

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

MINUTES OF SPECIAL MEETING
Wednesday, April 22, 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; Kathleen Bilodeau (Board of Education), Edward Bowsza (At Large Member), Jerilyn Corso (Board of Finance), David King, At Large Member); Tom Stremper (Police Commission).

Members Absent: Robert Maynard (Board of Finance),

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:

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

II. Minutes Approval/Special Meeting, November 19, 2014:

MOTION: To APPROVE the November 19, 2014 Minutes of the Special Meeting of the Pension Committee.

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

VOTE: In Favor: Unanimous

Minutes Approval/Regular Meeting, January 21, 2015:

MOTION: To APPROVE the January 21, 2015 Minutes of the Regular Meeting of the Pension Committee.

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

VOTE: In Favor: Unanimous

III. Public Comment: None.

IV. Communication: None.

TOWN OF EAST WINDSOR

Pension Committee – Regular Meeting of January 21, 2015

V. 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 ending March 31, 2015 -- See Attachment A. Mr. Maglio and Mr. LeBreux noted the beginning and closing valuations of the plan and the activity throughout the period specified.

New Business/b. OPEB (Other Post Employment Benefit) Trust Discussion:

Treasurer Lord summarized the purpose of the fund, and described the contribution rates of the various users, including the Board of Education. Chairman Bowsza noted the Town's policy is fund the pension at 100%; the Town has been exceeding the contribution recommended by the actuarial consultant.

VI. Old Business/a. Defined Benefit Plan for Public Works Bargaining Unit:

It was noted that discussion has been ongoing to include new Public Works employees in a hybrid Defined Benefits Plan. Discussion continued. The consensus of the Board was to request the actuarial consultant to develop a plan specific to the Public Works employees and prepare a presentation for the Board. A Special Meeting of the Pension Board will be held when the consultant has completed the presentation.

MOTION: To ADJOURN this meeting at 7:01 p.m.

Bilodeau moved/Corso 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 ending March 31, 2015



WPB Investment Overview

March 31, 2015

Account Name: TOWN OF EAST WINDSOR DB PENSION

Account Number: WTC204000

Investment Officer: ROBERT MAGLIO

Trust Officer: ROBERT LEBREUX

Run Date: 04/22/15

PENSION COMMITTEE 4/22/2015
ATTACHMENT A

Performance Review – Major Asset Classes

Total Return in USD			
Asset Class	Index	1Q15	2014
US Equities	S&P 500	1.0%	13.7%
US Small Caps	Russell 2000	4.3%	4.9%
International Equities	MSCI EAFE	4.9%	-4.9%
Emerging Markets	MSCI EM	2.2%	-2.2%
International Small Caps	MSCI EAFE Small	5.6%	-4.9%
US Government/Credit	Barclays US Aggregate	1.6%	6.0%
High Yield Corporate Bonds	Barclays US Corp High Yield	2.5%	2.5%
EM Debt	JPM Index (50% USD/50% Local)	-1.0%	0.9%
Commodities	Bloomberg Commodity Index	-5.9%	-17.0%
REITs	MSCI US REITs	4.7%	30.4%
Hedge Funds	HFRX Global	2.1%	-0.6%

Equity Markets: Regional Performance in USD and Local Currency

Region	2014 Total Return		
	USD	Local	FX Impact
US	13.7%		
EAFE	-4.5%	6.4%	-10.9%
Europe	-5.7%	5.2%	-10.9%
EMU	-7.7%	5.1%	-12.8%
Pacific	-2.5%	8.2%	-10.6%
Emerging Markets	-1.8%	5.6%	-7.4%
Countries (MSCI Indices)	2014 Total Return		
	USD	Local	FX Impact
Canada	2.2%	11.4%	-9.2%
Australia	-3.2%	5.8%	-9.0%
Japan	-3.7%	9.8%	-13.5%
Germany	-9.8%	2.8%	-12.5%
France	-9.0%	3.6%	-12.6%
United Kingdom	-5.4%	0.5%	-5.9%
Russia	-45.9%	-12.1%	-33.8%
China	8.3%	8.3%	0.0%
India	23.9%	26.4%	-2.5%
Brazil	-13.7%	-2.8%	-10.9%

