

# Minutes of the Special Meeting of the Region 9 Board of Education Pension Committee

August 3, 2015

*Filed subject to approval*

Attendees: Vance Hancock, Wally King, Jim Sanders, Jeff Mondt and Peggy Sullivan (members of the Pension Committee)

John O'Connor – 3DAsset Management, Joe DeRosa – USI Advisors

1. Mr. Hancock called the meeting to order at 5:35 p.m. in the Career Center at Joel Barlow High School.
2. Public Comment: None.
3. Mr. O'Connor of 3D Asset Management discussed the pension plan investments in DFA. DFA's investment objective is Long term capital investment; the DFA investments earned a -0.06% rate of return in the 2<sup>nd</sup> quarter and a 2.07% return for the first 6 months of the year.

Mr. DeRosa explained that he is replacing Alba Tedone as the plan's investment advisor, Alba has moved out of state. Mr. DeRosa gave a brief overview of the general economic conditions. The GDP has been growing, due to 70% of the growth coming from consumer spending. Consumer confidence is relatively high. The unemployment rate is relatively low at 5.3%, below full employment, but the participation rate is still low at 63%. The growth in housing prices is slowing down. Inflation continues to remain low and the US dollar continues to remain strong.

Mr. DeRosa referred to page 24 of the quarterly report noting that the fund's investments are in-line with the plan's strategic allocation of 60% equity and 40% fixed income. He also noted, as shown on page 39 of the quarterly report that the plan's investment performance is running behind the benchmark and peer groups. USI has no recommendations for investment changes for the quarter.

Mr. King asked about the number of funds that the plan is investing in, and is it too many. Mr. DeRosa answered No, the plan invests in 26 different funds, two are cash, and the remaining 24 are strategically determine to distribute the investment risk.

USI will continue to use dollar cost averaging for the 2015-16 contribution to the plan assets.

4. Motion to approve the June 8, 2015 minutes was made by Mr. Sanders, seconded by Mr. King. Vote: All in favor.
5. The discussion about the Investment Policy Statement was deferred until the next meeting.
6. Public Comment: None.
7. Committee Member Comment: Ms. Sullivan reported that the USI actuary will join the committee at the next meeting on October 26, 2015.
8. Motion to adjourn at 7:10 p.m. was made by Mr. Sanders, seconded by Mr. Hancock, and approved unanimously.

Respectfully submitted,

Peggy Sullivan  
Director of Finance & Operations

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DATE FILED 08/07/2015 12:33:44 PM  
CHRISTINE HALLORAN  
TOWN CLERK EASTON CT