

**TOWN OF TRUMBULL
PENSION BOARD
Meeting**

In accordance with Sec. 1-19 of the General Statutes Right-to-Know Law, the Pension Board will have a meeting on Tuesday, January 16, 2024 at 7:00 P.M. at the Town Hall.

A G E N D A

Call to Order

Election of Officers

Investment Update – 4th Quarter – Beirne Wealth Consulting

Approval of Pension Benefits:

Kathryn Drobish	9/1/2023	\$1,027.23
Manal Gilman-Greenan	11/1/2023	\$1,064.49

Approval of Contribution Refunds

Helen Aslasky	10/31/2023	\$6,174.27
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Investment Policy – Review / Update

Annual First Selectman’s Letter 2023 – Discussion

Approval of Minutes – October 24, 2023

Adjournment

PRELIMINARY REPORT PREPARED FOR:



beirne.

Your Strategic Partner for Defined Benefit Plans

Month Ending 12/31/2023

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Periods Ending 12/31/23

Name	1 Month	Last 3 Months	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years
US Equity								
Russell 3000 Index	5.3	12.1	26.0	8.5	15.2	11.5	13.8	12.5
S&P 500 Index	4.5	11.7	26.3	10.0	15.7	12.0	14.0	13.0
Russell 1000 Index	4.9	12.0	26.5	9.0	15.5	11.8	14.0	12.8
Russell 1000 Growth Index	4.4	14.2	42.7	8.9	19.5	14.9	16.7	11.5
Russell 1000 Value Index	5.5	9.5	11.5	8.9	10.9	8.4	11.1	13.6
Russell Midcap Index	7.7	12.8	17.2	5.9	12.7	9.4	13.6	13.5
Russell 2000 Index	12.2	14.0	16.9	2.2	10.0	7.2	11.3	10.2
Russell 2000 Growth Index	12.0	12.7	18.7	-3.5	9.2	7.2	12.1	6.9
Russell 2000 Value Index	12.4	15.3	14.6	7.9	10.0	6.8	10.3	12.9
International Equity								
MSCI AC World Index	4.8	11.1	22.8	6.2	12.3	8.5	10.8	-
MSCI AC World ex USA	5.1	9.8	16.2	2.0	7.6	4.3	7.2	-
MSCI EAFE Index	5.3	10.5	18.9	4.5	8.7	4.8	7.4	11.1
MSCI Emerging Markets Index	3.9	7.9	10.3	-4.7	4.1	3.0	6.9	-
Fixed Income								
90 Day U.S. Treasury Bill	0.5	1.4	5.0	2.2	1.9	1.2	0.9	5.6
Blmbg. U.S. Aggregate	3.8	6.8	5.5	-3.3	1.1	1.8	2.7	9.4
Blmbg. U.S. Gov't/Credit	3.7	6.6	5.7	-3.5	1.4	2.0	2.8	9.4
Bloomberg U.S. Municipal Bond Index	2.3	7.9	6.4	-0.4	2.3	3.0	4.0	8.6
Blmbg. U.S. Corp: High Yield Index	3.7	7.2	13.4	2.0	5.4	4.6	9.2	10.0
Real Estate								
FTSE NAREIT All REITs Index	8.9	17.6	11.5	5.3	7.1	7.7	10.6	9.8
NCREIF Property Index	-	-	-	-	-	-	-	7.5
Alternatives								
Barclay Hedge Fund Index	2.8	5.1	9.3	3.4	6.3	4.5	6.1	-
Inflation								
CPI - All Urban Consumers (SA)	-	-	-	-	-	-	-	3.1

