

REGION 9 BOARD OF EDUCATION
Regular Pension Committee Meeting
October 24, 2016

MINUTES

Attendees: Wally King, Paul Coppinger, Jeff Mond, and Peggy Sullivan (members of the Pension Committee); and Joe DeRosa and Bill Beck – USI Advisors

1. Mr. King called the meeting to order at 5:40 p.m. in the Career Center at Joel Barlow High School.

MOTION: To approve the minutes from the April 25, 2016 meeting; by Paul Coppinger, seconded by Jeff Mond. Vote: All in favor, Jeff Mond abstained.

3. Public Comment: None.
4. Discussion and Possible Action Items:

A. Quarterly Portfolio Review

Mr. DeRosa gave a brief overview of the general economic conditions. The US economy grew 1.4% during the second quarter 2016, and a 2.0% - 2.2% growth anticipated for the third quarter. Unemployment rose slightly from 4.9% to 5.0% with more people returning to the market. Single family housing construction still remains strong with rising housing prices. Corporate profits are choppy, mostly due to a strong dollar and low energy prices. Inflation remains low.

Mr. Sanders joined the meeting at 5:47 PM.

Mr. DeRosa referred to page 24 in the investment report noting that the asset allocation is in line with the strategic allocation. The detail breakdown of assets on pages 26 -28 shows the transfer of funds to the I-Shares. The quarterly reconciliation on page 28 shows that the fund had a net investment gain of \$171,879 for the quarter, and the following pages shows a \$320,440 gain for the year to date.

Mr. DeRosa reviewed the performance of the portfolio investments. Mr. DeRosa recommended a transfer of the cash in the portfolio from the current Schwab Government Money to Schwab Bank Savings and Schwab Savings Sweep Funds to earn slightly more income on the cash balances.

Motion: To instruct USI to transfer the cash balance in Schwab Government Money Fund to Schwab Bank Savings and Schwab Bank Savings Sweep accounts. Wally King, seconded by Jim Sanders. Vote: Unanimous.

B. Mr. Bill Beck reviewed the July 1, 2016 Actuarial Report with the committee noting the impact that the change in actuarial assumptions the committee approved last meeting had on the recommended annual contribution to the fund. The annual recommended contribution increased to \$423,238 from \$339,996 in the previous year.

Motion: move to add to the agenda item D. 2017 Calendar of Committee Meetings. Jim Sanders, seconded by Paul Coppinger. Vote: All in favor.

The 2017 meeting dates for the Pension Committee will be:

January 30, 2017
April 24, 2017
July 31, 2017
October 30, 2017

5. Public Comment: None
6. Committee Member Comment: None.

Motion: to adjourn was made by Jim Sanders, seconded by Paul Coppinger, and approved unanimously.

Meeting adjourned at 6:45 p.m.

Submitted by,

Peggy Sullivan
Director of Finance & Operations