

TOWN COUNCIL
Town of Trumbull
CONNECTICUT
www.trumbull-ct.gov

TOWN HALL
Trumbull

TELEPHONE
(203) 452-5000



MINUTES
AUGUST 3, 2015

CALLED TO ORDER: Chairman Massaro called the meeting to order at 8:04 p.m. All present joined in a moment of silence and the Pledge of Allegiance.

Present:

Chairman Carl A. Massaro Jr.
Mark S. LeClair
Kenneth M. Martin, Sr.
Vincent DiMasi Jr.
Ann Marie Evangelista
Enrico R. Costantini

Donna Seidell
Cynthia L. Penkoff
Lori Rosasco Schwartz
Bethany Llodra Gilman
Ennio DeVita,
Daniel Marconi

Vicki Tesoro
Joseph G. Pifko
Tony Scinto
Scott Wich.

ABSENT: Suzanne Testani, Edna Colucci, Mary Beth Thornton, Michael London and Antonio Pettiti

ALSO PRESENT: Director of Public Works John Marsilio, (arrived at 8:16), Town Engineer Frank M. Smeriglio, P.E. , Town Attorney Dennis Kokenos, Christine Kurtz of Wright Pierce, First Selectman Timothy Herbst, Chief of Staff Lynn Arnow, WPCA Members Chairman Jeffrey Wright, Vice Chairman Fred Palmieri, John Gray and Richard Boggs, Alternate

The Chair welcomed the WPCA and explained there is an item on the agenda with the WPCA in executive session.

WPCA Chairman Jeff Wright called the WPCA special meeting to order at 8:05 p.m. Motion made by Mr. Palmieri, seconded Mr. Gray to open the special meeting. Motion CARRIED unanimously.

Town Council Chairman Massaro stated the council would call the WPCA back for the joint executive session and suggested the commission stand in recess.

Motion made by Mr. Palmieri, seconded by Mr. Gray to call a recess. Motion CARRIED unanimously. The WPCA special meeting recessed at 8:07 p.m.

Mr. Pifko stated that in today's world we are bombarded by what is wrong with our world, but this weekend he saw what was right with our community. He went to see TYA's presentation of Mary Poppins. The show was spectacular from the acting to the makeup and music. The technical gymnastics of Mary Poppins flying over the auditorium were fantastic. It was truly a professional production, kudos to the youth in Trumbull for participating, to the parents and staff that worked on the production. As Mary Poppins would say, "It was practically perfect".

The Chair stated the recent St. Vincent's Swim Across the Sound event was successful. The Chair works the event every year and wanted to recognize Town Council member Ken Martin, Sr. who was on one of the relay teams. He swam on the Hot Oil team from the Colony Grill. Their team alone raised \$16,000. The Chair extended his gratitude on behalf of the council to Mr. Martin.

PUBLIC COMMENT:

There was one person present to speak. (Public Comment Attached)

Motion made by Ms. Penkoff, seconded by Mr. Marconi to take the RESOLUTION TC25-188 Public Hearing out of order. VOTE: Motion CARRIED unanimously.

The Chair OPENED the Public Hearing for RESOLUTION TC25-188 at 8:14 p.m.
There were two (2) people present to speak. (Public Hearing Comment Attached)
The Chair CLOSED the Public Hearing at 8:16 p.m.

APPROVAL OF MINUTES: Motion made by Mr. LeClair, seconded by Ms. Rosasco Schwartz to accept the July 6, 2015 meeting minutes as submitted.
VOTE: Motion CARRIED 14-0-1 (ABSTENTION: Scinto)

DISCUSSION ITEM:

▪ ANNUAL PENSION REPORT

Town Treasurer John Ponzio and Chairman of the Pension Board, Mr. James Lavin were present to review the Pension Report Memorandum (Attached) with the Town Council. The Executive Summary states it was a difficult year and did not do as well as the previous year, although is now moving in the right direction. The Pension Board met on 7-25-15 and approved an investment policy which will be important to the current and future board. 2014's investment was below par. Overall there has been a positive trend over the past 5 years and are over the \$28.5 million range. All very positive. Last year they had their biannual actuarial report. The Town is making contributions at higher levels not done in the past and hopes the trend continues. Mortality tables show we are living longer, which is good news for people, but will cost more. Page 3 represents the number of participants in the pension and is moving ahead on the funded ratio. A number of adjustments have been made to the portfolio which is discussed at all quarterly meetings.