Total Plan

December 31, 2023

	BMV \$	NCF \$	EMV (\$)	% of Portfolio	Month	Quarter	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Plan	46,593,628	-503,365	47,940,616	100.00	3.97	7.54	13.66	3.50	7.77	5.77	6.23	Jul-08
<i>Blended Benchmark</i>					4.90	9.88	16.79	3.55	9.10	6.95	6.98	
<i>60% MSCI ACWI/40% BC Agg</i>					4.41	9.36	15.37	2.21	7.67	5.68	5.56	
Total Equity	25,810,767	-52,366	27,219,797	56.78	5.67	11.10	19.81	5.59	11.36	-	9.96	Jul-16
Domestic Equities	18,778,018	-7,989	19,920,415	41.55	6.13	11.74	21.76	8.75	13.18	-	11.18	Jul-16
Vanguard Institutional Index(VINIX)	8,892,555	-	9,296,150	19.39	4.54	11.68	26.24	9.96	15.66	12.00	13.55	Nov-09
<i>S&P 500 Index</i>					4.54	11.69	26.29	10.00	15.69	12.03	13.57	
iShares Russell 1000 Value ETF(IWD)	1,307,167	-7,989	1,371,575	2.86	5.54	9.49	11.33	8.68	-	-	11.91	Sep-20
<i>Russell 1000 Value Index</i>					5.54	9.50	11.46	8.86	-	-	12.10	
Diamond Hill Large Cap(DHLYX)	2,821,373	-	3,011,269	6.28	6.73	11.48	13.78	7.51	12.39	9.45	10.82	Apr-11
<i>Russell 1000 Value Index</i>					5.54	9.50	11.46	8.86	10.91	8.40	9.78	
AQR Large Cap Multi-Sytle(QCELX)	1,989,631	-	2,098,684	4.38	5.48	10.64	26.21	10.60	14.09	-	11.60	Dec-18
<i>Russell 1000 Index</i>					4.94	11.96	26.53	8.97	15.52	-	13.10	
Vanguard Mid Cap Index Adm(VIMAX)	1,391,964	-	1,491,210	3.11	7.13	12.27	15.98	5.48	12.71	-	10.15	Jan-17
<i>CRSP U.S. Mid Cap TR Index</i>					7.13	12.27	15.98	5.50	12.73	-	10.18	
Vanguard Small-Cap Index Fund Adm(VSMAX)	1,349,468	-	1,488,218	3.10	10.28	13.41	18.20	4.64	11.69	-	9.03	Jan-17
<i>CRSP U.S. Small Cap TR Index</i>					10.28	13.41	18.09	4.61	11.66	-	9.01	
AQR Small Cap Multi-Sytle(QSMLX)	1,025,860	-	1,163,309	2.43	13.40	15.02	24.02	8.62	12.73	-	9.89	Dec-18
<i>Russell 2000 Index</i>					12.22	14.03	16.93	2.22	9.97	-	7.11	
International Equities	7,032,749	-44,377	7,299,382	15.23	4.43	9.37	14.74	-1.62	7.29	-	7.06	Jul-16
American Funds EuroPacific Growth(RERGX)	3,286,503	-	3,450,735	7.20	5.00	10.37	16.05	-2.66	8.04	4.90	6.18	Nov-09
<i>MSCI AC World ex USA Growth</i>					4.81	11.17	14.40	-2.37	7.83	4.91	6.01	
AQR International Multi-Style(QICLX)	1,661,561	-	1,739,847	3.63	4.71	10.34	19.54	5.60	8.50	-	7.42	Dec-18
<i>MSCI AC World ex USA</i>					5.05	9.82	16.21	2.04	7.60	-	6.50	
Vanguard Emerging Markets(VWO)	2,084,685	-44,377	2,108,800	4.40	3.31	7.05	9.26	-3.16	4.79	-	4.01	Dec-18
<i>FTSE Emerging Mkts All Cap China A Inclusion Index</i>					3.59	6.82	9.95	-2.54	5.32	-	4.68	

