

PENSION COMMITTEE
TOWN OF EAST WINDSOR
11 RYE STREET
BROAD BROOK, CONNECTICUT 06016

MINUTES OF REGULAR MEETING
Wednesday, January 21, 2015 at 6:00 p.m.
Town Hall Meeting Room

Draft document – minutes are not official until approved at a subsequent meeting.

Members Present: Jason Bowsza (Board of Selectmen) Chairman; Edward Bowsza (At Large Member), Jerilyn Corso (Board of Finance), Robert Maynard (Board of Finance), Tom Stremper (Police Commission).
Members Absent: Kathleen Bilodeau (Board of Education), David King, At Large Member),
Others Present: Kim Lord, Pension Administrator/Treasurer; Denise Menard, First Selectman; Webster Private Bank: Robert E. Maglio, Vice President, Portfolio Manager; Robert M. LeBreux, Senior Vice President, Institutional Fiduciary Services Manager
Press: No one was present at this Meeting.

I. Call to Order:

Chairman Bowsza Called the Meeting to Order at 6:00 p.m

II. Minutes Approval/November 17, 2014:

MOTION: To POSTPONE approval of the November 17, 2014 Minutes of the Special Meeting of the Pension Committee until the next meeting.

Stremper moved/Corso seconded/DISCUSSION: None.

VOTE: In Favor: Unanimous

III. Public Comment: None.

IV. Communication:

- Town of East Windsor – Other Post-Employment Benefits Program, July 1, 2014 Actuarial Valuation – prepared by Milliman, Inc.
- Town of East Windsor – Pension Plan and Trust – Actuarial Valuation as of July 1, 2014 for Fiscal Year 2015 – 2015 – prepared by Milliman, Inc.

V. New Business/a. Defined Benefit Plan for Public Works Bargaining Unit

First Selectman Menard gave a brief history of the employee benefit plans currently available to unionized employees. Discussion followed regarding potential future negotiations with the Public Works Bargaining Unit.

TOWN OF EAST WINDSOR

Pension Committee – Regular Meeting of January 21, 2015

MOTION: To AUTHORIZE First Selectman Denise Menard and Treasurer Kimberly Lord to begin negotiating a change from the Defined Contribution (only) Plan to a hybrid plan for the Public Works bargaining unit.

Stremper moved/E. Bowsza seconded/DISCUSSION: None.

VOTE: In Favor: Unanimous

New Business/b. Pension Fund Update – Webster:

Mr. Maglio and Mr. LeBreux, of Webster Private Bank, presented the Committee with a Summary of Investment Performance for the Town of East Windsor DB Pension for the Period 12/31/2013 – 12/31/2014 – See Attachment A. Mr. Maglio and Mr. LeBreux noted the beginning and closing valuations of the plan and the activity throughout the period specified.

V. Motion to Adjourn:

MOTION: To ADJOURN this meeting at 6:58 p.m.

Corso moved/E. Bowsza seconded/VOTE: In Favor: Unanimous

Respectfully submitted,



Peg Hoffman, Recording Secretary, Pension Committee

ATTACHMENT A: Summary of Investment Performance for the Town of East Windsor DB Pension for the Period 12/31/2013 – 12/31/2014



WPB Investment Overview

December 31, 2014

Account Name: TOWN OF EAST WINDSOR DB PENSION

Account Number: WTC204000

Investment Officer: ROBERT MAGLIO

Trust Officer: ROBERT LEBREUX

Run Date: 01/16/15

PENSION COMMITTEE - 1/21/2015
ATTACHMENT A



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TOWN OF EAST WINDSOR DB PENSION
Account WTC204000
Period Ending: 12/31/2014

