



# TOWN OF VERNON

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## *Pension Board*

### **Town of Vernon, Connecticut Pension Board Meeting Minutes – AMENDED DRAFT**

**May 21, 2014**

#### **In Attendance:**

John Lillis, Board Member  
Gary Ruchin, Board Member

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

#### **Absent:**

John Ward, Town Administrator  
Patricia Neal, Board Member

Jim Luddecke, Finance Officer

Meeting called to order by Gary Ruchin at 7:12 p.m.

#### **Public Comment**

There were no members of the public in attendance.

#### **Approval of Minutes**

Motion to approve minutes February 19, 2014, by John Lillis, seconded by Gary Ruchin. All in favor.

#### **New Business**

Asset allocation review with Marion Griffin showed first quarter results with a 1.28% return for the Town and Police plans. No rebalancing needed as of March 31, 2014. Twelve of the fifteen investments met performance criteria. Three funds on the watch list – Small Cap Growth/Columbus Circle, International Blend/Thornburg, & Core Plus Bond/PIMCO. Marion indicated that if the Committee wanted to diversify the intermediate bond allocation while retaining PIMCO, they could use the Core Plus Bond Prudential Retirement MultiManager fund, which combines Core Plus Bond/PIMCO and Prudential Total Return with a 50% allocation to each fund. Gary Ruchin requested confirmation that expense ratio would not increase if the Committee made the recommendation.

For diversification purposes, Marion provided the Committee with Fact Sheets on Real Estate and Real Assets investment options. Discussion of these options took place with recommendation from Marion to consider moving five percent from Equity to implement either the Real Estate or Real Asset allocations. Some models could be run for various mixes to project the impact of this type of diversification. Gary Ruchin asked if the purchase could be through ETF to reduce fees to half or one-third. John Lillis would like more information on other Real Asset funds and the leverage of the fund recommended.

#### **Old Business**

As requested at the last meeting 5% transfer to Private Placement from PIMCO was accomplished and will show in the next report.

Motion to adjourn was made by John Lillis, seconded by Gary Ruchin. All in favor.

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Meeting adjourned at 7:54 p.m.

**Next Meeting:** September 10, 2014

Prepared by: Dawn R. Maselek, Assistant Town Administrator