

FINANCE DEPARTMENT

Tel (203) 563-0114

Fax (203) 563-0299



TOWN HALL

238 Danbury Road

Wilton, Connecticut 06897

Minutes – Special Meeting

Wilton Retirement Trust

Wilton Employees Retirement Plan Investment Committee

December 3, 2014

7:30 PM

Meeting Room “B”

Present

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

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

OPEB: Warren Serenbetz, Sandra L. Dennies **Absent:** Ken Post

Others: Christopher Rowlin; FIA, Ron Schlee; Hooker & Holcomb, Sarah Taffel; HR Director

Call to Order

Robert Kelso called the Meeting to order at 7:30 PM.

Approve Assumptions of 2014 Valuation

Ron Schlee of Hooker and Holcombe

Mr. Schlee referred to the revised handout (July 1, 2014 Actuarial Valuation). He stated that Page 14 shows cash contribution (what we are making this year) and then based on July 1, 2014 valuation what next year's cash contribution will be. Current year's contribution is \$3,456,082, based on July 1, 2013 valuation. This year valuation as of July 1, 2014 is producing a much better contribution for next fiscal year (\$2,604,086) a savings of \$851,996.

Mr. Schlee referred to the handout (July 1, 2014 Actuarial Valuation – Impact of Alternative Assumptions). He reviewed page 2 and page 3 of the handout. Mr. Schlee referred to a restatement the November 5, 2014 handout and reviewed the impact of alternative assumptions (Page 6).

Hooker and Holcombe would like them to consider a 7% or 7.125% investment return instead of 7.25% long term (see Alternative Assumptions for 2014 Valuation on Page 3).

The Pension Trust made a motion to reduce return assumption to 7.125%. This motion was seconded and carried.

A revised report around moving RP-2000 BB was discussed. Mr. Schlee reviewed the salary scale and suggested a decrease 1% for ultimate or for both select and ultimate periods.

Motion made by Dick Dubow to reduce salary ultimate assumption period by .5 (50 basis points), seconded by Jim Saxe and carried.

Third Quarter Investment Overview – Fiduciary Investment Advisors

Mr. Rowlin explained his concerns with the uncertainty of PIMCO after the resignation of Mr. Gross and the liquidation of PIMCO total return fund in the portfolio.

Mr. Rowlin discussed the moving of funds from PIMCO to Van Guard Total Bond Index Fund. He reviewed the portfolio status. He went over a total return strategy as a viable alternative. He explained The Asset Allocation, Manager Performance Overview, Investment Manager Review and Market Values in the handout. (See the Town Pension Plan on file for further details).

An overview and duration of Fidelity Investments, Prudential and Western Asset Management was presented by Mr. Rowlin.

Mr. Rowlin then recommended liquidating half of Van Guard Total Bond Index Fund and allocating the funds in Prudential or Western Asset Management. Van Guard is worth roughly about 9.6 million.

Motion to allocate half the funds in Van Guard into Prudential, seconded and carried.

There being no further business the Meeting adjourned.