

**Pension Board
Minutes
October 27, 2015**

CALL TO ORDER

Chairman Jim Lavin called the Pension Board meeting to order at 6:30 p.m. at the Town Hall, Trumbull, Connecticut.

Members present were as follows:

PRESENT

James Lavin
Donna Pellitteri
Michael Knight
Maria Pires
John Ponzio
James Daly
James Meisner (arrived at 6:45 pm)

ABSENT

Also present: Chris Kachmar, FIA; H. James Haselkamp, Director of Labor Relations

Investment Update – 3rd Quarter – Chris Kachmar

- Mr. Kachmar indicated that the third quarter has been a difficult one for everybody. Markets became volatile and the Fed may start to raise rates. Diamond Hill is down 8%; Mainstay is behind the benchmark; International also had a very bad quarter.
- General trend nationally is to lower investment return assumptions. The median number in Connecticut is still 7.5%. There are those that are moving slowly towards 7%.
- Brad Fischer from BPS&M indicated that he is ok with this; however, longer term we might want to discuss. The 20 year annualized return is 6.83%, close to our 7.5% return. Mr. Lavin indicated that we should be thinking in the 7% range,
- We will be doing an Actuarial Valuation in July 2016 and in January 2016 we will bring the actuaries in to discuss the assumptions.
- Boston Trust had a decent quarter; it is on the watch list and has been since the second quarter. Investors seem to stay with them; not too many have moved away; however, there are stronger performers out there. Glenmede and PNC were presented as alternatives and were considered to be very close. PNC is considered a little more volatile than Glenmede, which is considered to be more diversified.
- The Board decided to wait another quarter before making any change with Boston Trust.
- Mr. Meisner asked if we should be looking at alternative other than stocks and bonds. He feels that we need a defense and referred to our Investment Policy and asked if anyone had done any research on alternatives. He indicated that bonds were no longer considered a good, reliable defense.
- Mr. Knight indicated that a dividend stock might also be a good idea.

Discussion Item

Mr. Haselkamp spoke to the Board regarding the 457 and the 401 (a) that replaced the Pension. He indicated that the 401(a) it is now a retirement placement vehicle and not the responsibility of the Pension Board. The Town might want to set up a separate Board that would provide investment options for employees as well as educating them.

Overpaid Pension Update – Robert Nicola, Esq.

Ms. Pires presented the update provided by Attorney Nicola. As requested, the Board agreed to have Attorney Nicola pursue payment due from Katherine Teasley. It was noted that she stopped making her agreed upon payment of \$25 per month.

Ms. Pires moved, seconded by Mr. Ponzio, to have Attorney Nicola pursue payment due from Katherine Teasley.

Vote: 7-0-0

Approval of Pension Benefits

Mr. Ponzio moved, seconded by Mr. Daley, to approve the Pension Benefits as presented and amended to reflect the start date of 9/1/2015 for Joyce Augustinsky.

Vote: 7-0-0

Approval of Minutes July 28, 2015

Mr. Ponzio moved, seconded by Ms. Pellitteri, to approve the minutes of the July 28, 2015 meeting, as presented.

Vote: 6-0-1 (abstained: Meisner)

Discussion Item

The Chair indicated that the Board would review the Investment Policy in the second quarter of 2016.

Other

By unanimous consent the Board approved the meeting schedule for 2016. The meetings will be held in the Town Hall and commence at 630 p.m. on the following dates:

- Tuesday, January 26, 2016
- Tuesday, April 26, 2016
- Tuesday, July 26, 2016
- Tuesday, October 26, 2016

By unanimous consent the Board adjourned at 7:53 p.m.

Respectfully submitted,

Phyllis C. Collier
Pension Board Clerk