



FINANCE DEPARTMENT

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Minutes

Wilton Retirement Trust
Wilton Employees Retirement Plan Investment Committee
Other Post-Employment Benefits Trustees
May 7, 2014

7:30 PM

Meeting Room "B"

Present:

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

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

Call to Order

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

Markets Overview

Mr. Rowlin of FIA gave everyone an overview of the Markets. The quarter was volatile mostly in January reflecting the unusually cold winter and problems in Russia.

- Markets were up in February and March.
- REITS struggled last year but showed positive results this quarter.
- In International – there was growth in developed markets but slower growth rates in emerging markets.
- Interest Rates fell in the first quarter pushing the bond returns higher.
- Fixed Income had strong returns due to falling interest rates.
- Commodities had a solid quarter.

Investment Performance Overview

Mr. O'Brien reported on the Investment Portfolio. As of 3/31/2014 total assets are \$94,440,343. Nothing is out of line. Fixed income is underweight and domestic equity is slightly overweight.

Two Managers that are on watch are PIMCO and Thornburg International. They don't see a need right now for action steps to rebalance the asset allocations.

He reviewed the Asset Allocation, Performance Summary and Manager Performance Overview with the Committees and Trustees (see pages 13 -19 of the Quarterly Investment Review on file).

Mr. Brennan, asked, (for Mr. Stroup who couldn't be present) why two of the Templeton funds and the Diamond Hill fund haven't been put on watch and why Thornburg hasn't been replaced?

They were told that FIA had reviewed what Templeton has been doing against the benchmark and they feel that it should be kept in the portfolio.

Mr. Roehr explained their reluctance to replace Thornburg saying that up until this quarter, they have performed all right against the benchmark but going forward they are going to be closely monitored.

Mr. Serenbetz said that he didn't feel that Thornburg should be held because of years of poor performance. A brief discussion ensued. FIA said they would come back with a recommendation for replacing Thornburg with Europac and another Manager that would complement the portfolio. They will get that information out to everyone in a few days.

A date will be set for a Special Meeting to go over FIA's recommendations and decide on Thornburg's replacement.

OPEB

A motion was made seconded and carried to approve the Minutes to the January 29th Meeting.

The Plan Performance was reviewed. As of March 31, 2014, the ending market value was \$4,264,827. It is doing better than the benchmark both for the quarter and year-to-date. (For details refer to pages 29-34). All strategies are in "maintain".

FIA is suggesting adding an active international large cap-equity blend manager to the portfolio, American Funds EuroPacific. They are also recommending that the allocation to international large cap-core equity allocation be divided equally between the Vanguard Total International Stock and American Funds EuroPacific Growth Fund.

A motion to approve the recommendation by FIA was made, seconded and carried.

Pension Trustees

A motion was made, seconded and carried to approve the Minutes from the January 29th Pension Trustee Meeting.

The Meeting adjourned at 8:40 PM.