

MINUTES - EMPLOYEE INSURANCE AND PENSION BENEFITS COMMITTEE

May 18, 2015

- 1) Call to Order: Chairperson Clarke Castelle called the meeting to order at 7:00 p.m. in Conference Room 1.
- 2) Roll Call: Members Present: Sharon Braverman, Clarke Castelle, Jon Kehl, Jay Krusell, Jay Slater, John Slusarski and Michael Wilbur

Members Absent: Beth DelBuono, Dennis Doyle, Terrence Sullivan and Paul Vessella

Staff Present: Ann Harter, Charlene Drzata and Lou Jachimowicz

Others present: Marc Shegoski, David Sears and Dave McCluskey
- 3) Minutes: Jay Slater made a motion to accept the minutes of March 9, 2015, seconded by Jon Kehl. The motion passed unanimously.
- 4) Public Participation: None
- 5) Lockton: Dave McCluskey reported that the 2014-15 plan year is running with a positive margin of \$489,262 through April 2015. The Town has a positive margin of \$90,705 and the Board of Education has a positive margin of \$398,557. Dave also reported that there are six large claims exceeding 50% of the \$175,000 stop loss amount and two claims that have exceeded this amount by \$122,497.

UBS: Marc Shegoski presented a summary of the market and economic outlook. David Sears reviewed the 1st quarter Pension Fund Performance summary. The returns for the 1st quarter were 2.47% which was ahead of the benchmark of 1.45%. David reviewed the quarterly returns for each investment manager. UBS presented alternatives for the Fixed Income portfolio. David distributed the attached investment manager allocations for the Town of Newington Pension Plans and OPEB Plan. After a discussion, Jon Kehl made a motion to accept the reallocation from the Western Asset Strategic Bond fund and MetWest Total Return at 4% each to BlackRock Strategic Income Opportunities and JP Morgan Strategic Income Opportunities as recommended by UBS. Motion seconded by Sharon Braverman. Marc Shegoski noted that their recommendation also includes the OPEB Plan. Jon Kehl amended his motion to include the reallocation of the OPEB Plan to include the reallocation from the Loomis Sayles Investment Grade Bond fund and MetWest Total Return at 3% each to BlackRock Strategic Income Opportunities and JP Morgan Strategic Income Opportunities. Motion seconded by Sharon Braverman. The motion passed with 6 members in favor and John Slusarski abstaining.
- 6) Remarks by Committee Members – John Slusarski distributed a draft of the EIPBC Ordinance with his suggested revisions. After some discussion, the committee decided to review the draft and discuss it at a future meeting.
- 7) Next Meeting: Date to be determined.
- 8) Adjournment: Jay Slater made a motion to adjourn, seconded by Jon Kehl. The motion passed unanimously. The meeting adjourned at 8:50 p.m.

Respectfully submitted,


Charlene J. Drzata
Insurance & Benefits Administrator

Town of Newington Pension Plans
Allocations as of 03/31/15

<u>Investment Manager</u>	<u>Current Target</u>	<u>Target % with recommended changes</u>
Domestic Equity	44.70%	44.70%
Blackrock S&P 500 Index	10.00%	10.00%
Westfield Strategic Growth	12.30%	12.30%
Westwood Large Company Value	12.10%	12.10%
Palisade Small Cap Growth	5.30%	5.30%
NFJ Small Cap Value	5.00%	5.00%
International Equity	16.40%	16.40%
EuroPacific Growth	8.10%	8.10%
MFS International Value	3.10%	3.10%
Oakmark International	5.20%	5.20%
Total Equity	61.10%	61.10%
Fixed Income	38.80%	38.80%
Western Asset Strategic Bond	13.70%	9.70%
Templeton Global Bond	7.50%	7.50%
Metwest Total Return	17.60%	13.60%
BlackRock Strategic Income Opportunities	0.00%	4.00%
JPMorgan Strategic Income Opportunities	0.00%	4.00%
Total	100.00%	100.00%

Town of Newington OPEB Plan
Allocations as of 03/31/15

<u>Investment Manager</u>	<u>Current Target</u>	<u>Target % without allocation shift</u>
Domestic Equity	39.00%	39.00%
Diamond Hill Large Value	14.50%	14.50%
Fidelity Advisor New Insights	14.50%	14.50%
Vanguard Mid Cap Index	5.00%	5.00%
Gabelli Small Cap Growth	5.00%	5.00%
International Equity	15.00%	15.00%
MFS Internatioonal Value	2.00%	2.00%
Natixis Oakmark International	3.00%	3.00%
Europacific Growth	5.00%	5.00%
Oppenheimer Developping Markets	5.00%	5.00%
Fixed Income	34.00%	34.00%
Loomis Sayles Investment Grade Bond	13.00%	10.00%
Metwest Total Return	13.00%	10.00%
Templeton Global Bond	8.00%	8.00%
BlackRock Strategic Income Opportunities	0.00%	3.00%
JPMorgan Strategic Income Opportunities	0.00%	3.00%
Other		
PIMCO All Asset All Authority	12.00%	12.00%
Total	100.00%	100.00%