



TRUMBULL POLICE PENSION FUND BOARD OF TRUSTEES

PENSION TRUSTEES

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RAYMOND G. BALDWIN, JR., CHAIRMAN
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ANGELO MAGLIOCCO
EDGAR PEREZ
MARY BETH THORNTON
CHRIS TREFZ

Special Trumbull Police Pension Board of Trustee Meeting
Tuesday, September 14, 2021

MINUTES

The Trumbull Police Pension Fund Board of Trustees meeting was called to order at 5:32 p.m.

Members Present: Raymond G. Baldwin, Jr., Chairman
Donald Allen
Kathleen Champion
Robert Coppola
Michael Lombardo
Edgar Perez
Mary Beth Thornton
Christian Trefz

Absent: Angelo Magliocco

Also Present: Michael Quirini, Wells Fargo
Gina Acri, Wells Fargo

Approval of May 11, 2021 Trumbull Police Pension Board Minutes

Motion made by Trustee Thornton to approve the May 11, 2021 Police Pension Board minutes, seconded by Trustee Trefz. There was no further discussion. Motion passed unanimously.

Quarterly Report Update from Michael Quirini, Wells Fargo

Michael Quirini asked Gina Acri of Wells Fargo if she wanted to provide information to the Board regarding the migration.

Chairman Baldwin asked Ms. Acri to introduce herself to the Board.

Ms. Acri introduced herself, Wells Fargo, Relationship Manager. Ms. Acri went on to share with the Board that the migration that was announced to take place on September 7, 2020 has now been moved to February 22, 2022. Ms. Acri indicated that the Trumbull Police Pension are important clients and they have some Senior Leaders at Principal that are available to attend a call with the Board. Ms. Acri offered for the Senior Leaders to call into the next meeting should the Board have any questions.

Trustee Coppola asked if Gina Acri and Michael Quirini if they would still be the representatives for the Police Pension Board.

Ms. Acri indicated there will be no changes.

Trustee Coppola also asked in reference to the email the Board received regarding the funds, those will not change correct.

Mr. Quirini indicated the funds will not change. Wells Fargo Asset Management which runs the Mutual Funds of Wells Fargo Bank, they were recently sold off. They will be going to a private equity firm, which is a not affiliated with Wells Fargo. It is a separate division of Wells Fargo. Those funds are being renamed from Wells Fargo Funds to Allspring. That will not affect the plan. However, they are Collective Investment trusts which in many cases are housed under Wells Fargo Asset Management. As a result of that those collective investment trust vehicles the fees will go up by 2 basis points for the trustee fees. Mr. Quirini indicated that at the moment Wells Fargo is part of the company that manages those assets and the bank can't collect trustee fees while they are managing discretionary assets for them. As a result you the Trumbull Pension is in as what is known as the F shares. When they go to Principal and the funds will be separate and at a different entity they are going to charge the trustee fees that Wells Fargo was not able to charge before because they were serving in the discretionary capacity. Index funds will go up by a basis point and the other funds will go up by 2 basis points that is the current expectation. The other expectation is that eventually that money will move over to principal and principal will take over those collectives in which it will probably go back to where they were in a fees perspective back down.

Trustee Coppola thanked Wells Fargo for indicating the Police Pension is an important customer. Is there a way as a Board discuss some type of waiver of those increase in fees for a specific amount of time, a year or two? Can some of the money be saved somehow?

Trustee Champion indicated she was glad this has been brought up as when she heard 2 basis points that sounds like a lot to her.

Trustee Coppola asked if before transition there could be a discussion.

Trustee Champion asked Mr. Quirini if he can provide a breakdown that would be helpful for the Board.

Trustee Coppola said for the record Mr. Quirini and Ms. Acri do a great job and have a lot of trust. He indicated they have handle the fund tremendously. Only one of the few things the Board can really control is the Investment Policy Statement and what kind of fees are being charged and negotiate fees.

Mr. Quirini indicated he understands and the Police Pension's business is very important and appreciate the long standing relationship and appreciates the comments of them doing a great job.

Michael Quirini provided the board with the Trumbull Police Benefit Fund, Period Ending August 2021 handout, which was provided to the Board. Mr. Quirini referred to several sections of the handout in details.

Mr. Quirini reviewed the Current Market Status-Equities page 3.

Mr. Quirini moved on to Current Market Status-Fixed Income page 4, U.S. Economic Overview page 5 and International Economic Overview page 6.

Mr. Quirini went on to review the Cash Flow page 12 and referred to the 5-year column he indicated as of June 30th (5 years ago) the plan had about \$52.128M in assets. Since that time the aggregate contributions and distributions, there has been an aggregate of \$206,000 in net contributions. There has been a gain of \$38M has been earned since that time over the course of 5 years. As of June 30, 2021 the quarter end at \$86,393,000. The good news is that performance has continued as well, subsequent to quarters end as of May 10, 2021, the value of the portfolio is \$90,354M. Value as of September 13, 2021 is \$91,044M.

Mr. Quirini moved on to discuss, Asset Allocation page 13, Investment Policy Summary page 14, Asset Allocation page 15 and Comparative Performance page 16.

Mr. Quirini moved on to discuss, Funded Status page 23, he referred to the Quarter on Quarter Change, Assets (USD) which were up by \$3.9M over the quarter and Liabilities (USD) were up by \$1.01M. There was an improvement in the fun funded status of \$2.8M which represents a 3.1% improvement in the plans funded status. As of the end of the quarter the funded status is was 95.09%. Over the last year the funded status

improved from 6/30/2020 in which it was at 79.83% to 95.09% as of 6/30/2021. It improved roughly by 15.35%.

The last page Mr. Quirini reviewed was Funding Status Monitor page 25. The discount rate is at 7.25% that had been moved down from 7.5% back in May of 2020. Mr. Quirini indicated the Board might want to consider moving that down.

Trustee Baldwin indicated the next meeting in November more time will be allocated to go over the presentation.

Mr. Quirini asked if there were any questions. There were none.

Approval of Retiree Pension Adjustments (Escalator Increases for Retired Police Chiefs) Fiscal Year 07/01/2021 – 06/30/2022 (Effective July 1, 2021) – Chief Theodore Ambrosini and Chief Thomas Kiely

Motion made by Trustee Coppola to approve retiree pension adjustment escalator increases for retired Chiefs Ambrosini and Kiely fiscal year 7/1/2021 – 6/30/2022, effective July 1, 2021. Brad Fisher, Actuary of Findley reviewed the calculations seconded by Trustee Champion. There was no further discussion. Motion passed unanimously.

Approval of Retired Chiefs Retroactive Pay July 1, 2021 – June 30, 2022 – One-Time Special Disbursement (Represents two (2) months of retro) – Chief Theodore Ambrosini and Chief Thomas Kiely

Motion made by Trustee Lombardo to approve retroactive pay 7/1/2021 – 6/30/2022, one-time special disbursement two months of retro for retired Chiefs Ambrosini and Kiely, seconded by Trustee Coppola. There was no further discussion. Motion passed unanimously.

Adjournment

There being no further business to discuss and upon motion made by Trustee Trefz and seconded by Trustee Champion the Trumbull Police Pension Board adjourned by unanimous consent at 6:11 p.m.

Respectfully Submitted,

Vivian Munoz
Clerk of the Commission