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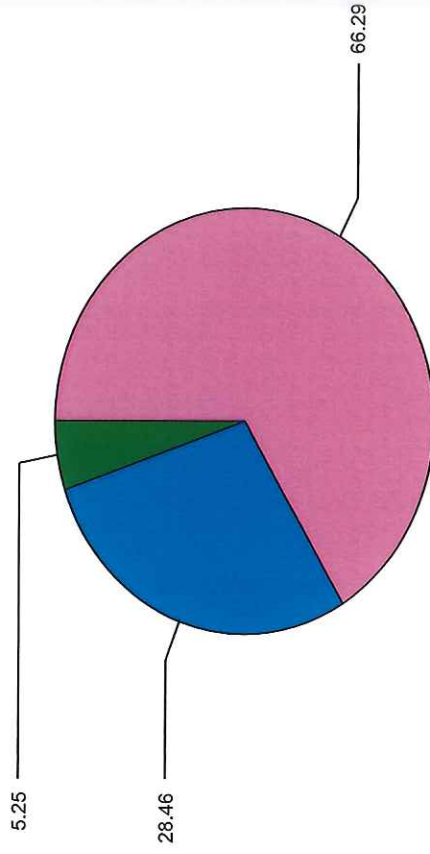
Summary Investment Performance
TOWN OF EAST WINDSOR DB PENSION
Account WTC204000
Period: 12/31/2013 - 12/31/2014

Beginning Market Value	\$18,989,306.62
Beginning Accrued Income	\$ 71,524.25
Beginning Portfolio Value	\$19,060,830.87
Contributions	\$ 1,781,711.85
Withdrawals	\$ -1,150,979.02
Gain (Loss)	\$ 1,033,788.51
Interest and Dividends	\$ 524,673.57
Net Accrued Income	\$ 5,252.79
Ending Market Value	\$21,178,501.53
Ending Accrued Income	\$ 76,777.04
Ending Portfolio Value	\$21,255,278.57
Total Fund	8.11%
Town of East Windsor DB Pension Benchmark	8.46%
Domestic Equity	11.57%
S&P 500 Index	13.69%
MSCI EAFE (US\$ & Net) Index	-4.90%
MSCI Emerg Mkts Free(USNET)	-2.19%
Fixed Income	3.78%
BarCap Int Govt / Cred Bd	3.13%
Total Investment Return	\$ 1,563,714.87



Asset Allocation Analysis Graph
TOWN OF EAST WINDSOR DB PENSION
Account WTC204000
Period Ending: 12/31/2014

Sector	Market Value	Allocation
Equity	14,090,390	66.29
Fixed Income	6,049,088	28.46
Short Term Cash	1,115,800	5.25
Total	21,255,279	100.00





Portfolio Holdings
TOWN OF EAST WINDSOR DB PENSION
 Account WTC204000
 Period Ending: 12/31/2014