Mr. Ponzio stated the Wall Street Rating Agencies are following these plans closely. Five and half years ago when this administration first came into office the Wall Street firms were threatening to downgrade the Town's rating, due to the low 27% funding of our Town pension

obligations and for 30 years of neglected funding. The Town is about to go into the bond market again with probably the lowest amount of bonded debt in the last six years. The tone of the rating agencies is completely different now. Instead of asking, "What are you going to do?" They are now saying, "Wow you have made significant progress". The goal from the beginning was to get to a AAA bond rating. To get to the AAA rating, the pension plan has to be fixed. The progress made has been significant in the eyes of the rating agencies. They are now considering this upgrade to the Town's rating. Thanks to the Town Council's support we were able to reach this point of consideration. The pension was the albatross but no longer is. The Town is being recognized for what the BOF, Town Council and administration has accomplished in getting this pension plan back online. We have been able to get to the AA+ rating and would like the opportunity to take it to the next level.

Mr. Lavin explained for Mr. Wich that they have met with Town's advisors/investors in effort to improve the pension fund performance. As noted on page 2 of the report, investment manager changes have been made. The market has been volatile over last couple of months. They have looked at the return assumptions very closely. Mr. Ponzio stated in 2013 they had an excellent return of 17.2%. The pension investments are long range. This was a tough first half of the year. Mr. Ponzio explained for Ms. Tesoro that the year has been difficult but it is indicative of what the DOW has done. The market had an excellent year in 2013; it did not have a good year in 2014. Mr. Lavin stated 2015 has also been difficult. The benchmark used to measure themselves was 1.7. They did do better than that at 2.1.

▪ SENIOR/COMMUNITY CENTER & LIBRARY STUDY AND BUILDING COMMITTEE

Mr. Pifko and Mr. Marconi Co-Chairs of the Senior/Community Center & Library Study and Building Committee were present. Members of the committee were also in the audience.

Mr. Pifko extended his gratitude to the committee. It has been a bi-partisan effort where all are working together towards a common goal. Mr. Pifko as well as Mr. Marconi are proud to lead the committee. The committee has been organized as a "Working Think Tank". Individuals are encouraged to break down paradigms. Anything is possible. The committee's first task was to see where they are and toured the current Senior Center, sat with the Director and learned what the rooms were and how they were used. From there they decided to tour area centers, (The Baldwin Center in Stratford, Fairfield, Easton, Monroe and Greenwich Senior Centers). Some members of the committee also visited the Shelton Senior Center and the Jupiter, Florida Senior Center. Each of the trips involved a tour of the building and a lengthy discussion with the directors. The Florida Senior Center is a hybrid of a senior & community center. Some of the centers looked great on paper but after discussions with the people and directors they learned those had many issues. It was important to ask a lot of questions to find what it was liked, what was disliked and what the needs were. The committee met with the Library Board as part of their charge. They are in the process of a strategic plan, so knowing that this committee will wait until they are done and submit their strategic plan to the committee. The committee attended the library's public hearing and was able to hear what the public wanted in their library. It was very informational. The committee is setting up two (2) surveys; one for the seniors in Town asking what their likes and dislikes are of the current senior center including location, and programs and the other survey will be for the whole Town about a community center. The committee will meet this week to set a date for a public hearing to hear what people think about the entire plan. They have met with the Director of Public Works and were advised the committee should decide what

it wants first then decide where they want it to be. Mr. Pifko stated that the committee thought about that and decided they do need to know what their options are with regard to sites, so they will meet with the Economic Development Director to see what inventory is available in Town. The committee is now meeting every two weeks as opposed to once a month and has helped quite a bit. The committee will be seeking professional advice from an architect and will be coming to the BOF and the Town Council for funding. They will also be asking the council for additional members they need someone who is proficient in building and/or engineering. Mr. Marconi stated they have been at several centers and all are very willing to speak with them, but the committee is focused on the facilities and what is required. They have been focusing on how many square feet is necessary to make the center run. Everyone seems to have scheduling issues, which is a universal issue. If programs grow the centers are out of space almost immediately.

