

**PENSION BOARD AGENDA
THURSDAY, FEBRUARY 23, 2017
4:00PM
DIRECTORS ROOM, LINCOLN CENTER**

1. Approval of Minutes and Actions of the Regular Meeting of January 26, 2017.
2. Acceptance of Pension Fund Status Report for the month January 2017.
3. **CORRESPONDENCE/REPORTS**
 - *NONE*
4. **ADVISORS REPORTS**
 - A. ***Plan Actuary Reports***
 - *Milliman to present Pension Valuation Report*
 - B. ***Investment Advisors Reports***
 - *Defined Benefit (DB) Report Review*
 - C. ***Plan Attorney Reports***
 - *NONE*
5. **OLD BUSINESS**
 - *NONE*
6. **NEW BUSINESS**
 - *NONE*
7. **RETIREMENTS**
 - A. ***Nancy Dzen-Modean***, BOE, Food & Nutrition Lead Kitchen Operator, Normal Retirement, \$645.19 a month, with no dependent option, effective 2/1/2017.
 - B. ***Kathleen F. Fiengo***, BOE, Food & Nutrition Lead Kitchen Operator, Normal Retirement, \$1,419.80 a month, with no dependent option, effective 2/1/17.
 - C. ***Janet M. Nocek***, Librarian, Normal Retirement, \$678.24 a month, with no dependent option, effective 2/1/2017.
8. **ADJOURNMENT**

**TOWN OF MANCHESTER, CT
PENSION BOARD
MINUTES OF JANUARY 26, 2017**

ATTENDEES: Board Members: Joe Camposeo, Dede Moore, Sandy DeCampos, Kevin Zingler (via telephone).
Staff: Greg Simmons. Guests: Mike Goss of FIA.

CALL TO ORDER: The meeting was called to order at 4:13 p.m.

1. **APPROVAL OF MINUTES AND ACTIONS:** Approval of the minutes and actions of the Regular Meeting of December 22, 2016 were unanimously approved with a motion by Kevin Zingler and a second from Dede Moore (4-0).
2. **ACCEPTANCE OF THE FUND STATUS REPORT:** Acceptance of Pension Fund Status Report for the month of December 2016 was unanimously approved with a motion by Sandy DeCampos and a second from Kevin Zingler (4-0).
3. **CORRESPONDENCE/REPORTS**
 - *NONE*
4. **ADVISORS REPORTS**
 - A. **Plan Actuary Reports**
 - *NONE*
 - B. **Investment Advisors Reports**
 - *NONE*
 - C. **Plan Attorney Reports**
 - *NONE*
5. **OLD BUSINESS**
 - *NONE*
6. **NEW BUSINESS**
 - *VOYA has indicated that there will be a rate freeze on the 3% fixed account. At which time, all future contributions will be directed to the 1.5% fixed account.*
7. **RETIREMENTS**

The following retirements were unanimously approved with a motion by Kevin Zingler and a second from Sandy DeCampos (4-0).

- A. **Rod Mathers**, Working Foreman, Sanitation, Early Retirement, \$1,851.87 a month, with no dependent option, effective 1/1/2017.
 - B. **Cynthia Crockett**, BOE, Paraprofessional, Normal Retirement, \$714.80 a month, with no dependent option, effective 1/1/2017.
 - C. **Luis Melendez**, Police Sergeant, Normal Retirement, \$5,306.40 a month, with no dependent option, effective 1/1/2017.
 - D. **Barbara Melnyk**, BOE, Tutor, Early Retirement, \$309.08 a month, with 50% dependent option, effective 2/1/2017.
 - E. **Colleen Robbins**, BOE, Tutor, Normal Retirement, \$393.65 a month, with no dependent option, effective 1/1/2017.
 - F. **Joan E. Scholtz**, BOE, Secretary, Normal Retirement, \$1,297.92 a month, with no dependent option, effective 1/1/2017.
8. **ADJOURNMENT:** The meeting was adjourned by consensus at 4:24 p.m.

