

**Town of Guilford
Pension Committee
Regular Meeting Minutes
December 15, 2011
8:00 AM
Town Hall**

Present Pension Committee: Robert Hartmann; Chair, David O'Connor, Alex Sommers.
Absent: Wayne Staschke.

Town Officials: Mitchell Goldblatt; Director of Human Resources, Joseph Mazza;
First Selectman, Sharon Milroy; Benefits Coordinator,
Board of Education, Sheila Villano; Finance Director.

Others: None.

Chairman Hartmann called the meeting to order at 8:10 AM.

1. Public Forum:

No public comment.

2. Approval of the Minutes:

**2.1 Approval of the minutes of the Special Meeting; November 10, 2011,
Pension Committee meeting.**

Motion: Upon a motion by Mr. Sommers and seconded by Mr. O'Connor the Pension Committee voted to approve the minutes of the Special Meeting; November 10, 2011 Pension Committee.

In favor: Hartmann, O'Connor, Sommers

Opposed: None.

Abstained: None.

3. Return of Contribution:

3.1 Katie Fargo, Library, not vested.

Mr. Goldblatt stated that Ms. Fargo has worked for the Town of Guilford for 4 years and will be taking a new position at another library. Her last day of work to be

December 30, 2011.

Motion: Upon a motion by Mr. Sommers and seconded by Mr. O'Connor the Pension Committee voted to approve the return of contribution to Katie Fargo, employed at the Library, with the last day of work to be December 30, 2011.

In favor: Hartmann, O'Connor, Sommers

Opposed: None.

Abstained: None.

4. Finance Director's Report:

4.1 Monthly Investment Report: Sheila Villano; Finance Director.

Ms. Villano reviewed the monthly pension investment report. Mr. Sommers asked what her predictions are for the expected investment return with the plan. Ms. Villano responded that it was hard to predict since it is only halfway through the year and the market is very volatile. She stated that the goal is to achieve a 7% return every year. Even though the returns from FY/2011 and FY/2010 were 15.99% and 14.43% respectively. Those gains are spread over 3 years for actuarial purposes. Mr. Sommers asked if the number of managers is excessive. Ms. Villano answered that the committee had made decisions to diversify the portfolio by investing in others investment classes such as REITS, emerging markets and small cap equities. This diversification is meant to enhance returns and minimize risk. Mr. O'Connor asked for a study of the overlap of the portfolio. Ms. Villano will scan the document and email it to the members for review to clarify information for their review.

5. Set 2012 Meeting Calendar.

Discussion on setting the meeting calendar. It was agreed that the meetings will be moved to the third Wednesday of the month at the same time of the morning, with the exception of the September Annual Meeting which will be held at Noon. The calendar will be adjusted and submitted to the Town Clerk by the recording secretary. Mr. Goldblatt stated that changes can occur and be discussed if a conflict arises.

6. Old Business:

6.1 Update on defined contribution plan:

Mr. Goldblatt stated that with the retirement of Mr. John Volpe, Jr. in December, the job will be restructured and a new position will be created, which will be in the GEA. Therefore, the new person will still be in the Defined Benefit Pan.

7. New Business

First Selectman Joseph Mazza stated that the Democratic and Republican parties will be submitting candidates for this board.

Mr. Goldblatt stated that the 3 pension plans are being rewritten and edited. An intern this past summer started the process, and all 3 will be submitted to the actuary for review shortly.

Ms. Sharon Milroy; Benefits Coordinator, Board of Education stated that the recent negotiations with the Board of Education has concluded with changes in the contracts that have new hires join a defined contribution plan. The new contracts will allow a maximum 3% match for employee's contributions. Employees will have the option to contribute more without the matching funds. Vesting will be after 5 years. Negotiations continue with the all bargaining units, with negotiating is leaning toward 401a plans and departing from the defined benefit plans. Ms. Milroy stated that negotiations have been completed with clerical/Para, custodial and food service employees. Mr. Hartmann asked how many employees are in that group. Ms. Milroy stated approximately 140. Mr. Sommers asked about the acceptance of changes. Mr. Goldblatt stated that the new changes will be for new employees. Mr. Goldblatt stated that 3 contracts are completed and the Board of Education is off to a good start.

Motion: Upon a motion by Mr. Sommers and seconded by O'Connor the Committee voted to adjourn the meeting at 8:45 AM.

In favor: Hartmann, O'Connor, Sommers.

Opposed: None.

Abstained: None.

Respectfully submitted,
Katherine DeBurra
Recording Secretary