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*Michael J. O'Brien*  
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*(Unapproved Minutes)*

## **Pension Board Regular Meeting**

Town of Orange, Connecticut

Meeting Room – Town Hall

December 6, 2018 – 7:00 p.m.

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### **ATTENDANCE**

**Board Members Present:** Chairman Eric Hendlin, Barbara Miller, and Mitchell Goldblatt

**Board Members Absent:** Ryan DePolo and Paul Dinice

**Staff:** John Cifarelli, Finance Director; Audrey Geer, Assistant Finance Director; Deborah Satonick, Recording Secretary

**Guests:** Chris Kachmer, Fiduciary Investment Advisors; Pamela A. Giunti, Mutual of America; Andrew Kramer, Mutual of America

Chairman Eric Hendlin called the December 6, 2018 Pension Board meeting to order at 7:00 p.m.

#### **1. Public Participation**

- There was no public participation at this time.

#### **2. Presentation by Mutual of America**

- The Town of Orange Employee Pension and Retirement Plan and the Police Pension and Retirement Plan Actuarial Valuation as of January 1, 2018 were distributed to the Pension Board members. Ms. Giunti turned the discussion over to Mr. Kramer, who elaborated on the individual funds' performance throughout the year. He noted that in spite of a very volatile market, the United States is doing well from an economic standpoint. Unemployment is down to 3.9%, the GEP is strong, and corporate earnings are good.
- Mr. Kramer stated that Mutual of America considers many factors in the selection and monitoring of funds. These factors include the Process (adherence to stated objectives), the People (Experience, turnover and stability), the Price, the Performance (Risk adjusted performance), and the Philosophy. The overall performance of the Town's portfolio of asset allocations has been favorable, particularly when measured by Morningstar. He felt that the current asset allocation for the Town is correct.
- Mr. Kramer pointed out that some new investment funds have been added to the current allocation, which include Mutual of America 2060 Retirement Fund and the MFS VIT 111 Mid Cap Value Portfolio, among others. Ms. Giunti will continue to meet individually with

Town and Police employees to discuss their retirement portfolio. The members thanked Ms. Giunti and Mr. Kramer for attending the Pension Board meeting and presenting this overview.

**3. Review and Approve Minutes – August 16, 2018**

*Ms. Miller made a motion to approve the August sixteenth, 2018 Pension Board minutes, seconded by Mr. Goldblatt. All were in favor and the motion PASSED.*

**4. Review and Approve Meeting Schedule for 2019**

*Mr. Goldblatt approved the Pension Board Meeting Schedule for 2019. Ms. Miller seconded the motion and all were in favor. The motion PASSED.*

**5. Quarterly Investment Results from September 30, 2018**

- Mr. Kachmer presented the quarterly investment results for this quarter. He noted that the international equity markets lagged behind the United States, as global trade tensions continue. There was a shortfall on domestic equities and some unexpected inflation.
- Members inquired if the assumed rate of return, which is currently at 6.75%, will again be adjusted down as we move forward. Mr. Kachmer noted that most municipalities have their current assumed rate of return between 7% - 6.75%. There were no adjustments suggested at this time.
- Mr. Kachmer noted that all of the managers are on “maintain” status. An updated allocation of funds was distributed at the Pension Board meeting in order to reflect some recent rebalancing of funds.

**6. Old Business: Discussion on Enrollment Qualifications for 401a**

- The Board members discussed the 401a retirement plan, noting that auto-enrollment is not allowed. Mr. Goldblatt expressed his feeling on the importance of new hires joining the 401a plan. Different options were discussed to encourage employees to join the 401a plan. It was suggested that a letter be mailed to the employee about the retirement plan and requiring employees to sign a paper to decline enrollment.

**7. Adjournment**

*Ms. Miller moved to adjourn the meeting at 8:55 p.m., seconded by Mr. Goldblatt. All were in favor and the motion PASSED.*

Respectfully Submitted,

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Deborah Satonick, Recording Secretary