

LITCHFIELD PENSION COMMISSION REGULAR MEETING
TUESDAY, August 12, 2014
FIRST SELECTMEN'S OFFICE – TOWN OFFICE BUILDING
7:00 P.M.

Minutes

Present: P. Perusse, B. Barnes, M. Dunn, J. Manes J. Morosani D. T. Wilson.
Absent: F. Carpentier. Also present: R. Carroll, Administrative Assistant to the First Selectman, M. Fishman, Board of Finance, R. Judd, P. Cowenhoven, and P. Carlson from Union Savings Bank.

The meeting was declared open at 7:01 PM.

Previous Minutes: The minutes of the June 10, 2014 meeting were approved on a motion by J. Manes, seconded by D. T. Wilson; all voted in favor.

Investment Performance review: The USB personnel presented the investment results for the first half of CY 2014 and for FY 2014. The results are attached to the minutes. In an effort to have the investments in certain asset categories more closely track the underlying benchmark, USB recommended to the Commission that for our investments in International stocks (both developed and emerging markets), open end mutual funds be utilized in the place of ETFs. Since the open end mutual funds use different benchmarks, as does the Commission's REIT ETF, USB recommended to the Commission that it consider changing the relevant benchmarks in the Investment Policy Statement to benchmarks that more accurately reflect the investments. USB also indicated that it would like to use an open-end, actively-managed mutual fund in the High Yield market segment, as the ETF's performance can differ markedly from the underlying index.

J. Morosani made a motion that the Investment Policy Statement be revised as follows: 1) the benchmark for International Developed Economies change to the FTSE Developed ex-North America Index, 2) the benchmark for International Emerging Economies change to the FTSE Emerging Index, and 3) the benchmark for REITs change to the MSCI REIT Index. D.T. Wilson seconded the motion; all voted in favor.

Benefit Approval:

Timothy Valuckas, a Merit Service volunteer, elected to receive a joint and contingent annuity in the amount of \$375.03/ month, effective 2/1/2014.

James Gavell, a Merit Service volunteer, elected to receive a ten year certain and life annuity in the amount of \$404.91/month, effective 8/01/2014.

Robert Ebner, Sr., a Merit Services volunteer, elected to receive a life annuity without death benefit in the amount of \$165.00/month, effective 7/01/2014.

Mary Jane Evans, a Board of Education employee, elected to receive a life annuity without death benefit in the amount of \$1,225.62/month, effective 7/01/2014.

J. Manes made a motion to approve the four benefit applications, seconded by D.T. Wilson; all voted in favor.

Communications:

P. Perusse has been in discussion with Hooker & Holcombe to determine the cost for H&H to review the Plans to insure that the Plans are in compliance with all current relevant regulations, including the recent implementation of GASB 67. She was told that H&H would undertake the review for the fee of \$750 per plan. P. Perusse will discuss the expenditures with First Selectman Leo Paul.

D.T. Wilson went over a checklist over what must be done to implement GASB 67 as requested by H&H. It would appear that the Commission's only responsibility is to provide a copy of the Investment Policy Statement, which D. T. Wilson has done.

J. Morosani notified the Commission that while he would be happy to continue to serve as Secretary of the Commission, he no longer would have the time necessary to take the minutes at meetings and write them up. R. Carroll said that she would be willing to take the notes, write them up as minutes, and submit them to the Secretary.

Items for next Agenda: Update on investment performance for Q3 2014.

At 8:12 PM M. Dunn made a motion to adjourn which was seconded by D.T. Wilson. All voted aye.

The next regular meeting of the Pension Commission will be on Tuesday, October 14, 2014 at 7:00 PM.

Respectfully submitted,
John W. Morosani
Secretary