Ms. Penkoff stated growing out of space is the universal issue. Mr. Pifko indicated for Ms. Penkoff that Monroe was the newest center visited. It looks great but their days are spent setting things up and breaking things down. The most functional building they saw was an old school in Fairfield. A classroom size is the perfect size for a meeting room; they split the gymnasium in half and also had an auditorium. Easton was very homey with sofas and chairs but what was needed was most heard was that above all everyone wants a coffee shop. People in Town want a place to meet whether it is a senior center or a community center. Mr. Pifko stated the top three items needed beyond space are: storage, usable kitchens, and multi-purpose rooms. Mr. Marconi added a key fob or computer for entry into the center. Mr. Pifko stated that all of the centers they visited with the exception of one used key fob swipes to enter the building. This retrieves important data of who has entered and what programs the person is attending. Mr. Marconi stated those that offer meals have to sign up for the meals the day before. The facilities visited ran the whole spectrum from membership fees to being free for town residents. Mr. Pifko stated there is a facility in New Jersey called the Connection. It works in conjunction with the Town but is privately managed, families pay a yearly fee (approximately \$200). It offers yoga, dance classes, swimming for all ages and more for this yearly fee. This is a model they worth looking at.

Mr. Marconi stated it was interesting to find out how many people go to multiple centers. Mr. Pifko stated age requirements affected how many people attended a center. Centers that were 65+ years of age limited the number of people attending. The Baldwin Center in Stratford is 55+ and is a whole different center in terms of attendance. The name of the center was also a factor. There is a prejudice when attaching an age group to the name.

Mr. Pifko indicated for Ms. Evangelista the average square footage of the centers visited was 28,000-30,000 sf. The Baldwin Center was 40,000 sf, but was multiple levels. The Jupiter Florida center had their administration and the Town meeting rooms on the upper levels. They have determined it is important for the seniors to have their portion on one level.

This is a longer process than thought. The library is doing their study and will be very beneficial to this committee. Mr. Pifko indicated for Ms. Tesoro that the senior survey has not gone out yet, it is almost ready. The survey for the Town will go out shortly and the committee is about to select a date for the public hearing. The committee will definitely be present at the hearing. The format of the meeting is yet to be determined.

Mr. Pifko indicated for Mr. Martin the committee will need to determine what locations are available for the proposed center that are town owned. If they were to look at private

locations that would most likely be discussed in executive session if discussing values. At this point that will look at Town owned options.

BUSINESS:

*The Chairman reserves the right not to vote unless otherwise noted.

1. RESOLUTION TC25-182: Motion made by Ms. Penkoff, seconded by Mr. Marconi.
BE IT RESOLVED, That \$20,000 is hereby appropriated from the Tashua Knolls Golf Enterprise Fund to 21100000-581888 Capital Outlay.

Committee Report: The Legislation & Administration Committee met on July 28, 2015 and voted unanimously.

VOTE: ADOPTED unanimously.

1. RESOLUTION TC25-184: Motion made by Ms. Rosasco Schwartz, seconded by Ms. Evangelista.
BE IT RESOLVED, That First Selectman Herbst is hereby authorized to sign and execute any documents for the State Department of Education Youth Services Bureau grant for funding to the Mary J. Scherlach Counseling Center.

Committee Report: The Legislation & Administration Committee met on July 28, 2015 and voted unanimously.

VOTE: ADOPTED unanimously.

2. RESOLUTION TC25-187: Moved by Ms. Llodra Gilman, seconded by Ms. Penkoff.
BE IT RESOLVED, That funding for a labor agreement between the Trumbull Police Union Local 1745 Council #15, AFSCME, AFL-CIO beginning on July 1, 2015 and ending June 30, 2016 is hereby approved.

Committee Report: The Legislation & Administration Committee met on July 28, 2015 entered into Executive Session to discuss contract negotiations and voted unanimously.

The Chair stated the union rank and file has ratified the agreement so a Council vote against this resolution would send it to arbitration. The council has been informed of the agreement. Ms. Tesoro stated the Appendix A referenced in the tentative agreement was never attached and requested since the signed tentative agreement was sent out to the Council after the committee meeting that in the future a chart accompany it outlining any changes if there were any between documents.

VOTE: ADOPTED unanimously.

