

PENSION BOARD AGENDA
THURSDAY, MAY 25, 2017
4:00PM
DIRECTORS ROOM, LINCOLN CENTER

1. Approval of Minutes and Actions of the Regular Meetings of March 23, 2017 and April 27, 2017
2. Acceptance of Pension Fund Status Report for the months of March and April 2017.
3. **CORRESPONDENCE/REPORTS**
 - *NONE*
4. **ADVISORS REPORTS**
 - A. *Plan Actuary Reports*
 - *NONE*
 - 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. *Eleanor J. Diehl*, BOE, Paraprofessional, Death Benefit (Spouse), Donald E. Diehl, Sr., \$425.29 per month, 50 % dependent option, effective 6/1/2017.
 - B. *Sharon Tryon*, Custodian, Normal Retirement, \$2,082.57 per month, with 100% dependent option, effective 5/1/2017.
 - C. *Edwin Villanueva*, Police Lieutenant, Normal Retirement, \$6,261.15 per month, with no dependent option, effective 5/1/2017.
8. **ADJOURNMENT**

**TOWN OF MANCHESTER, CT
PENSION BORAD
MINUTES OF MARCH 23, 2017**

ATTENDEES: Board Members: Rob Huestis, Dede Moore, Jan Johnson, and Joe Camposeo
Staff: Kimberly Lord
Guests: Mike Goss and Andre Joyner of FIA

CALL TO ORDER: The meeting was called to order at 4:01 p.m.

- 1. APPROVAL OF MINUTES AND ACTIONS:** The minutes and actions of the Regular Meeting of February 23, 2017 were approved with a motion by Joe Camposeo and a second from Dede Moore. (4-0)
- 2. ACCEPTANCE OF THE FUND STATUS REPORT:** Acceptance of the Pension Fund Status Report for the month of February was unanimously approved with a motion by Joe Camposeo and a second from Jan Johnson. (4-0)
- 3. CORRESPONDENCE/REPORTS:** None
- 4. INVESTMENT ADVISORS REPORTS:**
 - A. Defined Contribution (DC) Review*

Mike Goss reviewed the Town's defined contribution plan. The plan's members are primarily investing in Target Date Funds.
 - B. Defined Benefit (DB) Asset Allocation Review*

Mike Goss reviewed long-term assumptions and recommended an asset allocation change, by increasing global and emerging market investment and dialing down US equities. A review of the Shiller price to earnings ratio suggests a slight change to the allocation may be beneficial.

A motion was made by Joe Camposeo, seconded by Jan Johnson and it was unanimously approved to amend the target allocations by reducing domestic equities from 31% to 26% and increasing global and emerging equities from 16% to 21%, with a corresponding adjustment to benchmarks. Motion passed 4-0.
- 5. OLD BUSINESS:** None
- 6. NEW BUSINESS:** None
- 7. RETIREMENTS:**

The following retirement was unanimously approved:

 - A. Stephen C. Brouillet, BOE, HVAC Technician, Normal Retirement, \$2,511.21 per month, with no dependent option, effective 3/1/2017*
- 8. ADJOURNMENT:** Joe Camposeo made a motion to adjourn, seconded by Dede Moore, and the meeting was adjourned at 5:05. (4-0)

**TOWN OF MANCHESTER, CT
PENSION BORAD
MINUTES OF APRIL 27, 2017**

ATTENDEES: Board Members: Rob Huestis, Dede Moore, Jan Johnson, Craig Lappen, and Joe Camposeo
Staff: Kimberly Lord (arrived at 4:04 p.m.)
Guests:

CALL TO ORDER: The meeting was called to order at 4:02 p.m.

