

PENSION COMMITTEE

AGENDA

February 3, 2015

9:30 AM

- 1) Call to Order/Pledge of Allegiance/Moment of Silence
- 2) Chairman will ask if anyone is recording the meeting
- 3) Approval of minutes – November 5, 2014
- 4) Old Business
- 5) New Business
 - a. Review 2014 Q4 results
 - b. 10am – Discuss 2014 results, 2015 outlook and draft consolidation investment statement with Patti Brennan, Key
 - c. 11am – Discuss 2014 results, 2015 outlook and draft consolidation investment policy statement with Nike Glackin, INR
 - d. Consider draft investment Policy Statement
- 6) Any Other Matter
- 7) Correspondence
- 8) Public Comment
- 9) Adjournment

Draft
EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
November 5, 2014

The East Goshen Township Pension Committee met at the East Goshen Township Building on Wednesday, November 5, 2014 at 9:30 am. Committee members present were: Chairman Tim O'Reilly, Giulio Perillo, Jon Altshul, Janet Emanuel and Mark Gordon. Others present were: Rick Smith, Township Manager.

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> |
| <i>WEGOPPT (WEGO Police Pension Trust)</i> | |

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

Tim 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

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

3. Minutes

Tim noted that the minutes of the September 16, 2014 meeting were approved as corrected.

4. Old Business

a. The Committee reviewed the 3rd Quarter reports. Jon mentioned that the way the policy statements are written, the investment advisor can change the allocations as needed. Giulio is concerned that Key is not reaching the target of 7.8%. At the yearend meeting in February 2015, there will be 3 years of information to compare.

5. New Business

a. Investment Policy Statement – The Committee reviewed the draft for a combined Investment Policy Statement. Several changes were made, allocations were discussed and corrected, and restrictions were discussed. Jon will make the corrections and forward the draft to the investment advisors for comment.

Mark commented that he is glad that the Committee has been careful with the allocations and types of investment.

6. Next Meeting

The next meeting will be held on Tuesday, February 3, 2015 at 9:30 am. This will be a yearend meeting with the Investment Advisors. Jon will invite Mike to come at 10:00 am and Patti to

1 come at 11:00 am. The Committee decided to have 2 more meetings in 2015 – May 6 and
2 October 7.

3 Mark mentioned that the employees would like a better format for their statement.

4 There was discussion about having a meeting with the employees.

5
6 7. Adjournment

7 There being no further business to discuss, Giulio made a motion to adjourn the meeting. Janet
8 seconded the motion. The motion passed unanimously. The meeting was adjourned at 10:45
9 am. The next meeting will be held on Wednesday, February 3, 2015 at 9:30 am.

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11 Respectfully submitted,

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15 Ruth Kiefer, Recording Secretary

NET RETURNS-EAST GOSHEN TWP PENSIONS THRU 12-31-14

| Allocation (Stocks/ Bonds)*** | | 2013 Q1 | 2013 Q2 | 2013 Q3 | 2013 Q4 | 2013 | 2014 Q1 | 2014 Q2 | 2014 Q3 | 2014 Q4 | 2014 YTD | Average quarterly return ('10 Q1- Present) | 12/31/14 Balance |
|------------------------------------|-------|---------------------|---------|---------|---------|--------|---------|---------|---------|---------|----------|--|------------------|
| | | INR Defined Benefit | 70/30 | 5.11% | -0.43% | 5.03% | 5.43% | 15.89% | 1.63% | 3.94% | -1.06% | 2.46% | 7.09% |
| INR Defined Contribution | 61/39 | 4.47% | 0.86% | 4.25% | 5.14% | 15.48% | 1.59% | 3.70% | -0.91% | 2.73% | 7.25% | 3.07% | \$457,288 |
| INR Police Pension Trust | 65/35 | 4.98% | 0.16% | 5.36% | 4.03% | 15.25% | 1.71% | 1.69% | -1.05% | 2.41% | 3.04% | 1.02% | \$263,040 |
| Key Firefighters - DB | 65/35 | | | | | | | 2.79% | -2.63% | 2.19% | 4.03% | 2.52% | \$1,006,510 |
| Key Defined Benefit - Nonuniformed | 61/39 | 5.04% | 0.31% | 5.57% | 4.45% | 16.19% | 1.18% | 2.73% | -2.51% | 1.86% | 3.22% | 2.51% | \$2,095,018 |
| Key WEGO OPEB** | 71/29 | 6.44% | 0.38% | 5.86% | 4.28% | 17.94% | 2.13% | 3.27% | -2.59% | 2.03% | 4.83% | 3.16% | \$927,527 |
| Primary index: | | | | | | | | | | | | | |
| S&P 500 | | 10.03% | 2.91% | 5.24% | 10.51% | 31.69% | 1.30% | 5.23% | 1.13% | 4.93% | 13.69% | 4.15% | |
| Barclay's Bond Index | | -0.12% | -2.32% | 0.57% | -0.14% | -2.02% | 1.84% | 2.04% | 0.17% | 1.79% | 5.97% | 1.22% | |

* INR Police Pension Trust opened on 5/28/14

** Key WEGO OPEB Trust transferred from Raymond James to Key on 6/18/13

*** "Bonds" include cash; "Stocks" include commodities and real estate

| | 2014 Q4 | 2014 Annual | Last 12 Months |
|--|---------|-------------|----------------|
| Hypothetical 70% Equity-30% Bond index | 3.99% | 11.37% | 11.37% |
| Hypothetical 60% Equity-40% Bond index | 3.67% | 10.60% | 10.60% |