

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

REVISED MINUTES OF ~~REGULAR~~ **SPECIAL** MEETING

Wednesday, January 18, 2017 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), Cindy Herms (Board of Finance), David King, At Large Member); Tom Stremper (Police Commission).

Members Absent: Kathleen Bilodeau (Board of Education)

Others Present: Kim Lord, Pension Administrator/Treasurer (Advisory); Robert Maynard, First Selectman (Advisory); Webster Private Bank: Robert E. Maglio, Vice President, Portfolio Manager; Robert M. LeBreux, Senior Vice President, Institutional Fiduciary Services Manager

Press: No one from the Press identified themselves at this Meeting.

1. Call to Order:

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

2. Minutes Approval/Regular Meeting, October 27, 2016:

MOTION: To APPROVE the October 27, 2016 Minutes of the Special Meeting of the Pension Committee as presented.

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

VOTE: In Favor: Unanimous

3. Public Comment: None.

4. Communications/a. Milliman: FY 18 Pension Valuation:

Treasurer Lord briefly discussed the Town of East Windsor Pension Plan & Trust, Actuarial Valuation as of July 1, 2016 for Fiscal Year 2017 – 2018.

5. Old Business: None.

6. New Business/a. Pension Plan Investment Update – Webster:

TOWN OF EAST WINDSOR

Pension Committee – Special Meeting of January 18, 2017

Mr. Maglio and Mr. LeBreux, of Webster Private Bank, joined the Board. They presented the Committee with a Summary of Investment Performance for the Town of East Windsor DB Pension for the Period ending December 31, 2016 -- See Attachment A. Mr. Maglio and Mr. LeBreux reported the beginning and closing valuations of the plan and reviewed the activity throughout the period identified. Discussion continued regarding current market conditions, both domestically and abroad. Mr. LeBreux reported they feel 2017 will be a positive year for stock investments.

New Business/b. Executive Session/a. Executive Session per CGS § 1-200 (6) (B) - strategy and negotiations with respect to pending claims or pending litigation:

MOTION: To GO INTO EXECUTIVE SESSION at 6:29 p.m.. Attending were the following individuals: Board Members Jason Bowsza, Edward Bowsza, Jerilyn Corso, Cindy Herms, David King, and Tom Stremper. Also attending was Treasurer Lord.

The Recording Secretary, and other guests, vacated the room.

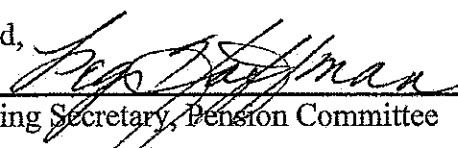
Let it be noted the Recording Secretary was advised the Board came out of Executive Session and immediately adjourned this Meeting.

5. Adjournment:

MOTION: To ADJOURN this meeting at 6:50 p.m.

Corso moved/Stremper 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 December 31, 2016.

