TOWN OF VERNON

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Pension Board

Town of Vernon, Connecticut Pension Board Meeting Minutes
August 18, 2016 - FINAL

RECEIVED
VERNON TOWN CLERK
17 FEB 22 AM 10:00

In Attendance:
John Lillis, Board Member
Gary Ruchin, Board Member
Joseph Miller, Board Member
James Luddecke, Finance Officer

Alex Caravaca, Prudential
Lazaro Guzman, Prudential

Dawn Maselek, Assistant Town Administrator

Absent:
John D. Ward, Town Administrator

Meeting called to order by Gary Ruchin at 7:03 p.m.

Public Comment
There were no members of the public in attendance.

Approval of Minutes
Motion to approve minutes for May 26, 2016, by John Lillis, seconded by Joseph Miller. All in favor.

New Business
Quarterly reports coming out in the next couple of weeks. They will be sent to the Committee. Economy growing at a modest pace. Labor market numbers are decent and consumer spending is up. Housing is up slightly. The biggest market impact is the UK voting to leave the EU, causing some volatility. S&P has done well regardless, and was up almost 7% last week. It will take a couple of years for trade treaties to be re-negotiated; implications will be unknown until then.

Utilities, defense and telecommunications generally have higher returns. Energy is still in the negative. Fixed income has done well; it is safer during volatility. Other parts of the world are currently offering negative rates, which makes our bonds more attractive.

The Town plan is doing well with a 7.4% return over 10 years. July was a good month for the market. No portfolio balancing is needed.

The Police plan was up with a 1.8% return over three months. It is close to meeting target with a slight overage in equity, but no rebalance needed in the portfolio.

All funds are generally meeting criteria over the last three to five years. American Century is off the watch list after the printing of the report. It is now in the top half. Small Cap used to include Columbus Circle. Funds transferred to RBC and are doing well. Private placement are higher risk and generally did not do as well. LSV is being watched. Riskier funds did worse due to market anxiety. CORE Bond replaced PIMCO and is doing well.

Old Business
None.

Motion to adjourn was made by Joseph Miller, seconded by John Lillis. All in favor.

Meeting adjourned at 7:34 p.m.

Next Meeting: November 17, 2016
Prepared by: Dawn R. Maselek, Assistant Town Administrator