

**TOWN OF GREENWICH, CONNECTICUT
RETIREMENT BOARD**

August 27, 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
Kevin Coyner
Mark Kordick
Ronald Lenihan
Peter Mynarski

Staff: James Lavin, Retirement Plans Administrator

Others: Larry Simon, BET Liaison
Douglas Moseley, NEPC
Don Bowers, Guest
Peter Dott, Guest
Joseph Fahrs, Guest
Robert Kavee, Guest

Chairman Pagliaro noted that a quorum was present and opened the meeting. He acknowledged that Ronald Lenihan had been appointed to serve as a member of the Retirement Board to succeed him. Therefore, he turned the meeting over to the Acting Secretary, James Lavin, to conduct an election to select a new Chairman of the Retirement Board to succeed Mr. Pagliaro.

Mr. Lavin noted that Mr. Lenihan had been duly sworn in as a member of the Retirement Board by the Town Clerk. He explained the rules of the election, and asked for nominations of candidates.

Mr. Lenihan made a motion to nominated John Chadwick for Chairmanship of the Retirement Board: Peter Mynarski seconded the nomination.

There being no additional nominations, Mr. Lavin closed the nominating session.

Mr. Chadwick advised the Board of his experience and willingness to be Chairman.

The Retirement Board voted unanimously to elect Mr. Chadwick as Chairman of the Retirement Board, after which Mr. Lavin turned the meeting over to Mr. Chadwick.

APPROVAL OF MINUTES

The Board reviewed the July 23, 2009, minutes of the Regular Meeting of the Retirement Board.

Upon a motion by Mr. Chadwick, seconded by Mr. Mynarski, the Board voted 5-0-0 to approve the Minutes for the July 23, 2009, Regular Meeting of the Retirement Board.

ADMINISTRATORS REPORT

Mr. Lavin reported that 72 employees will retire from April 1, to September 1, 2009.

There was an update on the progress of getting legal approval of contracts with State Street Global Advisors.

A capital call contribution in the amount of \$66,211 was received from WCAS dated August 3, 2009. This payment was made on August 14, 2009, from the State Street STIF account.

A capital call contribution in the amount of \$68,957 and €23,418 was received from AIG dated August 12, 2009. This payment was made on August 26, 2009, from the State Street STIF account.

Upon a motion by Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to accept the Administrator's report.

RETIREES

The Board reviewed the retirement profile for the below individuals:

| | | | |
|----------------------|------------------|--------------------|-------------------|
| Charlene Abdal | Richard Anyan | Alfred Azud | Sarah Brown |
| Margaret Butler | Richard Candy | Nicholas Catanzaro | Naomi Dylewsky |
| David Foster | George Frano | Santo Gencarelli | John Haug |
| Linda Hoster | Robert James | Paul Kohloff | Jennie Meduri |
| Dorothea Meilnggaard | Olida Moreno | John Neilsen | Basil Passerelli |
| Philip Robertson | Stephen Rogowski | Edward Shura | Frederick Walters |
| Gary Weiss | James Wilson | Eda Wolack | Barbara Young |
| Carl Zumbo | | | |

Mr. Lavin advised the Board that Mr. Walters had changed his option selection and handed out a revised profile to identify the change.

Upon a motion from Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve service retirements for the individuals listed above including Mr. Walters option change.

APPROVAL OF PAYMENTS

Reserve Fund

| | | | |
|---|--|--|-------------------|
| V | Pensioners -- August payroll | | \$ 1,769,455.03 |
| | Gary Weiss -- refund of contributions, retirement 09/01/09 | | <u>126,339.93</u> |
| | | | 1,895,794.96 |