PENSION BOARD - 11/18/2017
ATTACHMENT A

Town of East Windsor DB Pension

Portfolio Manager: Maglio, Robert

Administrator: Lebreux, Robert

Ranked Calendar Year Returns (as of 12/31/2016)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
EM	34.0	REIT 34.4	EM 39.4	Global Agg Bond 5.6	EM 78.5	REIT 27.3	US Agg Bond 7.8	EAFE Small 20.0	US Small 38.8	REIT 27.3	EAFE Small 9.6	US Small 21.3
EAFE Small	26.2	EM 32.1	Global Agg Bond 5.2	US Agg Bond 5.2	High Yield 58.2	US Small 26.9	REIT 6.6	REIT 19.5	Large Cap Growth 33.5	Large Cap Value 13.5	Large Cap Growth 5.7	Large Cap Value 17.3
Global Agg Bond	2.4	EAFE 26.3	Large Cap Growth 11.8	Hedge Fund -26.3	EAFE Small 46.8	EAFE Small 22.0	Global Agg Bond 5.4	EM 18.2	Large Cap Value 32.5	Large Cap Growth 13.0	REIT 1.8	High Yield 17.1
EAFE	13.5	Large Cap Value 22.2	EAFE 11.2	High Yield -26.2	Large Cap Growth 37.2	EM 18.9	High Yield 5.0	Large Cap Value 17.5	EAFE Small 29.3	Global Agg Bond 7.6	Global Agg Bond 1.0	Global Agg Bond 1.8
REIT	8.0	EAFE Small 19.3	US Agg Bond 7.0	US Small -35.8	EAFE 31.8	Global Agg Bond 4.6	Large Cap Growth 2.6	EAFE 17.3	EAFE 22.8	US Agg Bond 6.0	US Agg Bond 0.5	EM 11.2
Large Cap Value	7.1	US Small 18.4	Global Agg Bond 5.3	Global Agg Bond -35.5	REIT 28.4	Large Cap Growth 16.7	Large Cap Value 0.4	US Small 16.3	High Yield 7.4	US Small 4.9	EAFE -0.8	REIT 9.6
Large Cap Growth	5.3	High Yield 11.8	Hedge Fund 4.2	Large Cap Value -36.8	US Small 27.2	Large Cap Value 15.5	US Small 4.2	High Yield 15.8	Hedge Fund 6.7	High Yield 2.5	Hedge Fund -3.6	Large Cap Growth 7.1
US Small	4.6	Hedge Fund 9.3	High Yield 1.9	REIT -38.1	Large Cap Value 19.7	High Yield 15.1	Hedge Fund -8.9	Large Cap Growth 15.3	REIT 2.1	Hedge Fund -0.6	Large Cap Value -3.8	Global Agg Bond 3.9
Global Agg Bond	4.3	Large Cap Growth 9.1	EAFE Small 1.4	Large Cap Growth -38.4	Global Agg Bond 18.9	EAFE 7.8	EAFE -12.1	Global Agg Bond 5.7	Global Agg Bond -0.1	EM -2.2	US Small -4.4	Hedge Fund 2.8
High Yield	2.7	US Agg Bond 4.3	Large Cap Value -0.2	EAFE -43.4	Hedge Fund 13.4	US Agg Bond 6.5	Global Agg Bond 4.3	US Agg Bond 4.2	US Agg Bond -2.0	EAFE -4.9	High Yield -4.5	US Agg Bond 2.6
Hedge Fund	2.7	Global Agg Bond 3.6	US Small -1.6	EAFE Small -47.0	US Agg Bond 5.9	Hedge Fund 5.2	EAFE Small -15.9	Hedge Fund 3.5	EM -2.6	EAFE Small -4.9	EM -14.9	EAFE Small 2.2
US Agg Bond	2.4	Global Agg Bond 2.1	REIT -17.7	EM -53.3	Global Agg Bond 5.1	Global Agg Bond 4.6	EM -18.4	Global Agg Bond 1.1	Global Agg Bond -5.5	Global Agg Bond 1.7	Global Agg Bond 2.7	EAFE 1.0