1. **APPROVAL OF MINUTES AND ACTIONS:** Deferred until May
2. **ACCEPTANCE OF THE FUND STATUS REPORT:** Deferred until May
3. **CORRESPONDENCE/REPORTS:** None
4. **INVESTMENT ADVISORS REPORTS:** None
5. **OLD BUSINESS:** None
6. **NEW BUSINESS:** None
7. **RETIREMENTS:**
The following retirement was unanimously approved:
 - A. *Gerald Dupont*, Director of General Services, Normal Retirement, \$5,620.15 per month, with 50% dependent option, effective 4/1/2017
8. **ADJOURNMENT:** Dede Moore made a motion to adjourn, seconded by Joe Camposeo, and the meeting was adjourned at 4:04. (5-0)

TOWN OF MANCHESTER
RETIREMENT ALLOWANCE FUND
MARCH 31 2017
MONTHLY ACTIVITY

		FEBRUARY		MARCH		FY2017 CUMULATIVE		
CONTRIBUTIONS:								
BOARD OF EDUCATION								2,280,605.00
TOWN								3,418,461.00
EMPLOYEES			181,496.97		241,236.08			1,757,985.77
OTHER			219.31		113.34			332.65
PENSIONS PAID			1,148,787.02		1,126,663.71			10,151,765.63
ACTUARIAL SERVICES			24,600.00					29,926.00
ADVISOR FEES					3,813.60			35,450.42
OTHER					(223.60)			0.00
NUMBER OF RETIREES			671		672			
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ASSET VALUE OF FUND (AT MARKET VALUE)		REVISED	REVISED			ADJUSTED		
		JUNE 30, 2016	FEBRUARY 28	MARCH 31	%CHNG	%CHNG	%CHNG	INDEX
		(2)	(3)	(3)	MNTH	YTD	YTD	
SHORT TERM LIQUIDITY:		2.44%						
WELLS FARGO CASH		537,364.10	1,602,204.48	1,617,883.37	N/A	N/A	N/A	
POOLED CASH		(510,067.98)	3,222,918.17	2,309,413.88	N/A	N/A	N/A	
SUBTOTAL CASH		27,296.12	4,825,122.65	3,927,297.25				
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FIXED:		18.14%						
METROPOLITAN WEST TOTAL RETURN BOND		10,906,615.12	10,785,031.33	10,781,364.94	-0.03%	-1.15%	-1.15%	-0.05% Barclays Aggregate
WESTERN ASSET TRUST CORE PLUS CLASS IS		10,917,383.50	10,613,867.36	10,623,064.82	0.09%	-2.70%	-2.70%	-0.05% Barclays Aggregate
BLACKROCK STRATEGIC INCOME OPPTS K		3,628,268.50	3,772,833.16	3,774,395.18	0.04%	4.03%	4.03%	-0.05% Barclays Aggregate
EATON VANCE FLOATING RATE FUND		3,785,354.67	4,034,511.22	4,045,627.38	0.28%	6.88%	6.88%	0.08% S&P/LTSA Leveraged Loan
SUBTOTAL FIXED		29,237,621.79	29,206,243.07	29,224,452.32	0.06%	-0.05%	-0.05%	
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DOMESTIC EQUITY:		31.08%	(6) (7)	(6) (7)				
STATE ST - RUSSELL 1000 VALUE FUND - NL		20,626,049.65	20,732,475.45	20,525,931.19	-1.00%	-0.49%	13.61%	-1.02% RUSSELL 1000V
STATE ST. - RUSSELL 1000 GROWTH FUND - NL		19,961,026.83	20,936,620.60	21,176,418.04	1.15%	6.09%	14.65%	1.16% RUSSELL 1000G
WCM SMALL VALUE INVESTMENTS		4,338,676.78	0.00	0.00	0.00%	-100.00%	4.34%	-0.85% RUSSELL 2000V
WELLINGTON SMALL CAP FUND		0.00	5,082,332.18	5,082,332.18	0.00%	17.93%	17.93%	
BARON SMALL CAP GROWTH INSTL		2,935,919.69	3,220,049.03	3,280,301.84	1.87%	11.73%	-2.50%	1.18% 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	49,975,052.26	50,068,558.25	0.19%	4.61%	14.55%	
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INTERNATIONAL EQUITY:		15.53%						
