

EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
October 5, 2011

The East Goshen Township Pension Committee met at the East Goshen Township Building on Wednesday, October 5, 2011 at 1:00 pm. Committee members present were: Deborah Beury, Giulio Perillo, Mark Miller and Paul Coleman. Others present were: Rick Smith, Township Manager, and Tom Anderson, Consulting Actuarial.

1. Call to Order, Pledge of Allegiance and Moment of Silence

Giulio called the meeting to order, led those present in the Pledge of Allegiance and asked for a moment of silence to remember our troops.

2. Minutes

Paul made a motion to approve the minutes of the September 7, 2011 meeting. Deb seconded the motion. The motion passed.

3. Recording of Meeting

Giulio asked if anyone present would be recording the meeting. There was no response.

4. Old Business

None

5. New Business

a. The Township has received \$225,129 in state aid which is more than in the past because the State changed the method of calculation. This is a one time event and funding is expected to revert back to the previous amount in 2012.

The funds need to be invested within 30 days. Tom will prepare a resolution that will change the rate of contribution for the Defined Contribution Plan which would allow us to deposit the extra funds into the Defined Contribution Plan, since depositing those into the Defined Benefit would serve no benefit.

The Pension Committee agreed to distribute the funds as follows:

\$24,187 to the prior Defined Benefit Plan

\$71,689 to the Firefighters plan

\$129,253 to the new Defined Contribution Plan

b. The Committee discussed the selection of a Fund Manager and the target for the return on the investments. Giulio wants some growth but not too much risk, probably a 60/40 allocation. Deb moved to set the target for the return on investments at 6%. Giulio seconded the motion. The motion passed unanimously.

c. InR Advisory Services - Michael Glackin, President, and Jeffrey Hugo, Vice President were invited to attend this meeting. Giulio explained that the committee is very close to selecting a Fund Manager. He mentioned that the target for return on investment has been set a 6%. The contribution to the plan will be made annually. Mike commented that they will use historical and future assumptions of indexes to build an allocation strategy. They will need the demographics of the employees. They will rebalance on a quarterly basis. Their fee is .55% and is all inclusive and guaranteed for 5 years. The Committee thanked them for coming.

d. Fund Manager - Giulio moved to accept the InR proposal and name them the Fund Manager for the East Goshen Township Defined Contribution Plan. He noted that the fee schedule was reasonable, it was guaranteed for five years and that the investment strategy outlined by InR was acceptable to the members of the Committee. Also, Deb and Giulio will be authorized to execute the agreement after the appropriate waiting period. Paul will be authorized to fill in for Giulio if needed. Paul seconded the motion. The motion passed unanimously.

e. The police labor agreement provides health benefits to retired officers from retirement to age 65. There is a liability which the Township has to fund. The Board of Supervisors adopted an ordinance that sets up a trust to invest these funds and they would like the Pension Committee to make recommendations for a Fund Manager and Trustee. Giulio wants the full Pension Committee to be present for this discussion and he would like to invite Victor Cozzone to attend the next meeting.

There being no further business, Deb made a motion to adjourn the meeting. Paul seconded the motion. The motion passed unanimously. The meeting was adjourned at 2:30 pm. The next meeting will be held on Wednesday, November 2, 2011 at 1:00 pm.

Respectfully submitted,

Ruth Kiefer, Recording Secretary