Source: Morningstar Direct

Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Table of Contents

Portfolio Summary	1
Holdings	2
Performance Summary	5
Disclaimer	6

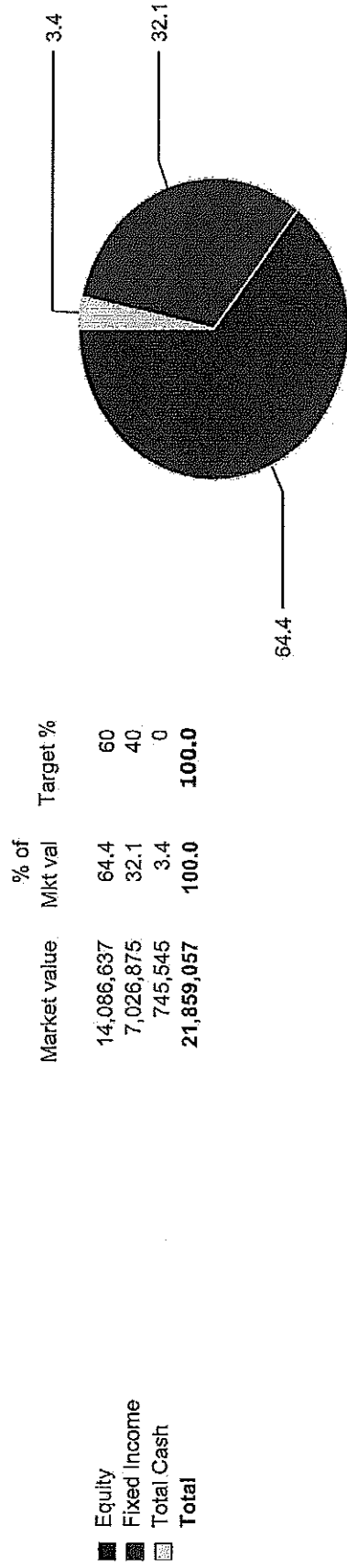
Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Portfolio Summary

Asset Allocation



Largest Holdings - Year to Date

	Market value	% of Mkt val	Return
SPDR S&P 500 ETF Trust	9,586,860	43.9	12.16
Fidelity Contrafund	1,966,325	9.0	3.34
Vanguard Total Bond Marke	978,448	4.5	2.46
iShares Russell 2000 ETF	780,512	3.6	21.47
Dreyfus Treasury Securit	745,545	3.4	.17
ISHARES RUSSELL MID-CAP E	623,864	2.9	3.21
Vanguard Short-Term Inves	621,287	2.8	2.82
iShares MSCI EAFE ETF	619,501	2.8	1.19
iShares Intermediate Gove	594,069	2.7	1.90
JPMorgan Core Bond Fund	401,736	1.8	.44

Portfolio Activity Year to Date

Beginning account value	20,521,089.12
Contributions	1,218,847.59
Income earned	506,936.29
Withdrawals	-1,301,087.16
Market Appreciation	913,270.89
Ending account value	21,859,056.73
Total return	6.85

Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Holdings

By Asset Class

	Units	Unit cost	Total cost	Price	Market value	Accrual	% of Mkt val	Unrealized gain loss
Equity								
USA Large Cap Fund								
Fidelity Contrafund	19,970.796	78.74	1,572,538.23	98.460	1,966,324.57	.00	9.0	393,786.34
SPDR S&P 500 ETF Trust	42,635.000	182.62	7,786,069.41	223.530	9,530,201.55	56,658.93	43.8	1,744,132.14
Total: USA Large Cap Fund			9,358,607.64		11,496,526.12	56,658.93	52.8	2,137,918.48
USA Mid Cap Fund								
iSHARES RUSSELL MID-CAP ETF	3,488.000	118.43	413,073.13	178.860	623,863.68	.00	2.9	210,790.55
Total: USA Mid Cap Fund			413,073.13		623,863.68	.00	2.9	210,790.55
USA Small Cap Fund								
iShares Russell 2000 ETF	5,788.000	96.27	557,183.68	134.850	780,511.80	.00	3.6	223,328.12
Total: USA Small Cap Fund			557,183.68		780,511.80	.00	3.6	223,328.12
International Developed								
MFS International Value Fund	8,699.533	29.30	254,900.05	36.540	317,880.94	.00	1.5	62,980.89
iShares Currency Hedged MSCI EAFE ETF	7,339.000	24.15	177,236.12	26.120	191,694.68	.00	.9	14,458.56
iShares MSCI EAFE ETF	10,731.000	56.73	608,808.53	57.730	619,500.63	.00	2.8	10,692.10
Total: International Developed			1,040,944.70		1,129,076.25	.00	5.2	88,131.55
Total: Equity			11,369,809.15		14,029,977.85	56,658.93	64.4	2,660,168.70
Fixed Income								
Government/Credit								
AT&T Inc 1.4% 01 Dec 2017	200,000.000	97.55	195,100.00	99.780	199,560.00	233.34	.9	4,460.00
AT&T Inc 2.4% 15 Mar 2017	150,000.000	100.58	150,862.65	100.246	150,369.00	1,060.01	.7	-493.65
Allergan Inc/United States 3.375% 15 Sep 2020	100,000.000	99.76	99,756.00	102.358	102,358.00	993.75	.5	2,602.00
Bank of America Corp 2% 11 Jan 2018	200,000.000	98.63	197,250.00	100.230	200,460.00	1,888.88	.9	3,210.00
CBS Corp 3.375% 01 Mar 2022	200,000.000	97.49	194,980.00	101.671	203,342.00	2,250.00	.9	8,362.00
CVS Health Corp 2.25% 12 Aug 2019	100,000.000	100.19	100,191.00	100.549	100,549.00	868.75	.5	358.00
Capital One Bank USA NA 2.15% 21 Nov 2018	100,000.000	100.22	100,218.00	100.181	100,181.00	238.89	.5	-37.00

Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Page 3

By Asset Class

	Units	Unit cost	Total cost	Price	Market value	Accrual	% of Mkt val	Unrealized gain loss
Dow Chemical Co/The 2.2% 15 Feb 2019	100,000.000	100.00	100,000.00	99.176	99,176.00	831.11	.5	-824.00
Dow Chemical Co/The 2.3% 15 Mar 2017	150,000.000	100.00	150,000.00	99.978	149,967.45	1,015.83	.7	-32.55
Duke Energy Corp 2.1% 15 Jun 2018	125,000.000	99.43	124,287.50	100.425	125,531.25	116.66	.6	1,243.75
Ford Motor Credit Co LLC 3.45% 20 Mar 2021	200,000.000	100.00	200,000.00	98.847	197,694.00	1,935.84	.9	-2,306.00
Goldman Sachs Group Inc/The 3.5% 15 Aug 2020	100,000.000	100.00	100,000.00	101.313	101,313.00	155.56	.5	1,313.00
Goldman Sachs Group Inc/The 3.75% 15 Mar 2017	150,000.000	100.00	150,000.00	100.221	150,331.50	250.01	.7	331.50
JP Morgan Chase Bank NA MTNV 3.500% 3/09/24	200,000.000	99.75	199,500.00	99.953	199,906.00	.00	.9	406.00
JP Morgan Core Bond Fund	34,994.421	11.71	409,816.78	11.480	401,735.95	.00	1.8	-8,080.83
Kraft Heinz Foods Co 2.25% 05 Jun 2017	250,000.000	101.83	254,567.50	100.319	250,797.50	406.25	1.2	-3,770.00
Laboratory Corp of America Holdings 2.2% 23 Aug 20	200,000.000	101.44	202,888.00	100.466	200,932.00	1,564.44	.9	-1,956.00
Metropolitan West Total Return Bond Fund	19,631.038	10.79	211,915.90	10.530	206,714.83	.00	.9	-5,201.07
Morgan Stanley 2.125% 25 Apr 2018	50,000.000	100.30	50,152.00	100.398	50,199.00	194.79	.2	47.00
Morgan Stanley 3.25% 29 Aug 2019	200,000.000	100.00	200,000.00	100.936	201,872.00	2,220.84	.9	1,872.00
National Rural Utilities Cooperative Finance Corp	200,000.000	100.00	200,000.00	99.666	199,332.00	266.66	.9	-668.00
Perrigo Co PLC 2.3% 08 Nov 2018	200,000.000	99.99	199,970.00	99.867	199,734.00	677.22	.9	-236.00
Symantec Corp Note 3.950% 6/15/22	200,000.000	99.48	198,952.00	98.934	197,868.00	351.12	.9	-1,084.00
Teva Pharmaceutical Finance Co BV 3.65% 10 Nov 202	200,000.000	99.80	199,596.00	101.285	202,570.00	1,034.16	.9	2,974.00
Total System Services Inc 2.375% 01 Jun 2018	100,000.000	99.80	99,800.00	100.414	100,414.00	197.92	.5	614.00
Vanguard Short-Term Investment Grade Fund	58,446.546	10.74	627,704.50	10.630	621,286.78	.00	2.9	-6,417.72
Vanguard Total Bond Market ETF	12,111.000	82.56	999,848.61	80.790	978,447.69	.00	4.5	-21,400.92
iShares Intermediate Government/Credit Bond ETF	5,408.000	110.98	600,164.62	109.850	594,068.80	.00	2.7	-6,095.82
Total: Government/Credit			6,517,521.06		6,486,710.75	18,752.03	29.8	-30,810.31
High Yield/Bank Loans								
American International Group Inc 3.375% 15 Aug 202	200,000.000	98.99	197,974.00	102.880	205,760.00	2,550.00	.9	7,786.00
ConocoPhillips Co 2.2% 15 May 2020	125,000.000	98.88	123,593.75	99.237	124,046.25	351.39	.6	452.50
Goldman Sachs Group Inc/The Step Cpn 2% 16 Jun 202	200,000.000	100.00	200,000.00	94.269	188,538.00	166.66	.9	-11,462.00
Total: High Yield/Bank Loans			521,567.75		518,344.25	3,068.05	2.4	-3,223.50
Total: Fixed Income			7,039,088.81		7,005,055.00	21,820.08	32.2	-34,033.81

Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Holdings

By Asset Class

	Units	Unit cost	Total cost	Price	Market value	Accrual	% of Mkt val	Unrealized gain loss
Total Cash								
Cash								
Dreyfus Treasury Securities Cash Management	745,379.410	1.00	745,379.41	1.000	745,379.41	165.46	3.4	.00
Total: Cash			745,379.41		745,379.41	165.46	3.4	.00
Total: Total Cash			745,379.41		745,379.41	165.46	3.4	.00
Total			19,154,277.37		21,780,412.26	78,644.47	100.0	2,626,134.89

Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Performance Summary

	Market value	3 Months	Year to Date (1 Year)	1 Year	3 Years	Inception to Date (58 Months)
Total Portfolio	21,859,057	1.22	6.85	6.85	5.29	8.22
Town of East Windsor DB Pension Benchmark		1.24	7.52	7.52	5.74	8.18
Equity	14,086,637	2.70	9.42	9.42	7.02	11.84
MSCI World Index (Net) (USD)		1.86	7.51	7.51	3.80	8.60
USA Equity	12,957,561	3.24	10.33	10.33	7.64	12.43
S&P 500 Index (Gross) (USD)		3.82	11.96	11.96	8.87	13.17
International Equity	1,129,076	-3.08	.00	.00	-.63	5.05
MSCI EAFE Index (Net) (USD)		-.71	1.00	1.00	-1.60	4.41
Fixed Income	7,026,875	-1.52	3.01	3.01	2.52	2.38
Barrays US Aggregate Bond Index (USD)		-2.98	2.65	2.65	3.03	2.13
Total Cash	745,545	.07	.16	.16	.05	.03
Citigroup 3 Month Treasury Bill Index (USD)		.08	.27	.27	.11	.09

Town of East Windsor DB Pension

AGGWTC204000

December 31, 2016

Disclosures

Investment, trust, credit and banking services offered through Webster Financial Advisors, a division of Webster Bank, N.A. Webster Private Bank is a trade name of Webster Financial Advisors. Investment products offered by Webster Financial Advisors are not FDIC or government insured; are not guaranteed by Webster Bank; may involve investment risks, including loss of principal amount invested; and are not deposits or other obligations of Webster Bank.