Total Plan

	BMV \$	NCF \$	EMV (\$)	% of Portfolio	Month	Quarter	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Fixed Income	10,684,754	36,083	11,092,674	23.14	3.47	6.21	7.92	-2.06	2.04	-	1.73	Jul-16
Western Asset Core Plus Bond(WAPSX)	2,007,993	-	2,117,442	4.42	5.45	9.40	6.92	-5.22	0.93	-	1.80	Nov-14
<i>Blmbg. U.S. Aggregate</i>					3.83	6.82	5.53	-3.31	1.10	-	1.42	
Vanguard Total Bond Market Index(VBTLX)	3,090,645	-	3,205,087	6.69	3.70	6.69	5.70	-3.37	1.06	-	1.40	Dec-18
<i>Blmbg. U.S. Aggregate</i>					3.83	6.82	5.53	-3.31	1.10	-	1.45	
Golub Capital BDC 4, Inc.(\$1 mill)[CE]	270,000	25,033	300,000	0.63	1.73	1.73	13.64	-	-	-	14.28	Dec-22
<i>Blmbg. U.S. Aggregate</i>					3.83	6.82	5.53	-	-	-	4.67	
PIMCO Income Instl(PIMIX)	4,533,338	-	4,676,318	9.75	3.15	5.92	9.33	1.06	3.38	-	3.02	Feb-18
<i>Blmbg. U.S. Universal Index</i>					3.79	6.83	6.17	-2.97	1.44	-	1.34	
Greywolf Opportunities Offshore Fund II, LP(\$1 mill)	492,330	-	492,330	1.03	0.00	0.00	14.98	-	-	-	11.40	Oct-22
<i>Blmbg. U.S. Corp: High Yield Index</i>					3.73	7.16	13.45	-	-	-	14.34	
Silver Point Specialty Credit Fund III, LP(\$1 mill)	290,447	11,050	301,497	0.63	0.00	0.00	-	-	-	-	5.37	Apr-23
<i>Blmbg. U.S. Corporate Investment Grade Index</i>					4.34	8.50	-	-	-	-	4.85	
Inflation Protection & Alternatives	6,651,667	-	6,651,667	13.87	0.00	0.00	3.93	4.97	6.60	-	6.60	Dec-16
Boyd Watterson GSA Fund, LP(\$2 mill)	2,021,718	-	2,021,718	4.22	0.00	0.00	-0.96	3.82	5.09	-	5.09	Jan-19
Boyd Diversified Government REIT, Inc.(\$2 mill)	2,149,320	-	2,149,320	4.48	0.00	0.00	4.54	-	-	-	5.55	Sep-22
Boyd Watterson State Govt Fund, LP(\$750K)	804,325	-	804,325	1.68	0.00	0.00	-0.50	5.00	-	-	6.76	Jun-19
Longford Capital Fund II, LP (\$2 million)	1,026,180	-	1,026,180	2.14	0.00	0.00	14.11	2.05	5.94	-	1.73	Jul-17
Longford Capital Fund III, LP (\$2 million)	650,124	-	650,124	1.36	0.00	0.00	9.76	14.62	-	-	4.32	Apr-20
Cash & Equivalents	3,446,441	-487,082	2,976,478	6.21	0.50	1.35	5.10	2.01	1.83	-	1.60	Jul-16
Allspring Gov MMKT(GVIXX)	3,446,441	-487,082	2,976,478	6.21	0.50	1.35	5.10	2.01	1.83	1.21	0.85	Nov-09
<i>90 Day U.S. Treasury Bill</i>					0.47	1.37	5.02	2.15	1.88	1.24	0.91	

Blended Benchmark = BBgBarc US Aggregate TR 32.5% / S&P 500 25% / Russell 1000 Growth 8% / Russell 1000 Value 8% / Russell 2000 5.3% / MSCI ACWI ex USA 21.3%

Approx. 16% of the portfolio is unvalued as of 12/31 and is also only valued quarterly.