Asset	Units	Unit Cost	Total Cost	Current Price	Current Market Value	Current Accrual	% of Total	Unrealized Gain/Loss
Small Cap								
ISHARES RUSSELL 2000 ETF	4,561.000	89.25	407,049.80	119.62	545,586.82		2.58	138,537.02
FIDELITY SMALL CAP DISCOVERY	11,416.329	30.04	342,925.72	30.09	343,517.34		1.62	591.62
Total Small Cap			749,975.52		889,104.16		4.20	139,128.64
Large Cap								
FIDELITY CONTRAFUND INC #22	18,237.158	76.93	1,403,065.54	97.97	1,786,694.37		8.44	383,628.83
SPDR S&P 500 ETF TRUST	41,918.000	138.20	5,792,974.77	205.54	8,615,825.72	47,573.58	40.68	2,822,850.95
ISHARES S&P 100 ETF	13,951.000	87.93	1,226,718.40	90.94	1,268,703.94		5.99	41,985.54
Total Large Cap			8,422,758.71		11,671,224.03	47,573.58	55.11	3,248,465.32
Mid Cap								
ISHARES RUSSELL MIDCAP ETF	3,488.000	118.43	413,073.13	167.04	582,635.52		2.75	169,562.39
Total Mid Cap			413,073.13		582,635.52		2.75	169,562.39
Intl Equity Fds								
ARTISAN INTERNATIONAL FD #661	4,712.655	29.93	141,068.36	29.96	141,191.14		.67	122.78
ISHARES MSCI EAFE ETF	7,071.000	55.81	394,616.54	60.84	430,199.64		2.03	35,583.10
DEUTSCHE X-TRACKERS MSCI JAPAN HEDGE	2,393.000	41.92	100,310.97	37.03	88,612.79		.42	-11,698.18
MFS INTL VALUE I	6,931.032	27.38	189,760.58	34.54	239,397.85	451.76	1.13	49,637.27
Total Intl Equity Fds			825,756.45		899,401.42	451.76	4.25	73,644.97
Other Fixed								
VANGUARD TOTAL BOND MARKET ETF	4,238.000	82.49	349,579.48	82.37	349,084.06		1.65	-495.42
Total Other Fixed			349,579.48		349,084.06		1.65	-495.42
Corporate Bonds								
AT&T INC 1.400% 12/01/17	200,000.000	97.55	195,100.00	99.00	197,994.00	233.33	.93	2,894.00
ALLERGAN INC 3.375% 9/15/20	100,000.000	99.76	99,756.00	100.14	100,145.00	993.75	.47	389.00
AMER INTL GROUP 3.375% 8/15/20	200,000.000	98.99	197,974.00	103.88	207,760.00	2,550.00	.98	9,786.00
BANK OF AMER CRP MTN 2.000% 1/11/18	200,000.000	98.63	197,250.00	99.92	199,848.00	1,888.89	.94	2,598.00
CBS CORP 3.375% 3/01/22	200,000.000	97.49	194,980.00	100.44	200,872.00	2,250.00	.95	5,892.00
DIRECTV HLDGS/FN 2.400% 3/15/17	150,000.000	99.50	149,250.00	101.89	152,830.50	1,060.00	.72	3,580.50
DOW CHEMICAL CO MTN 2.300% 3/15/17	150,000.000	100.00	150,000.00	99.26	148,893.00	1,015.83	.70	-1,107.00
DOW CHEMICAL CO MTN 2.600% 6/15/17	100,000.000	100.00	100,000.00	98.72	98,716.00	115.56	.47	-1,284.00
DOW CHEMICAL CO MTN 2.200% 2/15/19	100,000.000	100.00	100,000.00	98.75	98,746.00	831.11	.47	-1,254.00
DUKE ENERGY CORP 2.100% 6/15/18	125,000.000	99.43	124,287.50	100.91	126,141.25	116.67	.60	1,853.75
FORD MOTOR CRED MTN 4.150% 8/20/23	200,000.000	100.00	200,000.00	100.00	199,990.00	3,020.28	.94	-10.00
FREEMPORT-MC C&G 2.150% 3/01/17	200,000.000	99.86	199,714.00	100.17	200,330.00	1,433.33	.95	616.00
GOLDMAN SACHS GP MTN 3.750% 3/15/17	150,000.000	100.00	150,000.00	103.20	154,807.50	250.00	.73	4,807.50



Portfolio Holdings
TOWN OF EAST WINDSOR DB PENSION
 Account WTC204000
 Period Ending: 12/31/2014

