

**TOWN OF GREENWICH, CONNECTICUT  
RETIREMENT BOARD**

**February 26, 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  
Peter Mynarski

Staff: James Lavin, Retirement Plans Administrator

Other: Larry Simon and Arthur Norton, BET Liaisons  
Douglas Moseley, NEPC  
Evan Dowd, Guest  
Joseph Fahrs, Guest  
Penny Monahan, Guest  
Lynn Lavery, Selectman

Chairman Pagliaro noted that a quorum was present. He started the meeting welcoming a new member to the Board, Mr. Kevin Coyner, who was the successful candidate in the February 6, 2009 employee election. Mr. Coyner has been duly sworn in by the Town Clerk.

Chairman Pagliaro also thanked Mr. David D'Andrea for his service to the Board. Mr. D'Andrea's personal responsibilities prohibited him from continuing to serve on the Board.

**APPROVAL OF MINUTES**

The Board reviewed the January 22, 2009, minutes of the Regular Meeting of the Retirement Board. It was pointed out that Mr. Chadwick's name was misspelled in two places and Mr. Lavin noted he would make the corrections. A second change was noted on page 3, first paragraph, last sentence of the Investment Performance and Liquidity Report that it should read "For the last Greenwich's fund is down 23.1% which compares with other public funds reviewed by the NEPC that are down 24.0% thereby showing a 90 basis point better than average comparison."

Upon a motion by Mr. Mynarski, seconded by Mr. Chadwick, the Board voted 5-0-0 to approve the Minutes for the January 22, 2009, Regular Meeting of the Retirement Board as amended above.

## ADMINISTRATORS REPORT

Mr. Lavin reported on the recent employee election for a position on the Retirement Board. He noted the progress made by the Law Department on the Wellington Trust Company agreement.

Considerable effort has been expended meeting with town employees recently laid off from their town positions in February 2009 to provide them with information on their retirement benefits.

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

### Retirees

It was necessary for the Board to review the retirement profile in executive session.

### Approval of Payments

#### **Reserve Fund**

V Pensioners -- February payroll		\$ 1,696,781.65
Herman Bradford, beneficiary of Carrie Bradford – refund of contributions		4,794.12
Lisa Moore – resignation 06/25/04		<u>4,854.66</u>
		1,706,430.43

#### **Expense Fund**

SV Artio Global Investors	Prof. Svcs. Oct. to Dec. 2008	61,628.11
Corporate Express	Office Supplies	71.62
Crystal Rock	Office Supplies	78.52
Dr. Laurence Lorefice	Jean Arcoite Exam	550.00
State Street Corp.	Dec. 2008 Custody Svcs	1,313.22
Sunset Printing	Business cards	48.15
USI Consulting Group	Jan. 2009 Svcs.	650.00
Wachovia Bank	Jan. 2009 Payroll Services	3,014.73
Westy Self Storage	Archival Storage	292.00
Xerox	Copier	<u>566.50</u>
	<b>Expense Fund Total</b>	74,236.38

#### **Payroll**

PV Vanesa Francis	1/1 -- 1/31/09	7,843.62
James Lavin	1/1 -- 1/31/09	<u>13,301.82</u>
	<b>Payroll Fund Total</b>	21,145.44

**Grand Total**     \$ 1,801,812.25

Upon a motion from Mr. Mynarski, seconded by Mr. Chadwick, the Board voted 5-0-0 to approve bill payments listed above.

### Military Service

None.

## **INVESTMENT PERFORMANCE AND LIQUIDITY REPORT**

Mr. Moseley of NEPC presented the January 31, 2009, Flash Report. He noted that January was a down month with a composite loss of 4.6%. February 2009 has also shown poor performance to date.

Buckhead Capital although down for the month is ahead of its benchmark while Artio Global Management has trailed its benchmark.

BlackRock and Loomis Sayles beat their benchmarks for January. Mr. Moseley believes the credit markets are starting to come back.

Private equity is coming closer to its target of 9%. Welsh Carson Anderson Stowe CP IV fund is doing well. American International Group has committed the rest of the capital for its PEP V fund. Gilbert Global has investments in only two properties. While the WCAS XI investment has yet to call for any capital.

ING Clarion property appraisers marked down its properties by 12.5% at yearend. There is concern that rental revenue may start to slow as the economic recession continues into 2009.

A discussion ensued on whether or not Loomis Sayles's benchmark is appropriate for its investment style. Mr. Moseley will review it and report back to the Board.

Mr. Moseley presented the Board with a report on the fourth quarter market review and performance.

After a discussion on whether to meet the February payroll for retirees from cash or to liquidate securities the below motion was made:

Upon a motion from Mr. Mynarski, seconded by Mr. Coyner, the Board voted 5-0-0 to pay the February Retiree Payroll from the STIF with State Street Bank.

## **OLD BUSINESS**

Mr. Lavin asked if the Board had additional questions on draft updated plan document. Mr. Chadwick had a series of technical questions. He asked that the Town Attorney comment on the language is the document that protects members of the Board from personal lawsuits. Mr. Lavin will contact the Town Attorney for a legal opinion on this item.

The Wellington Opportunities Portfolio contract is still under legal review by the Law Department.

## **NEW BUSINESS**

Mr. Raffaello L. Distefano, CFA, Vice President, Global Bond Client Portfolio Manager from Loomis Sayles 7 Company, L.P. presented the Board with a report on its Global Bond Fund performance for

2008. This fund has a value of \$20.2 billion as of December 31, 2008 and is typically benchmarked against the World Government Bond Index or the Lehman Global Aggregate Index.

Mr. Distefano led the Board through the report explaining Loomis's organizational structure and product team. He noted that returns for 2008 were disappointing as they were down 8.56%. Loss of confidence in the market caused by the Bear Stearns takeover, Fannie and Freddie intervention by the Federal Governments and the bankruptcy of Lehman Brothers in September 2008, which Loomis Sayles did not expect to happen, were material factors in the underperformance. For 2009, Loomis believes quantitative easing in the US will likely lead to a global recovery late in the year.

Chairman Pagliaro thanked Mr. Distefano for his report. However, he pointed out the Board was disappointed in Loomis's performance and expected a turnaround in 2009. Moreover, Chairman Pagliaro made clear that Loomis Sayles is on Greenwich's watch list and we will meet with them again in the near future to review performance.

### **EXECUTIVE SESSION**

The Board voted unanimously to go into executive session to discuss three applications for disability retirements at 10:15 a.m.

The Board voted unanimously to come out of executive session at 10:30 a.m.

Upon a motion from Mr. Mynarski, seconded by Mr. Chadwick the board voted 5-0-0 to approve an accidental disability retirement for Mr. Rocco Furano.

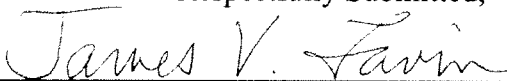
Upon a motion from Mr. Mynarski, seconded by Mr. Kordick, the board voted 4-0-1 to approve an accidental disability retirement for Mr. James Maloney. Chairman Pagliaro abstained.

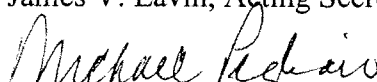
Upon a motion from Mr. Mynarski, seconded by Mr. Coyner the board voted 5-0-0 to approve an ordinary disability retirement for Ms. Jean Arcoite.

### **ADJOURNMENT**

The motion to adjourn was made, seconded and carried unanimously at 10.35 a.m.

Respectfully Submitted,

  
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James V. Lavin, Acting Secretary to the Board

  
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Michael Pagliaro, Chairman