3. RESOLUTION TC 25-188: HELD IN COMMITTEE
BE IT RESOLVED AND ORDAINED, That an ordinance entitled Protection of Private Personal Information is hereby established. (Full Ordinance Attached)

DISCUSSION ITEMS Continued:

- Executive Session Only - Trumbull WPCA Litigation Matters

MOTION made by Mr. Marconi seconded by Mr. Pifko to enter into executive session to discuss pending WPCA litigation with the following present: WPCA members, Chairman Jeffrey Wright, Vice Chairman Fred Palmieri, John Gray, Richard Boggs, Alternate, John Marsilio, Director of Public Works, Frank M. Smeriglio, PE, Town Engineer, Dennis Kokenos, Esq. Town Attorney, Christine Kurtz of Wright Pierce, First Selectman Timothy Herbst, Chief of Staff Lynn Arnow, Town Council Members, Chairman Carl A. Massaro, Jr., Mark S. LeClair, Kenneth M. Martin, Sr., Vincent DiMasi Jr., Ann Marie Evangelista, Enrico R. Costantini, Donna Seidell, Cynthia L. Penkoff, Ennio DeVita, Lori Rosasco Schwartz, Bethany Llodra Gilman, Daniel Marconi, Vicki Tesoro, Joseph G. Pifko, Tony Scinto, and Scott Wich.

VOTE: Motion CARRIED unanimously.

The Town Council and the WPCA entered into executive session at 9:06 p.m.

The WPCA MOTIONED AND VOTED To enter executive session with the Town Council and the additional persons moved by the TC to enter executive session with it.

Motion made Ms. Penkoff seconded Ms. Rosasco Schwartz to end executive session at 10:32 p.m. Motion CARRIED unanimously.

The WPCA also MOTIONED and VOTED to end executive session at 10:32 p.m.

The WPCA adjourned its meeting.

There being no further business to discuss and upon motion made by Ms. Rosasco Schwartz, seconded by Ms. Penkoff the Trumbull Town Council adjourned at 10:33 p.m. by unanimous consent.

Respectfully Submitted,

Margaret D. Mastroni, Town Council Clerk

PUBLIC COMMENT August 3, 2015 Town Council Regular Meeting:

Marshal Marcus of 91 Stonehouse Road was present. Mr. Marcus stated he was present to speak to RESOLUTION TC25-188 held in committee and is on this agenda for a public hearing. Mr. Marcus is in favor of the resolution and would like to see words added to the resolution, noting that it is a simple house keeping issue. This would protect certain residents of Trumbull that are not listed in the proposed ordinance. Section 1, entitled Definitions, subsection b. currently as: “Protected Information” shall mean the Social Security Number, Driver’s License Number, State Identification Card Number, Credit or Debit Card Number, Taxpayer Identification Number, Date of Birth ... and so forth. Mr. Marcus would like language added to protect those who are here legally but are not citizens of the U.S. such as exchange students or people with alien registration cards, and older citizens who do not drive. The suggested language would be inserted after the words “State Identification Card Number” and are as follows: “or any government issued identification document number”.

PUBLIC HEARING August 3, 2015 for RESOLUTION TC25-188:

There were two (2) people present to speak.

1. Marshal Marcus of 91 Stonehouse Road was present and asked that his previous comments be added to the RESOLUTION TC25-188 Public Hearing record. His comment is as follows: Mr. Marcus stated he was present to speak to RESOLUTION TC25-188 held in committee and is on this agenda for a public hearing. Mr. Marcus is in favor of the resolution and would like to see words added to the resolution, noting that it is a simple house keeping issue. This would protect certain residents of Trumbull that are not listed in the proposed ordinance. Section 1, entitled Definitions, subsection b. currently as: “Protected Information” shall mean the Social Security Number, Driver’s License Number, State Identification Card Number, Credit or Debit Card Number, Taxpayer Identification Number, Date of Birth ... and so forth. Mr. Marcus would like language added to protect those who are here legally but are not citizens of the U.S. such as exchange students or people with alien registration cards, and older citizens who do not drive. The suggested language would be inserted after the words “State Identification Card Number” and are as follows: “or any government issued identification document number”.
2. Mr. Tony D’Aquila of 29 Valley View Road was present and indicated his concern that the ordinance was held in committee and the fact that there is a public hearing on the matter. He did speak with the Chair and it is recommendation that the Chair continue the public hearing until such time the L&A Committee releases the proposal with either a positive or negative recommendation. This will give everyone an opportunity to hear what the final version will be. It is premature to have a public hearing at this time but understands that a public hearing was scheduled and the Chair wants to encourage people to speak.