TOWN OF MANCHESTER
RETIREMENT ALLOWANCE FUND
JANUARY 31, 2017

MONTHLY ACTIVITY

CONTRIBUTIONS:

| | DECEMBER | JANUARY | FY2017 CUMULATIVE |
|--------------------|--------------|--------------|----------------------|
| BOARD OF EDUCATION | | | 2,280,605.00 |
| TOWN | | | 3,418,461.00 |
| EMPLOYEES | 234,025.06 | 187,126.21 | 1,335,252.72 |
| OTHER | | | 0.00 |
| PENSIONS PAID | 1,107,314.09 | 1,139,693.35 | 7,876,314.90 |
| ACTUARIAL SERVICES | 5,177.50 | 148.50 | 5,326.00 |
| ADVISOR FEES | | 8,079.92 | 31,636.82 |
| OTHER | | | 223.60 |
| NUMBER OF RETIREES | 667 | 669 | |

| ASSET VALUE OF FUND (AT MARKET VALUE) | REVISED JUNE 30, 2016 (2) | REVISED DECEMBER 31 | JANUARY 31 (3) | %CHNG MNTH | %CHNG YTD | ADJUSTED %CHNG YTD | INDEX |
|---|---------------------------------|------------------------|-----------------------|---------------|--------------|--------------------------|-------------------------------|
| SHORT TERM LIQUIDITY: | 0.74% | | | | | | |
| WELLS FARGO CASH | 537,364.10 | 1,513,873.40 | 2,478,288.91 | N/A | N/A | N/A | |
| POOLED CASH | (510,067.98) | (357,767.20) | (1,310,011.09) | N/A | N/A | N/A | |
| SUBTOTAL CASH | 27,296.12 | 1,156,106.20 | 1,168,277.82 | | | | |
| FIXED: | 18.26% | | | | | | |
| METROPOLITAN WEST TOTAL RETURN BOND | 10,906,615.12 | 10,684,144.27 | 10,712,473.70 | 0.27% | -1.78% | -1.78% | 0.20% Barclays Aggregate |
| WESTERN ASSET TRUST CORE PLUS CLASS IS | 10,917,383.50 | 10,503,497.86 | 10,531,090.23 | 0.26% | -3.54% | -3.54% | 0.20% Barclays Aggregate |
| BLACKROCK STRATEGIC INCOME OPFS K | 3,628,268.50 | 3,720,901.77 | 3,741,808.77 | 0.56% | 3.13% | 3.13% | 0.20% Barclays Aggregate |
| EATON VANCE FLOATING RATE FUND | 3,785,354.67 | 3,984,536.61 | 4,012,659.45 | 0.71% | 6.00% | 6.00% | 0.56% S&P/LTSA Leveraged Loan |
| SUBTOTAL FIXED | 29,237,621.79 | 28,893,080.51 | 28,998,032.15 | 0.36% | -0.82% | -0.82% | |
| DOMESTIC EQUITY: | 33.33% | (6) (7) | (6) | | | | |
| STATE ST - RUSSELL 1000 VALUE FUND - NL | 20,626,049.65 | 22,753,383.84 | 22,916,608.32 | 0.72% | 11.11% | 11.15% | 0.71% RUSSELL 1000V |
| STATE ST. - RUSSELL 1000 GROWTH FUND - NL | 19,961,026.83 | 21,094,942.12 | 21,798,508.11 | 3.34% | 9.21% | 9.25% | 3.37% RUSSELL 1000G |
| WCM SMALL VALUE INVESTMENTS | 4,338,676.78 | 0.00 | 0.00 | 0.00% | -100.00% | 4.34% | -0.71% RUSSELL 2000V |
| WELLINGTON SMALL CAP FUND | 0.00 | 5,113,993.46 | 5,113,993.46 | 0.00% | 18.66% | 18.66% | |
| BARON SMALL CAP GROWTH INSTL | 2,935,919.69 | 3,169,979.64 | 3,079,845.39 | -2.84% | 4.90% | -9.33% | 1.62% RUSSELL 2000G |
| COMMON STOCK - MEDCATH CORP | 0.00 | 3,575.00 | 3,575.00 | 0.00% | 0.00% | 0.00% | |
| SUBTOTAL DOMESTIC | 47,861,672.95 | 52,135,874.06 | 52,912,530.28 | 1.49% | 10.55% | 10.88% | |
| INTERNATIONAL EQUITY: | 14.98% | | | | | | |
| CAUSEWAY INTERNATIONAL VALUE INSTL | 6,873,585.52 | 7,336,210.43 | 7,568,938.09 | 3.17% | 10.12% | 10.12% | 2.91% EAFE |