Asset	Units	Unit Cost	Total Cost	Current Price	Current Market Value	Current Accrual	% of Total	Unrealized Gain/Loss
Goldman Sachs GP MTN 3.500% 8/15/20	100,000.000	100.00	100,000.00	100.53	100,530.00	155.56	.47	530.00
Goldman Sachs MTN V-A 1.500% 12/23/18	100,000.000	99.95	99,948.00	98.43	98,427.00	33.33	.46	-1,521.00
Hewlett-Packard CO 2.600% 9/15/17	150,000.000	99.75	149,625.00	101.88	152,815.50	1,148.33	.72	3,190.50
JP Morgan MTN V-A 3.500% 3/09/24	200,000.000	99.75	199,500.00	101.18	202,364.00	2,186.30	.96	2,864.00
Kraft Foods Group 2.250% 6/05/17	250,000.000	101.83	254,567.50	101.65	254,125.00	406.25	1.20	-442.50
Laboratory Corp 2.200% 8/23/17	200,000.000	101.44	202,888.00	100.87	201,746.00	1,564.44	.95	-1,142.00
Morgan Stanley 2.125% 4/25/18	50,000.000	100.30	50,152.00	100.06	50,029.00	194.79	.24	-123.00
Morgan Stanley MTN 3.250% 8/29/19	200,000.000	100.00	200,000.00	101.00	202,010.00	2,027.78	.95	2,010.00
Natl Rural Util MTN 3.000% 4/15/21	200,000.000	100.00	200,000.00	100.04	200,086.00	266.67	.94	86.00
Safeway Inc 3.400% 12/01/16	23,000.000	100.87	23,200.79	101.59	23,365.70	65.17	.11	164.91
Symantec Corp 3.950% 6/15/22	200,000.000	99.48	198,952.00	100.63	201,264.00	351.11	.95	2,312.00
Total System Svcs 2.375% 6/01/18	100,000.000	99.80	99,800.00	99.14	99,144.00	197.92	.47	-656.00
Total Corporate Bonds			3,836,944.79		3,872,979.45	24,531.40	18.29	36,034.66
Taxable Funds								
Dodge & Cox Income Fund #147	21,849.964	13.73	300,000.00	13.78	301,092.50		1.42	1,092.50
Vanguard S/T Investment Grade FD-ADM	55,960.862	10.74	601,153.39	10.66	596,542.79	938.61	2.82	-4,610.60
Total Taxable Funds			901,153.39		897,635.29	938.61	4.24	-3,518.10
Intl. Bonds								
Encana Corp 3.900% 11/15/21	150,000.000	99.73	149,593.50	98.55	147,829.50	747.50	.70	-1,764.00
TECK Resources 3.000% 3/01/19	150,000.000	99.51	149,271.00	97.47	146,205.00	1,500.00	.69	-3,066.00
TEVA Pharm Fin 3.650% 11/10/21	200,000.000	99.80	199,596.00	102.47	204,944.00	1,034.17	.97	5,348.00
Total Intl. Bonds			498,460.50		498,978.50	3,281.67	2.36	518.00
Intl Fixed Fds								
iShares Intermediate Gov/CR ETF	3,630.000	110.21	400,069.92	110.65	401,659.50		1.90	1,589.58
Total Intl Fixed Fds			400,069.92		401,659.50		1.90	1,589.58
Money Market Fds								
Dreyfus Treas Prime Cash Mgmt	1,115,799.600	1.00	1,115,799.60	1.00	1,115,799.60	.02	5.27	.00
Total Money Market Fds			1,115,799.60		1,115,799.60	.02	5.27	.00
Total			17,513,571.49		21,178,501.53	76,777.04	100.00	3,664,930.04



Selected Period Performance
TOWN OF EAST WINDSOR DB PENSION
 Account WTC204000
 Period Ending: 12/31/2014

Sector	Market Value	1 Month	3 Months	Year to Date (1 Year)	1 Year	Inception to Date (34 Months)
Total Fund	21,255,279	-.37	3.26	8.11	8.11	11.38
Town of East Windsor DB Pension B		-.44	2.88	8.46	8.46	10.92
Equity	14,090,390	-.35	4.58	10.61	10.61	16.73
Domestic Equity	13,190,537	-.12	5.01	11.57	11.57	17.42
Intl. Equity	899,853	-3.47	-1.92	-3.56	-3.56	8.10
S&P 500 Index		-.25	4.93	13.69	13.69	18.09
MSCI EAFE (US\$ & Net) Index		-3.46	-3.57	-4.90	-4.90	7.57
MSCI Emerg Mkts Free(USNET)		-4.61	-4.50	-2.19	-2.19	-1.63
Fixed Income	6,049,088	-.25	.63	3.78	3.78	2.73
BarCap Int Govt / Cred Bd		-.32	.89	3.13	3.13	1.80
Money Market Fds	1,115,800	.00	.00	.00	.00	.00