RESOLUTION TC25-188

Personal Information Privacy Ordinance

Whereas, the Town of Trumbull recognizes the significance of maintaining and protecting the private information of its residents and intends to protect such information to the greatest extent practicable, the Town of Trumbull hereby enacts the following Personal Information Privacy Ordinance.

1. Definitions.
 - b. “Disclose” shall mean to reveal, release, transfer, disseminate or otherwise communicate Protected Information orally, in writing or by electronic or any other means other than to the subject of the Protected Information.
 - c. “Protected Information” shall mean the Social Security Number, Driver’s License Number, State Identification Card Number, Credit or Debit Card Number, Taxpayer Identification Number, Date of Birth, Financial Account Number, Health Information, Home Address and, in the case of minor children, Name, recorded or maintained by any means, including through physical or electronic records, of any resident of the Town of Trumbull.
 - d. “Town” shall mean The Town of Trumbull, including all officials, employees, departments, boards and commissions of the Town, but excluding the Town’s Board of Education and its officials, employees or volunteers while in the performance of their duties to the Board of Education;
 - e. “Town-Related Organization” shall mean all organizations which enter into contracts or other agreements with the Town for: (i) the use of Town facilities or properties in order to provide goods, services or programs within the Town; or (ii) the use of Town-provided services to assist in the maintenance or operation of the organization.
2. Collection of Protected Information. The Town and Town-Related Organizations, as the case may be, may only collect Protected Information to the extent reasonably necessary to: (a) comply with legal obligations, or (b) conduct their operations.
3. Maintenance of Protected Information. The Town and Town-Related Organizations, as the case may be, shall implement reasonable safeguards to prevent the unauthorized disclosure of Protected Information.
4. Use and Disclosure of Protected Information. The Town and Town-Related Organizations, as the case may be, shall not disclose Protected Information except: (a) to the extent necessary to comply with legal obligations, or (b) as may be reasonably necessary to carry out the functions of the organization. In all such instances, use or disclosure shall be limited to the greatest extent practicable. Nothing herein shall be construed to prohibit the use or disclosure of such information by or among employees, volunteers or officials of the Town or Town-Related Organization, as the case may be, in the course of performing their regular duties.

5. Disposal of Protected Information. With regard to the disposal of records containing Protected Information, the Town and Town-Related Organizations shall: (1) shred the record before the disposal of the record; or (2) destroy the Protected Information contained in the record; or (3) modify the record to make the Protected Information unreadable; or (4) take actions consistent with commonly accepted industry practices that it reasonably believes will ensure that no unauthorized person will have access to the Protected Information contained in the record.
6. Notice of Breaches. The Town and Town-Related Organizations, as the case may be, shall promptly give written or electronic notice to the affected individual(s) of any unauthorized disclosure of Protected Information to entities or individuals other than as permitted by this ordinance.
7. Policies. Within sixty (60) days following enactment of this ordinance, the Town shall implement a written policy effecting the terms herein. Starting sixty (60) days following enactment of this ordinance, the Town shall require any Town-Related Organization to have a written policy implementing this ordinance as a condition for entering into contracts or other agreements with the Town. Town-Related Organizations that adopt the model policy, attached hereto, by approving the policy in accordance with their by-laws or equivalent internal procedures and having the policy signed by the organization's chief executive officer or his/her equivalent, shall be considered as in compliance with this section.
8. Violations. Violations of this ordinance by Town employees, volunteers or officials will subject the violator to appropriate action. Repeated or willful violations of this ordinance by Town-Related Organizations shall, within the reasonable discretion of the First Selectman, result in the disqualification of the Town-Related Organization from using Town facilities or properties, or the use of Town-provided services to assist in the maintenance or operation of the organization, for a period not to exceed two (2) years.
9. Non-Assumption of Liabilities. Nothing herein is intended nor shall be construed as an assumption by the Town of any obligations or liabilities of any Town-Related Organization, including but not limited to those that may arise by reason of this ordinance.
10. Savings Clause. Nothing in this Ordinance is intended nor shall be construed to abridge or diminish any additional or greater protections afforded to the residents of Trumbull under federal or state law.