Region	2015 Total Return		
	USD	Local	FX Impact
US	1.0%		
EAFE	5.0%	11.0%	-6.0%
Europe	3.6%	11.7%	-8.2%
EMU	5.4%	18.7%	-13.4%
Pacific	7.7%	9.5%	-1.8%
Emerging Markets	2.3%	4.9%	-2.7%
Countries (MSCI Indices)	2015 Total Return		
	USD	Local	FX Impact
Canada	-5.9%	2.9%	-8.8%
Australia	3.1%	10.5%	-7.3%
Japan	10.3%	10.4%	0.0%
Germany	8.4%	22.1%	-13.7%
France	4.8%	18.0%	-13.3%
United Kingdom	-0.9%	4.0%	-5.0%
Russia	18.6%	15.7%	2.9%
China	8.1%	8.1%	0.0%
India	5.4%	4.5%	0.9%
Brazil	-14.6%	2.7%	-17.3%

Bond Markets – Yield, Duration and Total Return

Fixed Income Sectors	Yield to Maturity Levels					Mod. DUR.	Total Return	
	End of		1Q		End		1Q 2015	2014
	1Q15	2014	2014	2013				
BC US Aggregate	2.07	2.25	2.40	2.49	5.6	1.6%	6.0%	
Treasury	1.25	1.43	1.42	1.44	5.3	1.6%	5.1%	
Treasury 20Y+	2.51	2.70	3.51	3.90	18.0	4.2%	27.5%	
TIPs	1.76	1.98	2.28	2.36	7.2	1.4%	3.6%	
Agency	1.24	1.40	1.38	1.40	3.7	1.2%	3.6%	
Mortgage Backed	2.40	2.60	3.11	3.26	5.1	1.1%	6.1%	
GNMA	2.31	2.71	3.17	3.34	5.5	0.7%	6.0%	
Municipal Bonds	2.00	2.09	2.71	3.15	7.2	1.0%	9.1%	
Investment Grade Corporate	2.92	3.12	3.12	3.27	7.1	2.3%	7.5%	
US High Yield	6.61	6.90	6.10	6.36	4.0	2.5%	2.5%	
Global High Yield	6.60	6.90	6.10	6.38	4.1	0.6%	0.0%	
High Yield Loans (Avg. Spread)	451	447	440	444		2.3%	1.5%	
Floating Rate	0.70	0.71	0.60	0.61	0.1	0.2%	0.6%	
Preferred Securities	5.86	6.01	6.30	6.80	14.1	3.5%	17.5%	
Interm. Gov/Credit	1.49	1.68	1.59	1.61	3.9	1.4%	3.1%	
EM USD Debt	5.57	5.64	5.56	5.88	7.0	0.9%	7.4%	
EM Local Debt	6.34	6.50	6.88	6.85	4.9	0.3%	-5.7%	
Global Aggregate Hedged	1.45	1.63	1.97	2.12	6.5	1.8%	7.6%	



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TOWN OF EAST WINDSOR DB PENSION
Account WTC204000
Period Ending: 03/31/2015

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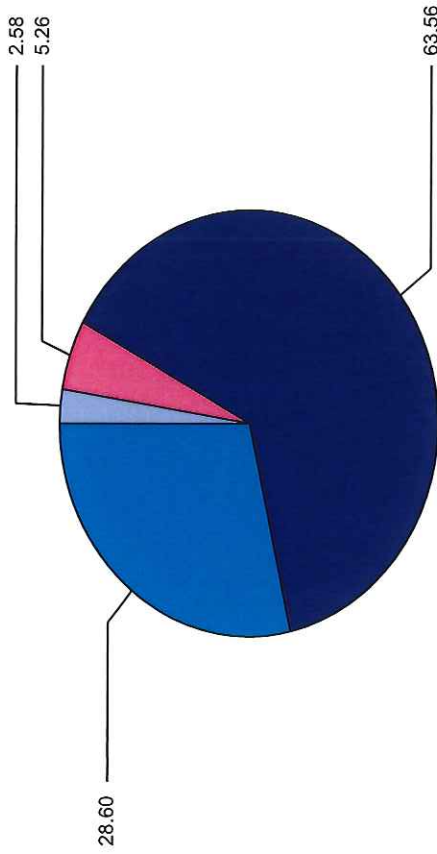
Summary Investment Performance
TOWN OF EAST WINDSOR DB PENSION
Account WTC204000
Period: 03/31/2014 - 03/31/2015