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INDEX DEFINITIONS

- Citigroup 3 Month T-Bill measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- Bloomberg Barclays Treasury U.S. T-Bills-1-3 Month Index includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- Bloomberg Barclays Capital US Treasury Inflation Protected Securities Index consists of Inflation-Protection securities issued by the U.S. Treasury.
- Bloomberg Barclays Muni Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- Bloomberg Barclays Muni 1 Year Index is the 1-year (1-2) component of the Municipal Bond index.
- Bloomberg Barclays Muni 3 Year Index is the 3-year (2-4) component of the Municipal Bond index.
- Bloomberg Barclays Muni 5 Year Index is the 5-year (4-6) component of the Municipal Bond index.
- Bloomberg Barclays Muni 7 Year Index is the 7-year (6-8) component of the Municipal Bond index.
- Bloomberg Barclays Intermediate U.S. Gov't/Credit is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- Bloomberg Barclays U.S. Aggregate Index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset backed securities.
- Bloomberg Barclays Global Aggregate ex. USD Indices represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- The S&P 500 is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- The Dow Jones Industrial Index is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- The NASDAQ is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- Russell 3000 is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- Russell 1000 consists of the largest 1000 companies in the Russell 3000 Index.
- Russell 1000 Growth measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- Russell 1000 Value measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- Russell Mid Cap measures the performance of the 800 smallest companies in the Russell 1000 Index.
- Russell Mid Cap Growth measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- Russell Mid Cap Value measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.

- Russell 2000 consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- Russell 2000 Growth measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- Russell 2000 Value measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- Russell 2500 consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- Russell 2500 Growth measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- Russell 2500 Value measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- MSCI World captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- MSCI ACWI (All Country World Index) ex. U.S. Index captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- MSCI EAFE is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- MSCI EAFE Value captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- MSCI EAFE Growth captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- MSCI Emerging Markets captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- Consumer Price Index is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- FTSE NAREIT Equity REITs Index contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- S&P Developed World Property defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- S&P Developed World Property x U.S. defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- Bloomberg Commodity Index is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- HFRI Fund Weighted Composite Index is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- The Alerian MLP Index is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- The Adjusted Alerian MLP Index is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.

DEFINITION OF KEY STATISTICS AND TERMS

- Returns: A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- Universe Comparison: The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- Returns In Up/Down Markets: This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up-market capture ratio is the ratio of the fund's return in up markets to the index. The down-market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- Standard Deviation: Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- R-Squared: This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- Beta: This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- Alpha: The Alpha is the nonsystematic return, or the return that cannot be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- Sharpe Ratio: The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- Treynor Ratio: The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns.
- Tracking Error: Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- Information Ratio: The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing it by the standard deviation of excess return.
- Downside Risk: Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.

Town of Trumbull Pension Board Approvals

January 15, 2024

Name	Address	Credited Svc. Yrs.	Retirement Date	Payment Date	Pension Amount	Option Selected **	Termination Date	Payout a/o Date	Interest Refund (GROSS)
Kathryn Drobish	6769 Main Street Trumbull, CT 06611	29	8/31/2023	9/1/2023	\$1,027.23	2			
Manal Gilman-Greenan	103 Harvest Hill Pooler, GA 31324	11	10/31/2023	11/1/2023	\$1,064.49	1			
Askalsky Helen	2012 Huber Drive Quakertown, PA 18951						8/14/2005	10/31/2023	\$6,174.27
** Optional Forms of Payment Defined:									

- Option 1: Life Income with 10 Years Certain: The normal form of payment of a participant's normal retirement benefit is a ten year certain and life annuity. This benefit will be paid monthly for the life of the participant provided, however, that if the participant dies before receiving 120 monthly payments, the balance of the 120 monthly payments will be paid to his or her designated beneficiary.
- Option 2: Joint and 100% Survivor Annuity: An actuarially equivalent reduced monthly benefit payable to the the participant for his or her life with the provision that, upon the participant's death, 100% of the monthly amount paid to the participant during his or her life will be paid monthly to the participant's surviving joint annuitant (spouse) for the remainder of his or her life.
- Option 3: Joint and 66-2/3% Survivor Annuity: An actuarially equivalent reduced monthly benefit payable to the the participant for his or her life with the provision that, upon the participant's death, 66- 2/3% of the monthly amount paid to the participant during his or her life will be paid monthly to the participant's surviving joint annuitant (spouse) for the remainder of his or her life.
- Option 4: Social Security Option. Early retirement option that is a 10 year certain and life annuity. You collect a greater amount until you reach retirement age and then you receive a lesser amount when you are eligible to collect social security. The two payments are actuarily determined so they are as 1 as possible.

