



TOWN OF VERNON

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Pension Board

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Town of Vernon, Connecticut Pension Board Meeting Minutes September 11, 2013

In Attendance:

Patricia Neal, Board Member
John Lillis, Board Member
Gary Ruchin, Board Member

Marion Griffin, Prudential
Alex Caravaca, Prudential
Dawn Maselek, Assistant Town Administrator

Absent:

John Ward, Town Administrator

Meeting called to order by Dawn Maselek at 7:07 p.m.

Public Comment

There were no members of the public in attendance.

Approval of Minutes

Motion to approve minutes for June 12, 2013, as amended, by John Lillis, seconded by Patricia Neal. All in favor.

Old Business

Review of current plans for the Town and Police pensions.

Town had a .48% return with a challenging second quarter. Marion Griffin (Prudential) rebalanced the funds moving into intermediate term bonds, reducing equity allocation to be in line with the plan. The Police pension did better because of higher equity allocation. Marion Griffin described the volatility of the market over the first and second quarter. The second quarter improved in both domestic and international investments, with portfolio managers meeting benchmarks.

All funds, with the exception of Boston Company, met performance criteria. There are no concerns presently. Marion Griffin advised the Board the Boston Company fund closed, with notifications sent out July 30, 2013 the funds were moved to the RBC fund, so no need to transfer the funds slowly out of Boston Company over the month of August. Fifty percent of the funds will be transferred from RBC to Columbus.

Market uncertainty will make future performance difficult to gauge.

New Business

The Board will consider moving funds into higher yield from 2 percent to 3.5 percent. Still consider real estate funds, but the best bet would be over TIPS, commodities, etc. Gary Ruchin requested Marion Griffin forward the information on to the Board members prior to the next meeting for review and ability to discuss at the next

meeting. Gary Ruchin wants to consider ideas to protect the fixed portion of the plan in an anticipation of an interest rate increase.

Motion to adjourn was made by John Lillis, seconded by Patricia Neal. All in favor.

Meeting adjourned at 8:15 p.m.

Next Meeting: December 11, 2013

Prepared by: Dawn R. Maselek, Assistant Town Administrator