Beginning Market Value	\$19,574,147.72
Beginning Accrued Income	\$ 59,913.20
Beginning Portfolio Value	\$19,634,060.92
Contributions	\$ 1,207,591.70
Withdrawals	\$ -1,180,997.34
Gain (Loss)	\$ 1,162,842.66
Interest and Dividends	\$ 543,507.82
Net Accrued Income	\$ 731.34
Ending Market Value	\$21,307,092.56
Ending Accrued Income	\$ 60,644.54
Ending Portfolio Value	\$21,367,737.10
Total Fund	8.75%
Town of East Windsor DB Pension Benchmark	8.41%
Equity	11.29%
Domestic Equity	11.62%
S&P 500 Index	12.73%
MSCI EAFE (US\$ & Net) Index	-.92%
MSCI Emerg Mkts Free(USNET)	.44%
Fixed Income	4.05%
BarCap Int Govt / Cred Bd	3.58%
Total Investment Return	\$ 1,707,081.82



Asset Allocation Analysis Graph
TOWN OF EAST WINDSOR DB PENSION
 Account WTC204000
 Period Ending: 03/31/2015

Sector	Market Value	Allocation
Domestic Equity	13,581,563	63.56
Intl Equity Fds	1,124,315	5.26
Fixed Income	6,110,415	28.60
Money Market Fds	551,444	2.58
Uninvested Cash	0	
Total	21,367,737	100.00





Portfolio Holdings
TOWN OF EAST WINDSOR DB PENSION
 Account WTC204000
 Period Ending: 03/31/2015

Asset	Units	Unit Cost	Total Cost	Current Price	Current Market Value	Current Accrual	% of Total	Unrealized Gain/Loss
Other Equity								
JPMORGAN EQUITY INCOME FD-SL	17,596.885	14.27	251,107.08	14.20	249,875.77		1.17	-1,231.31
Total Other Equity			251,107.08		249,875.77		1.17	-1,231.31
Small Cap								
ISHARES RUSSELL 2000 ETF	4,561.000	89.25	407,049.80	124.37	567,251.57		2.66	160,201.77
FIDELITY SMALL CAP DISCOVERY	11,416.329	30.04	342,925.72	30.67	350,138.81		1.64	7,213.09
Total Small Cap			749,975.52		917,390.38		4.31	167,414.86
Large Cap								
FIDELITY CONTRAFUND INC #22	18,414.091	77.14	1,420,390.83	100.96	1,859,086.63		8.73	438,695.80
SPDR S&P 500 ETF TRUST	41,918.000	138.20	5,792,974.77	206.43	8,653,132.74	39,017.69	40.61	2,860,157.97
ISHARES S&P 100 ETF	13,951.000	87.93	1,226,718.40	90.26	1,259,217.26		5.91	32,498.86
Total Large Cap			8,440,084.00		11,771,436.63	39,017.69	55.25	3,331,352.63
Mid Cap								
ISHARES RUSSELL MIDCAP ETF	3,488.000	118.43	413,073.13	173.12	603,842.56		2.83	190,769.43
Total Mid Cap			413,073.13		603,842.56		2.83	190,769.43
Intl Equity Fds								
ARTISAN INTERNATIONAL FD #661	4,712.655	29.93	141,068.36	31.23	147,176.22		.69	6,107.86
ISHARES MSCI EAFE ETF	4,740.000	57.13	270,773.77	64.17	304,165.80		1.43	33,392.03
DEUTSCHE X-TRACKERS MSCI JAPAN HEDGE	2,393.000	41.92	100,310.97	41.11	98,376.23		.46	-1,934.74
MFS INTL VALUE I	6,931.032	27.38	189,760.58	36.84	255,339.22		1.20	65,578.64
WISDOMTREE EUROPE HEDGED EQU	4,827.000	62.13	299,889.25	66.14	319,257.78		1.50	19,368.53
Total Intl Equity Fds			1,001,802.93		1,124,315.25		5.28	122,512.32
Other Fixed								
VANGUARD TOTAL BOND MARKET ETF	4,238.000	82.49	349,579.48	83.37	353,322.06		1.66	3,742.58
Total Other Fixed			349,579.48		353,322.06		1.66	3,742.58
Corporate Bonds								
AT&T INC 1.400% 12/01/17	200,000.000	97.55	195,100.00	99.47	198,942.00	933.33	.93	3,842.00
ALLERGAN INC 3.375% 9/15/20	100,000.000	99.76	99,756.00	103.49	103,493.00	150.00	.49	3,737.00
AMER INTL GROUP 3.375% 8/15/20	200,000.000	98.99	197,974.00	105.52	211,030.00	862.50	.99	13,056.00
BANK OF AMER CRP MTN 2.000% 1/11/18	200,000.000	98.63	197,250.00	100.75	201,510.00	888.89	.95	4,260.00
CBS CORP 3.375% 3/01/22	200,000.000	97.49	194,980.00	101.74	203,476.00	562.50	.95	8,496.00
DIRECTV HLDGS/FN 2.400% 3/15/17	150,000.000	99.50	149,250.00	101.79	152,691.00	160.00	.72	3,441.00
DOW CHEMICAL CO MTN 2.300% 3/15/17	150,000.000	100.00	150,000.00	99.72	149,580.00	153.33	.70	-420.00
DOW CHEMICAL CO MTN 2.600% 6/15/17	100,000.000	100.00	100,000.00	99.65	99,653.00	765.56	.47	-347.00