TOWN OF TRUMBULL RETIREMENT PLAN

INVESTMENT POLICY STATEMENT

August 2016
Updated 1/25/2019
Updated 10/30/2019
Updated 1/25/2022

Introduction & Purpose

The Town of Trumbull Retirement Plan (the “Plan”) has been established to provide retirement benefits to those individuals eligible to receive them by authority of the Charter of the Town of Trumbull Section 16. This policy statement outlines the goals and investment objectives for the Plan. This document is intended to provide guidelines for managing the Plan, and to outline specific investment policies that will govern how those goals are to be achieved. This statement:

- Describes the investment objectives of the Plan;
- Defines the responsibilities of the Pension Board and other parties responsible for the management of the Plan;
- Establishes investment guidelines regarding the selection of investment managers and diversification of assets;
- Specifies the criteria for evaluating the performance of the investment managers and of the Plan as a whole.

Investment Objective

The Plan’s assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plan, the Pension Board (the “Board”) has taken into account the financial needs and circumstances of the Plan, the time horizon available for investment, the nature of the Plan’s cash flows and liabilities, and other factors that affect their risk tolerance. Consistent with this, the Board has determined that the investment of these assets shall be guided by the following underlying goals:

- To achieve the stated actuarial target of the Plan;
- To maintain sufficient liquidity to meet the obligations of the Plan;
- To diversify the assets of the Plan in order to reduce risk;
- To achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and of appropriate market indexes.

Formal Review Agenda

- Policy Mix - review at least every five years
- Strategy Mix - review at least once per year
- Performance Review of Policy Mix Relative to Policy Benchmarks - Quarterly
- Performance Review of Strategy Mix Relative to Strategy Benchmarks - Quarterly
- Policy Revisions - as needed
- Review actuarial assumptions and their recommendations yearly

Assignment of Responsibilities

Pension Board - The Pension Board is charged with the responsibility of overseeing the assets of the Plan. To that end, the Board's responsibilities include: establishing and maintaining the Plan's investment policy, objectives and portfolio guidelines with respect to asset allocation, risk parameters, and return evaluation and for specific interpretation of said investment policy, as well as selecting the investment vehicles, and periodically monitoring the performance of investments. The Board, however, may establish rules or other resolutions governing its investment policy and may delegate to the Board members or agents the authority to act. The Board will meet quarterly and may also call special meetings as required. The Board shall discharge its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Board recognizes that some risk must be assumed to achieve the Plan's long-term investment objectives.

Investment Consultant - The Board may engage the services of an Investment Consultant. The Investment Consultant's role is that of a non-discretionary advisor to the Board. The Investment Consultant will assist in the development and periodic review of an Investment Policy Statement and the Plan's asset allocation, conduct manager searches when necessary, monitor the performance of the managers/funds, and communicate on other matters of relevance to the oversight of the Plan.

Custodian - The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plan, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plan accounts (for example, to accommodate distribution needs).

Asset Allocation

The asset allocation target ranges set forth in the below table represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range.

Target Asset Allocation Table

Asset Class	Min Weight	Target Weight	Max Weight	Benchmark Index
Cash & Equivalents	0.0%	0.0%	5.0%	Citigroup 3Mo T-Bill
Fixed Income/Credit	20.0%	20.0%	50.0%	Barclays US Aggregate Bond Index
Domestic Equities	25.0%	50.00%	65.0%	S & P 500 Index Russell 1000 Growth Index Russell 1000 Value Index Russell 2000 Index MSCI U.S. REIT Index
International Equities	10.0%	20.00%	30.0%	MSCI ACWI ex-U.S. Index
Inflation Protection	0.0%	10.0%	20.0%	Consumer Price Index

Rebalancing

The Board, in consultations with its investment consultant, shall direct the rebalance of the Portfolio to its normal targets. Such adjustments should be executed with consideration to turnover, transaction costs, and realized losses over the long term under the following procedures.

