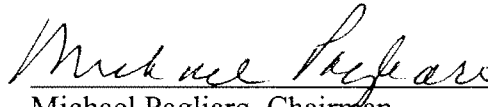
ADJOURNMENT

The motion to adjourn was made, seconded and carried unanimously at 9:50 a.m.

Respectfully Submitted,



James V. Lavin, Acting Secretary to the Board



Michael Pagliaro, Chairman