

EAST GOSHEN TOWNSHIP  
PENSION COMMITTEE MEETING  
November 2, 2011

The East Goshen Township Pension Committee met at the East Goshen Township Building on Wednesday November 2, 2011 at 1:00 pm. Committee members present were: Deborah Beury, Giulio Perillo, Marty Shane, Mark Miller and Paul Coleman. Others present were: Rick Smith, Township Manager, and Victor Cozzone, Financial Advisor with Raymond James.

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 October 5, 2011 meeting as corrected. Deb seconded the motion. The motion passed.

At this time, Giulio said he wanted to commend the Pension Committee and Rick for their great work in describing, defining and explaining how the allocation of state funds works.

3. Recording of Meeting

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

4. Old Business

a. Police Post Retirement Benefits

In 2012, the Township's share responsibility for the trust is \$335, 891. These funds will be invested and the Pension Committee will be making a recommendation for a fund manager and trustees.

Victor Cozzone, Financial Advisor with Raymond James, was present for a second time to discuss his style of fund management and compensation.

Victor's fee is 2% per year, billed quarterly and he would come in on a quarterly basis to meet with the Pension Committee. Internal fund fees do not go back to Victor. He trades in and out of stocks with no commission.

The Pension Committee said that the minimal acceptable level of return on investments (and benchmark for Victor) would be based on Economic Growth (using the Gross Domestic Product as measurement) + inflation (using the Consumer Price Index as measurement) + 2% (Victor's fee).

The Pension Committee would like to evaluate Victor after one year. Victor said three years would be more realistic with an option out if Pension Committee did not like his performance.

The Committee requested a record of Victor's performance over the last 3 – 5 years, 3 – 5 references (with phone numbers) from organizations similar to East Goshen Township. Victor agreed to send requested documents.

The Pension Committee expects to have a recommendation to the Board of Supervisors after their December meeting.

b. InR

The Pension Committee discussed the InR "Growth & Income" objective which is a middle-of-the-road approach. The Pension Committee said they would expect, at the minimum, a 6% annual return on investment from InR; inflation plus growth being a realistic goal.

A motion was made to authorize the Chairman to sign the InR Investment Objective Confirmation. Paul seconded the motion. Marty opposed.

There being no further business to discuss, Giulio made a motion to adjourn the meeting. Paul seconded the motion. The motion passed unanimously. The meeting was adjourned at 3:00 pm. The next meeting will be held on Wednesday, December 7, 2011 at 1:00 pm.

Respectfully submitted,

Nancy Scheiderman, Recording Secretary