Portfolio Holdings
TOWN OF EAST WINDSOR DB PENSION
Account WTC204000
Period Ending: 03/31/2015

Asset	Units	Unit Cost	Total Cost	Current Price	Current Market Value	Current Accrual	% of Total	Unrealized Gain/Loss
DOW CHEMICAL CO MTN 2.200% 2/15/19	100,000.000	100.00	100,000.00	99.90	99,898.00	281.11	.47	-102.00
DUKE ENERGY CORP 2.100% 6/15/18	125,000.000	99.43	124,287.50	101.91	127,391.25	772.92	.60	3,103.75
FORD MOTOR CRED MTN 4.150% 8/20/23	200,000.000	100.00	200,000.00	99.03	198,050.00	945.28	.93	-1,950.00
FREEMONT-MC C&G 2.150% 3/01/17	200,000.000	99.86	199,714.00	99.63	199,262.00	358.33	.94	-452.00
GOLDMAN SACHS GP MTN 3.750% 3/15/17	150,000.000	100.00	150,000.00	103.78	155,667.00	250.00	.73	5,667.00
GOLDMAN SACHS GP MTN 3.500% 8/15/20	100,000.000	100.00	100,000.00	103.42	103,420.00	155.56	.49	3,420.00
GOLDMAN SACHS MTN V-A 1.500% 12/23/18	100,000.000	99.95	99,948.00	99.72	99,716.00	408.33	.47	-232.00
HEWLETT-PACK CO 2.600% 9/15/17	150,000.000	99.75	149,625.00	102.53	153,798.00	173.33	.72	4,173.00
JP MORGAN MTN V-A 3.500% 3/09/24	200,000.000	99.75	199,500.00	100.26	200,516.00	441.10	.94	1,016.00
KRAFT FOODS GROUP 2.250% 6/05/17	250,000.000	101.83	254,567.50	101.81	254,517.50	1,812.50	1.19	-50.00
LABORATORY CORP 2.200% 8/23/17	200,000.000	101.44	202,888.00	101.79	203,578.00	464.44	.96	690.00
MORGAN STANLEY 2.125% 4/25/18	50,000.000	100.30	50,152.00	101.10	50,549.00	460.42	.24	397.00
MORGAN STANLEY MTN 3.250% 8/29/19	200,000.000	100.00	200,000.00	102.03	204,060.00	559.72	.96	4,060.00
NATL RURAL UTIL MTN 3.000% 4/15/21	200,000.000	100.00	200,000.00	101.72	203,450.00	266.67	.95	3,450.00
SAFEWAY INC 3.400% 12/01/16	23,000.000	100.87	23,200.79	99.75	22,942.50	260.67	.11	-258.29
SYMANTEC CORP 3.950% 6/15/22	200,000.000	99.48	198,952.00	103.69	207,386.00	2,326.11	.97	8,434.00
TOTAL SYSTEM SVCS 2.375% 6/01/18	100,000.000	99.80	99,800.00	100.58	100,578.00	791.67	.47	778.00
Total Corporate Bonds			3,836,944.79		3,905,154.25	15,204.27	18.33	68,209.46
Taxable Funds								
DODGE & COX INCOME FUND #147	22,005.017	13.73	302,141.29	13.86	304,989.54		1.43	2,848.25
VANGUARD S/T INVESTMENT GRADE FD-ADM	56,220.176	10.74	603,927.17	10.72	602,680.29	978.39	2.83	-1,246.88
Total Taxable Funds			906,068.46		907,669.83	978.39	4.26	1,601.37
Intl. Bonds								
ENCANA CORP 3.900% 11/15/21	150,000.000	99.73	149,593.50	104.65	156,973.50	2,210.00	.74	7,380.00
TECK RESOURCES 3.000% 3/01/19	150,000.000	99.51	149,271.00	99.46	149,194.50	375.00	.70	-76.50
TEVA PHARM FIN 3.650% 11/10/21	200,000.000	99.80	199,596.00	105.32	210,640.00	2,859.17	.99	11,044.00
Total Intl. Bonds			498,460.50		516,808.00	5,444.17	2.43	18,347.50
Intl Fixed Fds								
ISHARES INTERMEDIATE GOV/CR ETF	3,630.000	110.21	400,069.92	111.80	405,834.00		1.90	5,764.08
Total Intl Fixed Fds			400,069.92		405,834.00		1.90	5,764.08
Money Market Fds								
DREYFUS TREAS PRIME CASH MGMT	551,443.830	1.00	551,443.83	1.00	551,443.83	.02	2.59	.00
Total Money Market Fds			551,443.83		551,443.83	.02	2.59	.00
Total			17,398,609.64		21,307,092.56	60,644.54	100.00	3,908,482.92



