

**EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
May 6, 2015**

The East Goshen Township Pension Committee met at the East Goshen Township Building on Wednesday, May 5, 2015 at 9:30 am. Committee members present at 9:30 were: Jon Altshul, Janet Emanuel and Mark Gordon. Others: Michael Glackin, InR advisor. Tim O'Reilly, and Giulio Perillo came at 10:30.

COMMON ACRONYMS:

IPS (Investment Policy Statement)

DCPP (Defined Contribution Pension Plan)

OPEB (Other Post-Employment Benefits)

DBPP (Defined Benefit Pension Plan)

BOS (Board of Supervisors)

DEBP-NU (Defined Benefit Plan–Non-Uniform)

WEGOPPT (WEGO Police Pension Trust)

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

Jon (filling in for 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. New Business

a. Jon explained that a check for the Police Trust for \$255,272 was forwarded to InR with the wrong account code and was deposited to the Defined Contribution Plan. A securities swap was done to make the correction.

Michael provided updated reports as of 3/31/15 for the following plans:

1. East Goshen Township Defined Benefit Pension Plan
2. East Goshen Township Defined Contribution Plan
3. East Goshen Township Police Trust

Mike reported the following numbers for the first quarter, which are found on page 8 of the reports:

- | | |
|-------------------------|---------------------------------|
| 1. Defined Contribution | YTD 1.64%; as of 5/4/15 up 3.31 |
| 2. Defined Benefit | YTD 1.61%; as of 5/4/15 up 4.02 |
| 3. Police Trust | YTD 1.95%; as of 5/4/15 up 4.63 |

There was discussion about the market performance indexes for the first quarter of 2015. Mike also reviewed the Annual Returns and Intra-year Declines graph he provided. No one can predict what will impact the performance of the market. He recommends that the current mix for the funds; i.e. Defined Benefit is 70/30, should not be changed. He pointed out that the article from the PA Dept. of the Auditor General referred to the use of Indexed funds such as Vanguard. He rebalances as needed.

Jon thanked him for attending the meeting.

3. Tim asked if anyone was recording the meeting. There was no response.

4. The minutes of February 3, 2015 were approved. Jon apologized for the confusion about the time of the meeting. The committee members decided to have the next meeting on Wednesday, October 14, 2015 at 10:30 am. Jon will invite the advisors.

5. Old Business

- a. Consolidated Investment Policy Statement – Giulio was very pleased with the final document. He moved to approve the IPS as presented. Janet seconded the motion. The motion passed unanimously. It will be presented to the Board of Supervisors.

- b. Jon presented the following report dated April 30, 2015:

Since our last meeting, the following pension fund transactions have occurred:

1. \$1,350,000 was transferred from the (frozen) Key Non-Uniformed DB Pension Plan to the (frozen) INR Non-Uniformed DB Pension Plan in order to achieve parity between the two managers. Both InR and Key now manage a little less than \$3 million each.
2. \$255,272 was credited to the InR Police Pension Trust for the 2015 annual contribution. However, this was incorrectly deposited to the InR DC plan. InR is working to transfer the securities between plans and hopefully this issue will be resolved in time for the meeting.
3. \$80,619 was deposited to the Key WEGO OPEB Trust for the 2015 annual contribution.
4. \$12,138 was transferred from the Key Firefighters Pension to the InR Non-Uniformed DC Plan, which represented the year-end true-up so that 5% of the Township wages were deposited in the DC Plan. After this transfer, state aid to the firefighter pension exceeded the firefighter's MMO by \$9,366.

Key's returns were very strong in Q1, exceeding the benchmark by an average of about a percentage point. InR's were somewhat lower, but still ahead of the benchmark.

- c. Janet pointed out a few errors in the 12/31/14 financial statements probably due to boiler plate wording. She asked Jon to highlight the items of importance in future reports.

6. Any Other Matter

- a. Tim acknowledged the letter from Janet regarding the Comprehensive Plan Task Force meetings. Janet explained that the Comp Plan is a vision of the Township for the next 10-15 years. On Wednesday, June 10, 2015 a meeting is scheduled for the ABC members to attend at 7:00 pm. They can also come to the meeting for the general public on Thursday, June 11, 2015 at 7:00 pm.

- b. Tim also acknowledged that both, Michael Glackin, InR, and Patricia Brennan, Key, were recently recognized as leaders in their industry.

7. The next meeting will be held on Wednesday, October 14, 2015 at 10:30 am.

8. Adjournment

There being no further business to discuss, Giulio made a motion to adjourn the meeting. Janet seconded the motion. The motion passed unanimously. The meeting was adjourned at 11:00 am.

Respectfully submitted,

Ruth Kiefer, Recording Secretary