Webster Financial Advisors is not in the business of providing tax or legal advice. Consult with your independent attorney, tax consultant or other professional advisor for final recommendations and before changing or implementing any financial, tax or estate planning advice.

All credit products are subject to the normal credit approval process.

SEI Investments Management Corp. (SIMC) and Webster Financial Advisors are independent entities. SIMC is the investment advisor to the SEI Funds and co-advisor to the Individual Managed Account Program (IMAP). SEI Funds are distributed by SEI Investment Distribution Co. (SIDCO). SIMC and SIDCO are wholly owned subsidiaries of SEI Investments Company.



©2014 All rights reserved. Webster Bank, N.A. Member FDIC.

The Webster Symbol, Webster Private Bank and Webster Financial Advisors are registered in the U.S. Patent and Trademark Office.

07/16

Town of East Windsor OPEB

Portfolio Manager: Maglio, Robert

Administrator: Lebreux, Robert

Town of East Windsor OPEB

AGGWTC204100

December 31, 2016

Table of Contents

Portfolio Summary	1
Holdings	2
Performance Summary	4

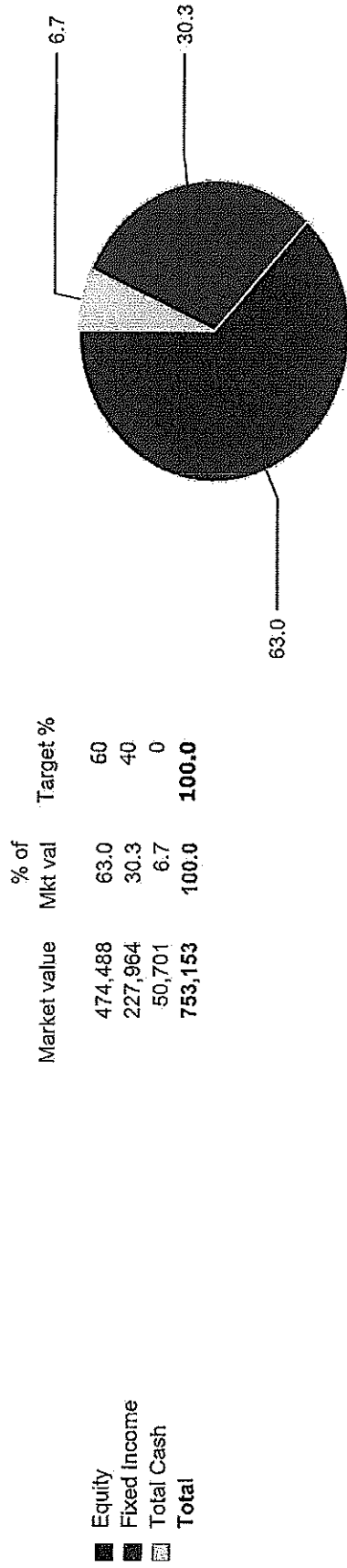
Town of East Windsor OPEB

AGGWTC204100

December 31, 2016

Portfolio Summary

Asset Allocation



Largest Holdings - Year to Date

	Market value	% of Mkt val	Return
SPDR S&P 500 ETF Trust	327,170	43.4	12.35
iShares Core U.S. Aggregate	109,249	14.5	2.41
iShares Intermediate Credit	94,883	12.6	3.32
iShares MSCI EAFE ETF	51,957	6.9	1.87
Dreyfus Treasury Securities	50,701	6.7	.19
Fidelity Contrafund	40,610	5.4	3.34
Vanguard Total Bond Market	23,833	3.2	-3.51
JPMorgan Equity Income Fund	22,114	2.9	10.56
ISHARES RUSSELL MID-CAP E	16,455	2.2	3.21
iShares Russell 2000 ETF	16,182	2.2	21.56