| AF EUROPACIFIC GROWTH FUND R6 | 7,096,358.85 | 7,361,491.59 | 7,688,378.43 | 4.44% | 8.34% | 8.34% | 3.54% MSCI ACWI Ex USA |
| OPPENHEIMER DEVELOPING MKT-INST'L | 3,940,600.22 | 4,072,459.66 | 4,275,063.26 | 4.97% | 8.49% | 8.49% | 5.48% MSCI Emerging Mkts |
| ABERDEEN EMERGING MARKETS INSTIT. FUND | 4,077,436.01 | 4,045,218.66 | 4,254,565.16 | 5.18% | 4.34% | 4.34% | 5.48% MSCI Emerging Mkts |
| SUBTOTAL INTERNATIONAL | 21,987,980.60 | 22,815,380.34 | 23,786,944.94 | 4.26% | 8.18% | 8.18% | |
| REAL ESTATE: | 7.18% | | (1) | | | | |
| UBS TRUMBULL PROPERTY INCOME FUND | 3,899,591.92 | 3,951,038.12 | 3,951,038.12 | 0.00% | 1.32% | 1.32% | -2.90% NAREIT Q4 |
| UBS TRUMBULL PROPERTY FUND | 3,407,953.40 | 3,445,059.25 | 3,445,059.25 | 0.00% | 1.09% | 1.09% | -2.90% NAREIT Q4 |
| UBS FARMLAND INVESTORS LLC | 3,896,724.95 | 4,005,332.02 | 4,005,332.02 | 0.00% | 2.79% | 2.79% | 0.00% NCREIF Q4 |
| SUBTOTAL REAL ESTATE | 11,204,270.27 | 11,401,429.39 | 11,401,429.39 | 0.00% | 1.76% | 1.76% | |
| ASSET ALLOCATION: | 19.74% | | | | | | |
| GMO - BENCHMARK FREE | 18,939,505.51 | 19,384,316.13 | 19,797,744.20 | 2.13% | 4.53% | 4.53% | 0.63% CPI & 5% |
| BLACKROCK GLOBAL ALLOCATION K | 11,638,112.18 | 12,085,646.25 | 11,546,923.32 | -4.46% | -0.78% | 5.66% | 1.73% BlackRock Global Ref. |
| SUBTOTAL ASSET ALLOCATION | 30,577,617.69 | 31,469,962.38 | 31,344,667.52 | -0.40% | 2.51% | 4.96% | |
| ALTERNATIVE: | 4.54% | (4) (5) (7) | (4) | | | | |
| MERIDIAN SEGRATED PORTFOLIO | 114,104.27 | 95,413.39 | 95,413.39 | 0.00% | -16.38% | -0.22% | 0.37% T-bill + 4/12 |
| AETOS CAPITAL ABSOLUTE RETURN | 3,329,385.58 | 3,444,456.88 | 3,496,543.53 | 1.51% | 5.02% | 5.02% | 0.64% T-bill + .6 |
| GROSVENOR INSTITUTIONAL PARTNERS, L.P. | 3,404,131.00 | 3,578,307.00 | 3,609,402.00 | 0.87% | 6.03% | 6.03% | 0.54% T-bill + .5 |
| SUBTOTAL ALTERNATIVE FUNDS | 6,847,620.85 | 7,118,177.27 | 7,201,358.92 | 1.17% | 5.17% | 5.36% | |
| PRIVATE EQUITY: | 1.23% | (8)(9) | (8) | | | | |
| LANDMARK EQUITY PARTNERS | 532,333.00 | 652,155.83 | 658,865.24 | 1.03% | 23.77% | 3.30% | 1.90% S & P 500 |
| SIGULER GUFF DISTRESSED REAL ESTATE OPFS | 678,600.00 | 753,693.00 | 753,693.00 | 0.00% | 11.07% | 2.87% | 0.00% NCREIF Q4 |
| SIGULER GUFF DREOF II CO-INVESTMENT FUND | 107,443.00 | 160,914.00 | 160,914.00 | 0.00% | 49.77% | 7.34% | |
| SIGULER GUFF DISTRESSED OPPORTUNITIES | 1,168,472.00 | 384,299.00 | 384,299.00 | 0.00% | -67.11% | -18.01% | |
| SUBTOTAL ALTERNATIVE FUNDS | 2,486,848.00 | 1,951,061.83 | 1,957,771.24 | 0.34% | -21.27% | -0.56% | |
| TOTAL ASSET VALUE OF FUND | 150,230,928.27 | 156,941,071.98 | 158,771,012.26 | 1.17% | 5.68% | 5.68% | |

(1) UBS Trumbull & Agrivest as of 12/31/16

(2) Balances restated as of 6/30/16

(3) amounts do not included Accruals not posted yet.

(4) Meridian as of 12/31/16

(5) Grosvenor revised as of 12/31/16

(6) Medcath Corporation as of 12/31/16

(7) Wellington Small Cap revised as of 12/31/16

(8) Siguler Guff Funds revised as of 12/31/16

(9) Landmark as of 12/23/16