1. The investment consultant will use incoming cash flow (contributions) or outgoing money movements (disbursements) of the Portfolio to realign the current weightings closer to target weightings for the Portfolio.
2. The investment consultant may provide a rebalancing recommendation at any time.
3. The investment consultant shall act within a reasonable period of time to evaluate deviation from these ranges.

Selection Criteria for Investment Managers

Investment managers/funds retained by the Plan shall be chosen using various criteria, including but not limited to the following:

- Past results, considered relative to appropriate indexes and other investments having similar investment objectives. Consideration shall be given to both consistency of performance and the level of risk taken to achieve results;
- The investment style and discipline of the investment manager;
- How well the manager's investment style or approach complements other assets in the Plan;
- Level of experience, personnel turnover, financial resources, and staffing levels of the investment management firm or fund.

The Plan will utilize a multi-manager structure of complementary investment styles and asset classes to invest the Plan's assets.

Should additional contributions and/or market value growth permit, the Board may retain additional investment managers to invest the assets of the Plan. Additional managers would be expected to diversify the Plan by investment style, asset class, and management structure and thereby enhance the probability of the Plan achieving its long-term investment objectives.

Securities Guidelines

The Plan's investments may include separately managed accounts and/or mutual funds/co-mingled funds, including marketable and non-marketable alternatives and exchange traded funds. The Board understands that managers have full responsibility for security selection, diversification, turnover and allocation of holdings among selected securities and industry groups, as particularly detailed in the Investment Policy Statement of each of the Plan's separately managed accounts or in the prospectus/offering memorandum for each mutual fund/co-mingled fund/exchange traded fund in the portfolio. No securities will be purchased, or carried, on margin.

With respect to mutual/co-mingled funds, the Board will consider the following to insure proper diversification and function for each of the funds:

1. The mutual fund/co-mingled pool organizations selected should demonstrate: (a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.
2. The mutual fund/co-mingled pool used will generally have at least a full three-year track record, or its equivalent, and the individual fund/pool must have at least \$25 million under management (or, as an organization, \$100 million in the same strategy) at the time of selection.

3. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.
4. With respect to alternative investment strategies, in addition to meeting each of the three above-specified criteria, each alternative investment strategy will include an appropriate number of managers to be considered well diversified. Alternate Investment strategies may generally include: real estate, long/short U.S. equity, global equity, derivatives, distressed debt and other fixed income strategies, currency exposure, arbitrage and event driven strategies, and additional strategies with low correlation to traditional asset classes.

Proxy Voting

Each investment manager is responsible for and empowered to exercise all rights, including voting rights, as are acquired through the purchase of securities, where practical. Each investment manager shall vote proxies in the best interest of the Town of Trumbull Employee. A copy of each firm's guidelines, and/or summary of proxy votes shall be provided to the Board upon request.

Investment Monitoring and Reporting

The Board will review performance of the investments in the Plan on a quarterly basis. Performance monitoring is the mechanism for revisiting the investment selection process and confirming that the criteria originally satisfied remain intact and that an investment continues to be appropriate for the Plan. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going process.

Monitoring should occur on a quarterly basis. The monitoring process will utilize the same criteria that formed the basis of the investment selection decision. In addition, a set of "watch list criteria" may be employed to track important quantitative and qualitative elements, assist in the evaluation process, and focus the Board on potential areas of concern.

Watch list criteria may include the following:

- Performance relative to benchmark performance over various time frames;
- Deterioration of risk-adjusted performance;
- Notable style drift / change in investment objective;
- High manager fees relative to peers;
- Significant organizational or manager change.

Termination of an Investment Manager or Fund

A manager/fund may be terminated when the Board has lost confidence in the manager's ability to:

- Achieve performance and risk objectives;
- Comply with investment guidelines;
- Comply with reporting requirements;
- Maintain a stable organization and retain key investment professionals.

There are no hard and fast rules for manager termination. However, if the investment manager has consistently failed to adhere to one or more of the above conditions, termination may be considered. Failure to remedy the circumstances of unsatisfactory performance by the manager/fund, within a reasonable time, may be grounds for termination.