MODEL POLICY

In recognition of the importance of maintaining the privacy of certain information that _____ (name of organization) may collect in the course of its operations, _____ (name of organization) implements the following policy for its Board members, executives, employees and volunteers.

We will safeguard Protected Information (i.e., the Social Security Number, Driver's License Number, State Identification Card Number, Credit or Debit Card Number, Taxpayer Identification Number, Date of Birth, Financial Account Numbers, Health Information, Home Address and, in the case of minor children, Name, recorded or maintained by any means, including through physical or electronic records, of any resident of the Town of Trumbull) in the following manner.

1. We will only collect Protected Information to the extent reasonably necessary to: (a) comply with legal obligations, or (b) conduct our operations.
2. We will implement and maintain reasonable safeguards to prevent the unauthorized disclosure of Protected Information.
3. We will not disclose Protected Information except: (a) to the extent necessary to comply with legal obligations, or (b) as may be reasonably necessary to carry out the functions of our organization. In all such instances, use or disclosure shall be limited to the greatest extent practicable.
4. With regard to the disposal of records containing Protected Information, we will: (1) shred the record before the disposal of the record; or (2) destroy the Protected Information contained in the record; or (3) modify the record to make the Protected Information unreadable; or (4) take actions consistent with commonly accepted industry practices that we reasonably believe will ensure that no unauthorized person will have access to the Protected Information contained in the record.
5. We will promptly give written or electronic notice to the affected individuals of any unauthorized disclosure of Protected Information.

Signed:

Chief Executive Officer

(name of organization)

Dated: _____

**PENSION
BOARD**



Town Hall
5866 Main Street
Trumbull, Connecticut 06611

Date: May 20, 2015
To: Timothy M. Herbst, First Selectman
Subject: Pension Board Update

Below is a brief update on the performance, activities and initiatives for calendar year ending 2014.

Executive Summary:

(All numbers calendar year based)

- We continue to make financial and administrative progress.
- Net cash flows for calendar year 2014 were positive, because of large make-up contributions, as they were in 2012 and 2013.
- The fund returned 4.5% for 2014. This compares with the U.S. public pensions reported median returns of 6.8 percent according to Wilshire Associates.
- The funded ratio is 35% for 2014 as compared to 32% for 2013; as of March 31, 2015, the funded ratio is 38.5%.
- Administrative changes now provide for a monthly "flash report" of how investments are performing as well as an annual governance calendar to guide quarterly meeting agendas.
- Development of an Investment Policy Statement continues.

Pension Investments:

Investment returns for 2014 were 4.5%, which was lower than the actuarial return assumption of 7.5%; however, the annualized 3 and 5 year results for this same period were 11.3% and 9.3% respectively, higher than the 7.5% return assumption.

The low annual return can be attributed to the fluctuations in the market. Although the S&P 500 Index gained 13.7% in 2014, smaller names in the U.S. were up less than 5% and international equities posed negative returns (~-4.0%) during the year.

Although the attributes associated with diversified portfolios over the longer term tend to be favorable with a more stable investment return, this did not occur in 2014. However, this trend appears to be changing in 2015, and the benefits of having a globally diversified portfolio such as ours are once again emerging.

Calendar Year	2014	2013	2012	2011	2010
Investment Performance	4.5%	17.2%	12.5%	(0.9%)	14.0%
Plans Assets (millions)	\$27.5	\$24.9	\$20.5	\$17.8	\$18.3
Town Contributions	\$ 4.8	\$ 4.1	\$ 3.3	\$ 2.6	\$ 2.1
a. Current	\$.9	\$ 1.1	\$ 1.1	\$ 1.2	\$ 1.2
b. Make-up	\$ 3.9	\$ 3.0	\$ 2.2	\$ 1.4	\$ 0.9
Employee Contributions	\$.9	\$.9	\$.9	\$.8	\$.8
Less: Payments	\$ 4.3	\$ 4.2	\$ 3.9	\$ 3.7	\$ 3.6
Net Cash Flow (thousands)	\$1,379	\$779	\$264	(\$292)	(\$781)

Investment manager changes made by the Pension Board are shown below:

- Thornburg International Value was sold and replaced by Dodge & Cox Int'l Stock during the second quarter of 2014.
- Pimco Total Return was replaced by two fixed income firms namely Western Asset Core Plus Bond (50%) and Met West Total Return (50%) during the fourth quarter of 2014.