Selected Period Performance
TOWN OF EAST WINDSOR DB PENSION
 Account WTC204000
 Period Ending: 03/31/2015

Sector	Market Value	1 Month	3 Months	Year to Date (3 Months)	1 Year	3 Years	Inception to Date (37 Months)
Total Fund	21,367,737	-.61	1.79	1.79	8.75	10.79	11.05
Town of East Windsor DB Pension B		-.75	1.42	1.42	8.41	10.20	10.49
Equity							
Domestic Equity	14,705,878	-1.13	1.91	1.91	11.29	15.28	15.99
Intl Equity Fds	13,581,563	-1.23	1.49	1.49	11.62	15.72	16.46
	1,124,315	.17	7.67	7.67	4.63	9.13	10.02
S&P 500 Index		-1.58	.95	.95	12.73	16.11	16.87
MSCI EAFE (US\$ & Net) Index		-1.52	4.88	4.88	-.92	9.02	8.60
MSCI Emerg Mkts Free(USNET)		-1.42	2.24	2.24	.44	.31	-.79
Fixed Income	6,110,415	.61	1.69	1.69	4.05	3.20	3.06
BarCap Int Govt / Cred Bd		.49	1.45	1.45	3.58	2.31	2.13
Money Market Fds	551,444	.00	.00	.00	.00	.00	.00

Webster Private Bank
PURCHASE AND SALE
Town Of East Windsor Db Pension
Wtc204000
From 01-01-15 To 03-31-15

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
PURCHASES					
01-26-15	01-27-15	17,519.271	JPMORGAN EQUITY INCOME FD-SL	14.27	250,000
01-26-15	01-29-15	1,631	WISDOMTREE EUROPE HEDGED EQU	61.40	100,143
02-19-15	02-24-15	3,196	WISDOMTREE EUROPE HEDGED EQU	62.50	199,746
					549,889
REINVESTED DIVIDENDS					
03-26-15	03-27-15	155.053	DODGE & COX INCOME FUND #147	13.81	2,141
02-06-15	02-09-15	176.933	FIDELITY CONTRAFUND INC #22	97.92	17,325
01-29-15	01-30-15	3.396	JPMORGAN EQUITY INCOME FD-SL	14.03	48
02-25-15	02-26-15	28.991	JPMORGAN EQUITY INCOME FD-SL	14.50	420
03-27-15	03-30-15	45.227	JPMORGAN EQUITY INCOME FD-SL	14.13	639
01-31-15	02-03-15	88.214	VANGUARD S/T INVESTMENT GRADE FD-ADM	10.73	947
02-28-15	03-02-15	83.050	VANGUARD S/T INVESTMENT GRADE FD-ADM	10.70	889
03-31-15	04-01-15	91.268	VANGUARD S/T INVESTMENT GRADE FD-ADM	10.72	978
					23,387
SALES					
02-19-15	02-24-15	2,331	ISHARES MSCI EAFE ETF	64.37	150,048
					150,048