

*Filed subject to approval*

**REGION 9 BOARD OF EDUCATION  
PENSION COMMITTEE REGULAR MEETING**

July 27, 2020 – 5:30 p.m.

Virtual via Zoom

Join Zoom Meeting:

<https://us02web.zoom.us/j/9429379194?pwd=OUJZR2J3VG1kLzQ1R0dWNXB5bmc1UT09>

Meeting ID: 942 937 9194

Password: 2MuEt6

Dial by your location: +1 929 205 6099 US (New York)

Password: 682782

**MINUTES**

**ATTENDEES**

Committee Members: Juliette Berry, Cheryl Graziano, Ira Kaplan, Jeff Mond, Jim Sanders

Administration: Scott Reiss (Director of Finance & Operations)

Others: Bill Beck (USI), Joe DeRosa (USI)

Members of the Public: None

**CALL TO ORDER**

Ms. Graziano called the meeting to order at 5:32 p.m.

**APPROVAL OF MINUTES**

Minutes from the April 27, 2020 Region 9 Pension Committee Regular Meeting were reviewed. A correction to the first motion in the minutes was noted to state that the motion was to approve the minutes from the February 10, 2020 meeting (not February 19).

**Motion: Move to approve the minutes from the April 27, 2020 Region 9 Pension Committee regular meeting as corrected (Sanders, Berry). Vote: All in favor.**

**PUBLIC COMMENT**

None

**DISCUSSION AND POSSIBLE ACTION: REVIEW DEFINED CONTRIBUTION PLAN INVESTMENT POLICY STATEMENT**

The committee reviewed the Investment Policy Statement (IPS) for the Defined Contribution (DC) plan as a component of its ongoing Fiduciary Oversight role. The IPS was previously approved in October of 2018. Mr. DeRosa stated that in the view of USI, there were no changes to the IPS that were recommended at this time. The IPS does need to be updated to reflect the official name of the DC plan which was changed when the plan was moved to Horace Mann.

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INSTR # M2020000512  
CHRISTINE HALLORAN TOWN CLERK EASTON CT  
REC'D 07/30/2020 09:40:33 AM

**Motion: Move to amend the Defined Contribution Plan Investment Policy Statement to incorporate the revised plan name (Kaplan, Sanders). Vote: All in favor.**

**DISCUSSION AND POSSIBLE ACTION: QUARTERLY FIDUCIARY OVERSIGHT REVIEW**

Mr. DeRosa presented a Fiduciary Oversight Review of the Defined Contribution plan. There were no major items of note or concerns. Mr. DeRosa then presented a Fiduciary Oversight Review of the Defined Benefit plan. The fund has recovered nearly all of the investment losses since the beginning of the year, with the asset allocation strategy playing a strong role in that recovery. With the gains of the second quarter, the portfolio is at -2.70% YTD versus -3.84% YTD for the benchmark.

Mr. Beck presented an analysis of the actuarial assumption of investment return for the Defined Benefit plan, which has been at 6.75% for many years. Based on his analysis, there is a 46% likelihood of achieving that level of return over the next 20 years, and his recommendation is to move to an assumption with at least a 50% likelihood.

**Motion: Move to change the investment return assumption from 6.75% to 6.5% (Kaplan, Sanders). Vote: 4-1 (Mondi opposed).**

**DISCUSSION AND POSSIBLE ACTION: POSSIBLE RE-ALLOCATION OF INVESTMENTS**

The committee agreed that no action was warranted to change or re-allocate existing funds in the Defined Benefit Plan portfolio.

**PUBLIC COMMENT**

None

**COMMITTEE MEMBER COMMENT**

None

**ADJOURNMENT**

**Motion: Move to adjourn the meeting (Kaplan, Sanders). Vote: All in favor.**

The meeting was adjourned at 6:56 p.m.

Submitted by

Scott Reiss, Director, Finance and Operations