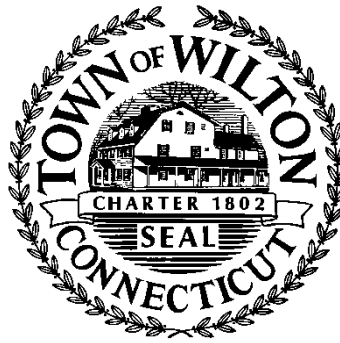


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TOWN HALL
238 Danbury Road
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INVESTMENT COMMITTEE, OPEB COMMITTEE
AND RETIREMENT TRUST
REGULAR MEETING

JANUARY 18, 2012

Retirement Trust: Bill Brennan, Dick Dubow, Jim Meinhold, Jim Saxe

Investment Committee: Robert Kelso, Bob Schultz, Richard Wehrmann, Warren Serenbetz,
Paul Burnham, Jeffrey Rutishauser, Sandra Dennies

OPEB Committee: Warren Serenbetz, Gil Bray, Ken Post, Sandra Dennies

Absent: Ted Hoffstatter, Hal Clark

Others: Richard McArdle, Sarah Taffel, Chris Rowllins (FIA), Kevin O'Brien (FIA). Joe DePalma (Wells Fargo), Andrew Bishins, (Wells Fargo)

The Meeting was called to order at 7:30 PM.

Approval of Minutes for Meetings Held October 19th and November 29th

The Minutes for both meetings were approved as amended. For the Special Meeting on November 29th Mr. Kelso added a sentence to paragraph four after "8%". "This is the projected investment return of the 126 plans". Mr. Meinhold added that he wasn't present at the November 29th meeting and the minutes should reflect his absence. There were no changes to the October 19th meeting minutes.

Review Account Performance from Vanguard

Mr. Rowllins reviewed the Vanguard Report with the members. He said that for the month of December things were flat but for the Quarter it was very strong in the equity market due to progress being made in Europe and some good numbers in Corporate America as well as the economy in the U.S. which he described as "chugging along" at a slow pace. So for the fourth quarter there were strong results in equities. There were mixed results in capitalizations. In the Fixed Income the yield curve shifted downward.

In the International Markets there was a rebound in the 4th quarter but overall it sent returns sharply lower in both capitalizations and certain markets, whether they were developed or emerging. He added, “There were no places to hide overseas”.

In the U.S. defensive sectors out performed more cyclical or economically sensitive sectors. So areas such as consumer staples, healthcare and utilities out performed more economically sensitive areas. Financial sectors and materials were off due to the global slowdown which drew commodity prices down lower.

He said that the OPEB Portfolio with Vanguard was allocated as of December 31st with approximately 30 % in domestic equity and 20% overseas he said it's a similar theme to what they have at FIA in terms of global exposure. The Fixed Income allocation, roughly 45% , showed big returns in one year particularly in the TIP strategies. In the REIT portfolio there were strong results for REITS over the last quarter, up 15% and the Total Portfolio return was up 43 basis points.

He reviewed the Pension Portfolio for the year (which is mirrored by the OPEB Portfolio) and said that at it was up 38 basis points.

Mr. Kelso said that the plan going forward is for Fiduciary to complete their analysis of the Town's investments and come up with their recommendations and submit those to them in order that all the changes could be implemented by April 1st. In order to do this they will have to have a Special Meeting of the Investment Committee in mid March to ratify Fiduciary's recommendations on allocations.

Mr. Kelso said that since Vanguard had declined to continue doing the custodial portion of the Pension Portfolio, Fiduciary did a search for an organization to take over and feels that Wells Fargo is the best choice for the Town. Mr. Rowlinson introduced Andrew Bishins and Joe DePalma from Wells Fargo.

Mr. Bishins said that Wells Fargo is a national player and they serve many similar clients to the Town of Wilton and the mid-market is their area of strength. He said they have an open architecture and they work with FIA with multiple other clients. Their approach is a flat basis point fee plus a flat per account fee and ancillary fees for trade transactions that is pretty consistent within the market place.

Mr. Kelso asked him to run down the list of services and Mr. DePalma replied as a custodian their main function is safekeeping of assets. He also said they do trust reporting, they work very closely with the investment managers and investment advisors, consultants and so forth. He said of the back office work, they do trade settlements, class actions, corporate actions and anything that has to do with the investments of the Town. They handle beneficiary payment services. He said that everything is done online and all reports are done electronically. Mr. Bishins added that once everything is loaded the accounts can be viewed in real time.

Mr. Brennan asked how they plan on notifying the pension recipients that they are

switching over from Vanguard to Wells Fargo? Mr. DePalma said there will be a “Welcome Letter” (a template that the Town can modify) that will go out two weeks before the first payment and will be from the Town of Wilton. He added, the conversion of pension assets typically takes 60 - 90 days. Mr. Bishins said that Wells Fargo will have a dedicated 800 line that pensioners can call to get information. Mr. DePalma added that they also have a transition team to see that things go smoothly.

Mr. Bishins said that the longest phase in the transition is the document phase. Mr. Brennan asked how many documents they are talking about and was told 7-8.

There were no further questions so the Members thanked Wells Fargo and FIA for attending the meeting.

Mr. Brennan made a motion that the Pension Trustees approve Wells Fargo to be custodian of the Wilton Employee Retirement Fund. The motion was seconded by Mr. Meinhold and carried.

Mr. Serenbetz made a motion that the OPEB Committee to approve Wells Fargo to be custodian of the Wilton OPEB account. The motion was seconded by Mr. Bray and carried.

It was agreed by the members present to have a Special Meeting of the Investment Committee, OPEB and Retirement Trustees on March 14, 2012 for a diagnostic review with FIA.

A motion was made, seconded and carried to amend the Regular Meeting 2012 Calendar for the Investment Committee, OPEB and Retirement Trustees to be May 2, August 1, and November 7, 2012 and that they agreed to continue to meet as a group.

Meeting Adjourned.