Actuarial Report:

The plan actuary Bryan, Pendleton, Swats, & McAllister, LLC (BPS&M) performed the biennial valuation. A special meeting was held on December 9, 2014, to review results. Key highlights follow:

- The Annual Recommended Contribution on a fiscal year basis (July 1, 2014 – June 30, 2015) is \$4,144,000, comprised of two parts: normal contribution \$885,000 and make-up contribution \$3,259,000.
- Return assumption of 7.5% remains the same and is considered reasonable. If returns miss that target, plan costs will increase.
- The Government Accounting Standards Board has overhauled their reporting requirements for municipal pension plans effective June 30, 2014.
- Mortality Tables used reflect longevity increases for participants thereby increasing plan costs.
- Active participants are declining due to the plan being closed to new hires.
- Salary Increase assumption was changed from 4% to 3.5%. This would decrease plan costs.

See the chart below for valuation results:

	July 1, 2014	July 1, 2012	July 1, 2010	July 1, 2008
Participants				
Active	376	436	453	433
Deferred Vested	68	74	69	79
Receiving Benefits	340	325	320	288
Total	784	835	842	800
Total Liabilities	\$71,162,375	\$67,905,000	\$62,863,043	\$57,704,539
Actuarial Value of Assets	\$24,997,527	\$19,096,003	\$16,807,159	\$19,572,031
Funded Status (unfunded)	(\$46,164,848)	(\$48,808,997)	(\$46,055,884)	(\$38,132,508)
Funded Ratio	35.1%	28.1%	26.7%	33.9%

Operations:

The quarterly schedule of meetings was advanced one month to match quarterly reports in a more timely way. Moreover, the Investment Advisor, Fiduciary Investment Advisors provides a monthly "Flash Report" to provide more timely information on investment performance.

The new governance schedule is below:

1 st Qtr: Fee Focus	2 nd Qtr: Practice & Policy Focus
<ul style="list-style-type: none"> Investment Review Administrative fee review Portfolio expense analysis 	<ul style="list-style-type: none"> Investment Review Investment policy statement review Legislative update
3 rd Qtr: Asset/Liability Focus	4 th Qtr: Pension Landscape
<ul style="list-style-type: none"> Investment review Annual actuarial review* Asset Allocation review 	<ul style="list-style-type: none"> Investment review Pension landscape update Market environment overview

*Timing of actuarial and liability review dependent on client's individual plan and/or fiscal year and actuarial input.

Long Term Improvement Plan:

The following has already taken place this year:

- The Inflation Protection segment was liquidated during the first quarter of 2015. This segment represented a target allocation of 5% and consisted of three funds, Vanguard Short Term Inflation Protected Securities, Credit Suisse Commodity Return and Van Eck Global Hard Assets. Liquidation proceeds were allocated to existing funds and asset class targets were adjusted as follows: Fixed Income allocation from 30.0% to 32.5%; the Domestic Equity allocation from 45.0% to 46.25%, and the International Equity allocation from 20.0% to 21.25%.

The following recommendations are in progress:

- Development of an Investment Policy Statement.
- Discuss procedure and schedule for reviewing 401a and 457b Plan investments.
- Consider annual actuarial valuation reports versus biennial valuation reports.

One personnel change was the addition of Mr. James Meisner to fill the vacancy occurring when Mr. Michael Charland resigned.

The Town of Trumbull's commitment to fund its Pension Plan at the annual required contribution including the make-up contribution will continue the financial improvements we have seen in recent years. The Pension Board understands the need for the administration to weigh all town financial concerns and it appreciates the ongoing support for the Retirement Plan. We welcome the opportunity to meet with you and accept ideas and recommendations for improvement.

Respectfully submitted,

The Pension Board

James Lavin
Chairman

John Ponzio

Maria Pires

Donna Pellitteri

James Daly
Secretary

Michael Knight

James Meisner