

**TOWN OF TRUMBULL
Pension Board Minutes
Special Meeting
November 29, 2016**

CALL TO ORDER

Chairman Jim Lavin called the Pension Board meeting to order at 7:00 p.m. at the Town Hall, Trumbull, Connecticut.

ATTENDANCE

Members present were as follows:

PRESENT

James Lavin
Donna Pellitteri
Maria Pires
James Daly
Patrick Clark

ABSENT

James Meisner
Anthony Musto

Also present: Beirne Wealth Consulting

Introduction of Beirne Wealth Consulting

Mr. Lavin introduced Tricia Brady, J.R. DeFrancesco and Jim Betzig. Mr. DeFrancesco is the point of contact, the day-to-day operations person. Mr. DeFrancesco indicated that he had spoken with FIA and was able to compile our information into their system, culminating in a seamless transition. In addition, Gina Acri from Wells Fargo has met with them and they now have everything they need.

Investment Update – 3rd Quarter – Jim Betzig

The election surprised everyone in the market. This is the best season, the fourth quarter, for the markets. Also after an election, you usually get a run-up no matter who is elected. The thought that interest rates may rise has hurt the Bond market. The 10-year bond has moved from 1.7 to 2.3, 60-basis points in the last three weeks indicating. This indicates that the market is expecting something to happen that would get the Bond Market moving in the opposite direction to stimulate inflation. The Feds are going to meet over the next 2 weeks and will probably raise rates .25% and it is already built into the market. If this is the norm, then income will be affected.

In terms of stocks, International has been hit hard and if he imposes tariffs, countries will retaliate, which we think that would be a bad economic move. Domestically, drug stocks came back somewhat, infrastructure stocks have gone up, and the banks have gone up dramatically because supposedly Dodd-Frank will be repealed. Technology has gone down.

We have underperformed our benchmarks over time. We need to fund the ARC and get better investment returns. The Total Plan value as of 9/30 was \$29,822,309; YTD the Fund was up 5.97%; the blended benchmark is up 7.12%; therefore, we were under the benchmark 1.15%.

He indicated he wants to concentrate on the managers. They have been decent over the long run. He is concerned with the domestic equities. He indicated that we have the core satellite approach: the core is the Vanguard S&P 500 and then there two satellite managers Diamond Hill large cap and Mainstay large cap. The two satellites have underperformed significantly; in a core satellite relationship core is supposed to match the market and satellite is supposed to outperform.

Small and mid-cap will do well in a rising rate environment, since these markets do not export overseas. This enables them to do well in a restricted environment. We need to get more small and mid-cap exposure. Fixed income is t 37% and in a rising interest environment fixed income will be negative. We should look at cutting Black Rock; it has not performed well.

He indicated that he recommends taking 15% of the total portfolio and investing it with five alternative investment managers. He reviewed alternative investments with a standard deviation that is almost the same as the Bond Market in order to get an annualized return that is almost the same as the S&P. This is how he feels we can get performance on track.

Approval of Pension Benefits:

Margaret Metzger	\$1,368.14	7/1/2016
Arlene Millbauer	1,361.37	7/1/2016
Marcia Mastroianni	478.70	7/1/2016
Thomas Zadlo	3,051.92	9/1/2016
Margaret Cook	2,064.80	10/1/2016
Wanda Sharp	392.35	7/1/2016
William Connolly	\$1,997.56	10/1/2016

Approval of Contribution Distributions:

Wendy Broadbent	49,721	7/31/2016
-----------------	--------	-----------

Mr. Daly moved, seconded by Ms. Pires, to approve the Pension Benefits and Contribution Distributions, as presented.

Vote: 5-0-0

Approval of Minutes

By unanimous consent the Board added the Minutes for the August 30, 2016 to the Agenda for approval.

August 30, 2016

Mr. Daly moved, seconded by Ms. Pires, to approve the August 30, 2016 minutes as presented.

Vote: 4-0-1 (abstain: Clark)

October 24, 2016

Ms. Pires moved, seconded by Mr. Clark, to approve the October 24, 2016 minutes as presented.

Vote: 4-0-1 (abstain: Pellitteri)

October 25, 2016

Ms. Pires moved, seconded by Mr. Daly, to approve the October 25, 2016 minutes as presented.

Vote: 4-0-1 (abstain: Pellitteri)

November 1, 2016

Mr. Clark moved, seconded by Mr. Daly, to approve the November 1,, 2016 minutes as presented.

Adjournment

By unanimous consent, the meeting was adjourned at 7:50 p.m.

Respectfully submitted,

Phyllis C. Collier, Pension Board Clerk