CAUSEWAY INTERNATIONAL VALUE INSTL		6,873,585.52	7,568,938.09	7,907,451.04	4.47%	15.04%	15.04%	2.87% EAFE
AF EUROPACIFIC GROWTH FUND R6		7,096,358.85	7,778,272.31	8,051,222.82	3.51%	13.46%	13.46%	2.54% MSCI ACWI Ex USA
OPPENHEIMER DEVELOPING MKT-INSTL		3,940,600.22	4,348,968.97	4,523,539.36	4.01%	14.79%	14.79%	2.55% MSCI Emerging Mkts
ABERDEEN EMERGING MARKETS INSTT. FUND		4,077,436.01	4,331,862.33	4,531,546.69	4.61%	11.14%	11.14%	2.55% MSCI Emerging Mkts
SUBTOTAL INTERNATIONAL		21,987,980.60	24,028,041.70	25,013,759.91	4.10%	13.76%	13.76%	
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REAL ESTATE:		7.10%	(1)					
UBS TRUMBULL PROPERTY INCOME FUND		3,899,591.92	3,951,038.12	3,960,013.64	0.23%	1.55%	1.55%	1.15% NAREIT Q1
UBS TRUMBULL PROPERTY FUND		3,407,953.40	3,445,059.25	3,449,379.63	0.13%	1.22%	1.22%	1.15% NAREIT Q1
UBS FARMLAND INVESTORS LLC		3,896,724.95	4,005,332.02	4,033,345.45	0.70%	3.51%	3.51%	0.00% NCREIF Q1
SUBTOTAL REAL ESTATE		11,204,270.27	11,401,429.39	11,442,738.72	0.36%	2.13%	2.13%	
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ASSET ALLOCATION:		19.96%						
GMO - BENCHMARK FREE		18,939,505.51	20,109,765.39	20,296,978.10	0.93%	7.17%	7.17%	0.13% CPI & 5%
BLACKROCK GLOBAL ALLOCATION K		11,638,112.18	11,764,321.01	11,863,702.81	0.84%	1.94%	8.38%	0.68% BlackRock Global Ref.
SUBTOTAL ASSET ALLOCATION		30,577,617.69	31,874,086.40	32,160,680.91	0.90%	5.18%	7.63%	
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ALTERNATIVE:		4.52%	(4) (5)	(4)				
MERIDIAN SEGRATED PORTFOLIO		114,104.27	95,413.39	95,413.39	0.00%	-16.38%	-0.22%	0.35% T-bill + 4/12
AETOS CAPITAL ABSOLUTE RETURN		3,329,385.58	3,520,314.15	3,540,415.60	0.57%	6.34%	6.34%	0.62% T-bill + .6
GROSVENOR INSTITUTIONAL PARTNERS, L.P.		3,404,131.00	3,635,594.00	3,638,441.00	0.08%	6.88%	6.88%	0.52% T-bill + .5
SUBTOTAL ALTERNATIVE FUNDS		6,847,620.85	7,251,321.54	7,274,269.99	0.32%	6.23%	6.42%	
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PRIVATE EQUITY:		1.23%	(6) (8) (9)	(4) (8) (9)				
LANDMARK EQUITY PARTNERS		532,333.00	657,960.00	644,831.00	-2.00%	21.13%	0.66%	1.20% S & P 500
SIGULER GUFF DISTRESSED REAL ESTATE OPPTS		678,600.00	753,693.00	753,693.00	0.00%	11.07%	2.87%	0.00% NCREIF Q1
SIGULER GUFF DREOF II CO-INVESTMENT FUND		107,443.00	160,914.00	166,612.40	3.54%	55.07%	7.34%	
SIGULER GUFF DISTRESSED OPPORTUNITIES		1,168,472.00	399,299.00	414,299.00	3.76%	-64.54%	-16.72%	
SUBTOTAL ALTERNATIVE FUNDS		2,486,848.00	1,971,866.00	1,979,435.40	0.38%	-20.40%	-0.52%	
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TOTAL ASSET VALUE OF FUND		150,230,928.27	160,533,163.01	161,091,192.75	0.35%	7.23%	7.23%	

(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) Aetos & Grosvenor revised as of 2/28/17

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

(7) Wellington Small Cap revised as of 1/31/17

(8) Siguler Guff Distress Opp. Funds revised as of 3/20/17

(9) Siguler Guff DREOF II Co-Inv as of 3/17/17