Portfolio Activity Year to Date

Beginning account value	637,788.06
Contributions	79,658.84
Income earned	14,891.07
Withdrawals	-3,682.43
Market Appreciation	24,497.23
Ending account value	753,152.77
Total return	5.92

Town of East Windsor OPEB

AGGWTC204100

December 31, 2016

Holdings

By Asset Class

	Units	Unit cost	Total cost	Price	Market value	Accrual	% of Mkt val	Unrealized gain loss
Equity								
USA Large Cap Fund								
Fidelity Contrafund	412.452	104.60	43,142.26	98.460	40,610.02	.00	5.4	-2,532.24
JPMorgan Equity Income Fund	1,455.824	14.03	20,432.35	15.190	22,113.97	.00	2.9	1,681.62
SPDR S&P 500 ETF Trust	1,455.000	209.88	305,371.28	223.530	325,236.15	1,933.59	43.3	19,864.87
Total: USA Large Cap Fund			368,945.89		387,960.14	1,933.59	51.6	19,014.25
USA Mid Cap Fund								
ISHARES RUSSELL MID-CAP ETF	92.000	163.54	15,045.88	178.860	16,455.12	.00	2.2	1,409.24
Total: USA Mid Cap Fund			15,045.88		16,455.12	.00	2.2	1,409.24
USA Small Cap Fund								
iShares Russell 2000 ETF	120.000	117.12	14,053.95	134.850	16,182.00	.00	2.2	2,128.05
Total: USA Small Cap Fund			14,053.95		16,182.00	.00	2.2	2,128.05
International Developed								
iShares MSCI EAFE ETF	900.000	59.06	53,152.96	57.730	51,957.00	.00	6.9	-1,195.96
Total: International Developed			53,152.96		51,957.00	.00	6.9	-1,195.96
Total: Equity			451,198.68		472,554.26	1,933.59	62.9	21,355.58
Fixed Income								
Government/Credit								
Vanguard Total Bond Market ETF	295.000	84.77	25,006.71	80.790	23,833.05	.00	3.2	-1,173.66
iShares Core U.S. Aggregate Bond ETF	1,011.000	108.91	110,106.88	108.060	109,248.66	.00	14.5	-858.22
iShares Intermediate Credit Bond ETF	877.000	108.45	95,112.55	108.190	94,882.63	.00	12.6	-229.92
Total: Government/Credit			230,226.14		227,964.34	.00	30.3	-2,261.80
Total: Fixed Income			230,226.14		227,964.34	.00	30.3	-2,261.80

Town of East Windsor OPEB

AGGWTC204100

December 31, 2016

Holdings

By Asset Class

	Units	Unit cost	Total cost	Price	Market value	Accrual	% of Mkt val	Unrealized gain loss
Total Cash								
Cash								
Dreyfus Treasury Securities Cash Management	50,689.070	1.00	50,689.07	1.000	50,689.07	11.51	6.7	.00
Total: Cash			50,689.07		50,689.07	11.51	6.7	.00
Total: Total Cash			50,689.07		50,689.07	11.51	6.7	.00
Total			732,113.89		751,207.67	1,945.10	100.0	19,093.78

Town of East Windsor OPEB

AGGWTC204100

December 31, 2016

Performance Summary

	Market value	3 Months	Year to Date (1 Year)
Total Portfolio	753,153	.85	5.92
Equity	474,488	2.73	8.23
MSCI World Index (Net) (USD)		1.86	7.51
USA Equity	422,531	3.55	9.87
S&P 500 Index (Gross) (USD)		3.82	11.96
International Equity	51,957	-3.36	-2.60
MSCI EAFE Index (Net) (USD)		-.71	1.00
Fixed Income	227,964	-2.69	2.73
Barclays US Aggregate Bond Index (USD)		-2.98	2.65
Total Cash	50,701	.07	.17
Citigroup 3 Month Treasury Bill Index (USD)		.08	.27