Expense Fund

| | | | |
|----|-----------------------------|-----------------------------------|---------------|
| SV | Buckhead Capital Management | Prof. Svcs. April to June 2009 | 25,047.64 |
| | Crystal Rock | Office Supplies | 74.34 |
| | NEPC | Prof. Svcs. April to June 2009 | 24,397.95 |
| | Shipman & Goodwin, LLP | Prof. Svcs. July-Aug. 13 2009 | 65.00 |
| | Staples | Office Supplies | 69.91 |
| | State Street Bank | Custodian Svcs July 2009 | - |
| | USI Consulting Group | July 2009 Svcs. | 650.00 |
| | Wachovia Bank | June & July 2009 Payroll Services | 6,249.90 |
| | Westy Self Storage | Archive Storage | <u>292.00</u> |
| | | Expense Fund Total | 56,846.74 |

Payroll

| | | | |
|----|--------------------------------|---------------------------|------------------|
| PV | Retirement Plans Coordinator | 7/1 -- 7/31/09 | 8,343.18 |
| | Retirement Plans Administrator | 7/1 -- 7/31/09 | <u>13,330.11</u> |
| | | Payroll Fund Total | 21,673.29 |

Grand Total \$ 1,974,314.99

Upon a motion from Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to approve bill payments listed above, including the refund issued to Mr. Weiss.

MILITARY SERVICE

None.

INVESTMENT PERFORMANCE AND LIQUIDITY REPORT

Mr. Moseley of NEPC presented the July 31 2009, Flash Report. July had strong performance as the composite index showed an increase of 5.2%, with the year to date increase at 8.3%. The Standard and Poor's 500 index increased 7.6%, while the small cap Russell 2000 index was up 9.6%, and the international MSCI EAFE index increased by 9.1%. The Allocation Index shows an increase of 5.2% and the Policy Index increased by 5.6%.

In actively managed equities, Buckhead Capital slightly trailed its benchmark for the month but is substantially ahead of its benchmark year to date. Artio Global also outperformed for the month but is substantially behind its benchmark year to date.

In fixed income area continues to show recovery. BlackRock once again slightly outperformed its benchmark while Loomis Sayles significantly outperformed its benchmark.

Mr. Moseley noted that AIG is slightly reducing its capital commitment its PEP V fund. Two amendments will be forthcoming to reflect this change. Negotiations are ongoing with three buyers and it is expected that a sale will occur in September.

Since there is over three months of payroll in cash, Mr. Moseley does not believe it necessary to liquidate any of the portfolio to meet retiree payroll requirements. Mr. Chadwick concurred that payroll should come from cash.

Upon a motion from Mr. Kordick, seconded by Mr. Coyner, the Board voted 5-0-0 to take \$1.7 million from the STIF with State Street Bank, to meet the July retiree payroll.

An updated 2009 Work Plan was provided to the Board by Mr. Moseley. After discussion, the Board felt the plan update was acceptable.

The Second Quarter 2009 Market Review and Performance report was presented to the Board by Mr. Moseley. Attention was given to the mid-August update in the report showing strong equity market performance. Positive momentum continues. The current asset allocation was reviewed and it was believed prudent to push out additional real estate investments to 2010.

Mr. Lenihan asked if additional information can be provided on risk statistics and attributions of active managers showing their value to the portfolio. Mr. Moseley will provide that information.

OLD BUSINESS

Christopher J. Rowllins, AIF, President and CCO – Investment Advisory Services and Richard A. Ginel, Jr. Investment Strategist of USI Advisors, Inc. presented the Board with a draft report of specifications for the Request for Proposals for investment management services.

The Board reviewed the draft and had numerous comments. Changes to the draft will be sent to Mr. Lavin who will prepare a master document showing the suggested changes in red-lined edits. The Board will decide on the final specifications for submission to the Purchasing Department.

NEW BUSINESS

None.

EXECUTIVE SESSION

The Board voted unanimously to go into executive session to discuss two applications for disability retirements at 09:35 a.m.

The Board voted unanimously to come out of executive session at 10:00 a.m.

No action was taken.

ADJOURNMENT

The motion to adjourn was made, seconded and carried unanimously at 10:01 a.m.

Respectfully Submitted,

James V. Lavin, Acting Secretary to the Board

John D. Chadwick, Chairman