

PENSION COMMITTEE

AGENDA

February 5, 2014

2:00 PM

- 1) Call to Order/Pledge of Allegiance/Moment of Silence
- 2) Chairman will ask if anyone is recording the meeting
- 3) Approval of minutes (Nov 6)
- 4) Old Business
- 5) New Business
 - a. Elect new chairman
 - b. Discuss new Police Pension Trust
 - c. Patti Brennan-Key Financial 2013 Performance (2pm)
 - d. Mike Glackin-INR 2013 Performance (3pm)
- 6) Any Other Matter
- 7) Correspondence
- 8) Public Comment
- 9) Adjournment

Draft
EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
November 6, 2013

The East Goshen Township Pension Committee met at the East Goshen Township Building on Wednesday November 6, 2013 at 1:00 pm. Committee members present were: Giulio Perillo, Jon Altshul, Tim O'Reilly, Mark Miller and Janet Emanuel. Others present were: Rick Smith, Township Manager, and Mike Glackin, INR.

COMMON ACRONYMS:

<i>IPS (Investment Policy Statement)</i>	<i>DCPP (Defined Contribution Pension Plan)</i>
<i>OPEB (Other Post-Employment Benefits)</i>	<i>DBPP (Defined Benefit Pension Plan)</i>
<i>BOS (Board of Supervisors)</i>	<i>DEBP-NU (Defined Benefit Plan–Non-Uniform)</i>

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. Recording of Meeting

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

3. Minutes

Giulio noted that the minutes of the September 11, 2013 meeting were approved.

4. New Business

a. Mike Glackin reviewed the 3rd quarter report for the Defined Contribution Plan for non-uniformed employees. The contributions for this plan are made on the average of the entire group. Each participant has a balance in the plan. Page 8 of the Performance Report shows YTD up 7.85% with a 60/40 mix. US stock did much better in 2013 than in 2012. Jon mentioned that the MMO contribution of approximately \$96,000 was made on 10/1/13 and was enough to contribute 6% instead of 5% of projected salaries. The remaining funds went to the firefighters plan.

Giulio asked about the negative \$14,470. Jon explained that this was for Anderson's fees and a distribution to the estate of Michael Merwin.

Mike explained the diversification of the assets and forecasts for the next 10 years. Income growth is the reason for the positive growth in 2013. He does not feel that the S&P is at an all-time high yet.

The new accounting rules on target returns were discussed.

b. Mike reviewed the 3rd quarter report for the Defined Benefit Plan. The mix of assets was moved to 70/30 in order to meet an assumed interest rate of 7%. Pg 8 summary report shows YTD up 9.72%. The mix is 70/30 and the target interest rate is 8%. This plan is 100% funded. Giulio asked how the gain can be protected. Mike said there is no way to predict what will

1 happen. He will be back in February 2014 to review the 2013 Year-end report and 10-year
2 forecast report.

3
4 c. Jon reviewed the Key Financial report for the Firefighters Defined Benefit plan which shows
5 12.89% over the past 12 months. The Defined Benefit Non-Uniformed plan shows 12.77% over
6 the past 12 months. He compared these Key Financial returns to the INR returns, which were
7 12.13% for the Defined Benefit plan and 12.25% for the Defined Contribution plan. He
8 mentioned that Key Financial is a more active management style and INR is more indexed. The
9 WEGO OPEB Trust funds were transferred to Key Financial on June 18, 2013.

10
11 5. Adjournment

12 There being no further business to discuss, Giulio made a motion to adjourn the meeting. Tim
13 seconded the motion. The motion passed unanimously. The meeting was adjourned at 2:00
14 pm. The next meeting will be held in February 2014, date to be determined.

15
16 Respectfully submitted,

17
18
19
20 Ruth Kiefer, Recording Secretary