Any recommendation to terminate a manager/fund will be treated on an individual basis, and will not be made solely based on quantitative data. In addition to those above, other factors may include, but shall not be limited to, professional or Town of Trumbull Employee turnover, or material change to investment processes.

The process for selecting a replacement for a terminated manager would follow the criteria outlined in the section of this Investment Policy Statement titled Selection Criteria for Investment Managers.

Approval

It is understood that this investment policy is to be reviewed annually by the Pension Board to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the investment managers.

TOWN OF TRUMBULL RETIREMENT PLAN:

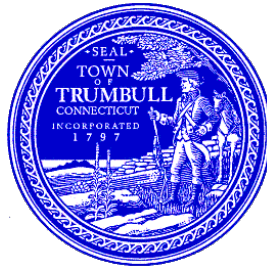
Name: Patrick Clark

Signature: _____

Date: _____

Title: Chairman - Town of Trumbull Pension Board

**PENSION
BOARD**



Town Hall
5866 Main Street
Trumbull, Connecticut 06611

Date: April 25, 2023
To: Vicki A. Tesoro, First Selectman
Subject: Pension Board Update

Below is a brief update on the performance, activities and initiatives for calendar year ending 2022.

Executive Summary:

(All numbers calendar year based)

- Beirne Wealth Consulting, LLC, (Beirne) provided investment advice to the Pension Board from 2017 through 2022.
- The biennial Actuarial Valuation as of July 1, 2022, was completed.
- Net cash flows for calendar year 2022 were negative but positive from 2015 through 2021.
- The fund returned a loss of 13.45% for 2022. This compares with the U.S. public pensions reported median returns of -14.1% as reported by Investor Force Public DB Net Universe.
- The funded ratio was 48%, as of the July 1, 2022 actuarial valuation. It has continued to improve every year since 2014 when it was 35%.
- We continue to receive regular "flash reports" on how investments are performing and follow an annual governance calendar to guide quarterly meeting agendas.

An Investment Policy Statement is in effect and the Board reviews it annually. This year the Board modified the Investment Policy to allow the total allocation to Inflation Protection & Alternatives assets to a high of 20% from the current limit of 10%. No other changes to the investment policy were made at this time.

Pension Investments:

The Investment returns for 2022 realized a loss of 13.45% which was lower than the assumed return rate of 7.25%; the annualized 3 and 5-year results for this same period were 2.42% and 3.60% respectively.

Calendar Year	2022	2021	2020	2019	2018
Investment Performance	(13.45%)	12.70%	10.09%	18.76%	(6.62%)
Plans Assets (millions)	\$42.5	\$50.9	\$43.8	\$ 40.4	\$33.5
Town Contributions					\$ 5.1
a. Current					\$ 1.0
b. Make-up	\$4.0	\$5.3	\$5.3 (total)	\$5.6 (total)	\$ 4.1
Employee Contributions	\$1.0	\$ 8	\$ 9	\$ 0.9	\$1.0
Less: Payments	\$6.3	6.0	\$5.7	\$ 5.8	\$5.5
Net Cash Flow (thousands)	(\$1.4)	\$1.04	\$511	\$ 622	\$541

Each quarter, the Pension Board along with the investment consultant reviews how the investment managers performed. We continue to review investments with our advisor and make changes to enhance investment returns with an acceptable level of risk.

The following changes in investments were made by the Pension Board, based on the recommendations of Beirne, during 2022:

- Allocated \$1 M to Golub Capital
- Allocated \$1 M to Greywold Opportunities Offshore fund
- Allocated \$1 M to Silver Point Capital

Actuarial Report:

USI, the Plan actuary, performed the biennial valuation as of July 1, 2022. See chart below for previous valuation results:

	July 1, 2022	July 1, 2020	July 1, 2018	July 1, 2016
Participants				
Active	263	322	365	406
Deferred Vested	85	78	72	79
Receiving Benefits	<u>400</u>	<u>381</u>	<u>372</u>	<u>355</u>
Total	748	781	809	840
Total Liabilities	\$99,472,897	\$90,959,094	\$85,295,652	\$80,087,551
Actuarial Value of Assets	\$47,710,223	\$40,676,176	\$35,032,614	\$30,705,246
Funded Status (unfunded)	(\$51,762,674)	\$(50,282,918)	(\$50,263,038)	(\$49,382,305)
Funded Ratio	48.0%	44.7%	41.1%	38.3%

Operations:

The Pension Board continued its quarterly schedule of meetings with special meetings, as needed.

