



FINANCE DEPARTMENT

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TOWN HALL

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## **Minutes**

Wilton Retirement Trust  
Wilton Employees Retirement Plan Investment Committee  
Other Post-Employment Benefits Trustees  
November 5, 2014

7:30 PM  
Meeting Room "B"

### **Present:**

**Investment Committee:** Robert H. Kelso (Chair) Jeffrey G. Rutishauser, Paul Burnham, Richard E. Wehrmann, **Absent:** Robert Schultz

**Retirement Trust:** William Brennan, Harold E. Clark, Sandra L. Dennies, John Kalamarides, Christopher Stroup **Absent:** Richard J. Dubow, Ted Hoffstatter. James Saxe, Jr.

**OPEB:** Warren Serenbetz, Christopher Stroup, Hal Clark, Ken Post, Sandra L. Dennies

**Others:** Christopher Rowlin; FIA, Ron Schlee; Hooker & Holcombe , Rich McArdle; Controller Sarah Taffel; HR Director

### **Call to Order**

Mr. Brennan called the Meeting to order at 7:30 PM.

### **Minutes**

Motion to approve the Minutes of the August 6, 2014 Meeting was made, seconded and carried.

### **Ron Schlee of Hooker and Holcombe**

#### **Pension Valuation**

Mr. Schlee referred to a handout on file. They do a valuation every year as of July 1 and have done one for the 2015-2016 fiscal year. He said that valuation is for cash purposes only. It was noticed that there were some errors in the report and Mr. Schlee apologized and said that he would get a new report to the members.

They are using 90.25 million for actuarial asset value  
Reviewed the assumptions (Page 6)  
It assumes a 2.5% cost of living adjustment for retirees.  
Actuarial Liabilities (See Page 7).  
Currently they are \$4.7 million dollars underfunded.  
Pointed out that the funded status is excellent.

Hooker and Holcombe would like them to consider a 7% investment return instead of 7.25% (See Effect of Assumption Changes on Page 16).

A discussion ensued around Mortality assumptions. It was decided that Mr. Schlee would revise his report for the next Meeting showing 7.00, 7.125% and 7.25% returns with current mortality improvement assumptions and the newer Scale BB mortality improvement assumptions.

They will have a Special Meeting to review this in December so that the budget can be in before the holidays.

### OPEB

OPEB includes teachers but none of the BOE Plan 3 Retirement Group is eligible for OPEB. He reviewed the presentation with the Board. (Please refer to handout on file).

### **Third Quarter Investment Overview – Fiduciary Investment Advisors**

#### Pension

Mr. Rowlin reviewed the Pension Investments for the Quarter. (See pages 3-8 for details in the handout on file).

September 26<sup>th</sup> Bill Gross resigned from PIMCO. FIA reviewed the exposure that PIMCO had presented. There has been a lot of outflow since the resignation of Bill Gross and they expect further outflow. As a result FIA has put PIMCO on “terminate” status with their clients. A discussion took place and Mr. Rowlin said that FIA recommends liquidating PIMCO and moving the funds to Vanguard Total Bond Index Fund. At the next meeting, they can have a deeper discussion about other Managers to determine where they want to move the funds. A Motion was made by Mr. Kelso, seconded and carried unanimously to move the funds out of PIMCO and into Vanguard Total Bond Index Fund.

#### OPEB

Mr. Rowlin reviewed the OPEB portfolio. The ending market value was just over five million at the end of the QTR. He went over the Asset Allocation, Manager Performance Overview, and Market Values in the handout. (See the handout on file for further details). The portfolio is status quo and FIA doesn't recommend any changes at this time.

The OPEB Trustees will review a recommended change in the Investment Policy Statement reflecting the change to the cash allocation at the next meeting.

There being no further business the Meeting adjourned at 9:25 PM.