The following governance schedule indicates the items reviewed at quarterly meetings, as required:

- Portfolio Investment Review and Market Environment Overview
- Administrative Fee and Portfolio Expense Analysis
- Investment Policy Review
- Legislative Update (as needed)
- Actuarial Review (biennial report)*
- Market Environment

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

For the 2022 actuarial valuation, the Board approved the implementation of the 2020 mortality tables utilizing scale MP-2021. In addition, they also approved the change to the asset valuation smoothing method from recognizing gains or losses over 3 year to 5 years.

There were no changes to the Pension Board membership during 2022.

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

Patrick Clark
Chairman

Anthony Musto

Maria Pires

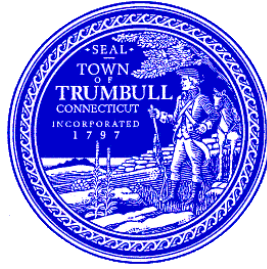
Donna Pellitteri

James Daly

James Meisner
Secretary

Eric Paulson

Pension Board



Town Hall
5866 Main Street
Trumbull, Connecticut
06611

Unapproved Minutes Subject to Modification and Approval Town of Trumbull Pension Board October 24, 2023

Call to Order

Chairman Patrick Clark called the Pension Board meeting to order at 7:00 p.m. in the Town Hall.

PRESENT

Patrick Clark
James Daly
Eric Paulson
Donna Pellitteri

ABSENT

Anthony Musto
James Meisner
Maria Pires

Also present: John Oliver Beirne – Beirne Wealth Consulting

Investment Update – 3rd Quarter – Beirne Wealth Consulting

J.O. Beirne spoke to the Board regarding the third quarter portfolio activity. He began with a discussion of the risks to the US economic outlook, which he indicated may negatively impact the “Santa Clause rally” this year.

The plan ended the 3rd Quarter with \$45.4 million in assets down from \$47 million in June. The Total Fund returned -2.3% for the quarter.

Approval of 2024 Pension Board Meeting Dates

Mr. Daly moved, seconded by Ms. Pellitteri to move the quarterly Pension Board meetings to the third Tuesday of the month, since one of the board members has a scheduling conflict. The following meetings were approved for 2024:

- January 16, 2024
- April 16, 2024
- July 16, 2024
- October 15, 2024

Vote: 4-0-0 motion carried

Approval of Pension Benefits

Lisa Barrett	8/1/2023	\$2,279.87
Dawn Perkins	8/1/2023	3,166.08
Patricia Mencucci	7/1/2023	420.44
Linda Gjoni	7/1/2023	791.79
Mary Wild	7/1/2023	2,021.73
Betty Sinko	7/1/2023	4,052.56
Marie McHale	7/1/2023	1,059.29
Jeffrey Hackett	9/1/2023	6,036.25
Carol Abbott	10/1/2023	475.54
Laura Loretan	11/1/2023	385.88

Mr. Daly moved, seconded by Mr. Paulson, to approve the Pension Benefits, as presented.

Vote: 4-0-0 motion carried

Approval of Contribution Returns

Craig Terrell	9/30/2023	\$ 617.08
Jennifer Falasco Lutris	9/30/2023	1,594.34

Mr. Clark moved, seconded by Ms. Pellitteri to approve the Contribution Returns, as presented.

Vote: 4-0-0 motion carried

Approval of Minutes – July 25, 2023

Ms. Pellitteri moved, seconded by Mr. Paulson to approve the minutes of the July 25, 2023 meeting, as presented.

Vote: 4-0-0 motion carried

Adjournment

By unanimous consent, the meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Phyllis C. Collier

Phyllis C. Collier
Pension Board Clerk