

**EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
March 15, 2016**

The East Goshen Township Pension Committee met at the East Goshen Township Building on Tuesday, March 15, 2016 at 10:00 am. Committee members present were: Giulio Perillo, Jon Altshul, Janet Emanuel and Mark Gordon. Tim O'Reilly joined by phone. Others present were: Rick Smith, Township Manager; Michael Glackin, InR advisor; and Patricia C. Brennan, CFP, CFS, Key Financial Advisor.

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

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

Giulio noted that the minutes of October 14, 2015 were approved.

3. New Business

a. Jon's report was reviewed.

<u>Plan</u>	<u>12/31/15 balance</u>	<u>2015 total %</u>
INR Defined Benefit	1,735,038	-0.87%
INR Defined Contribution	501,294	-0.73%
INR Police Pension Trust	505,364	-0.83%
Key DB – Firefighters	1,112,334	-2.58%
Key DB – Nonuniformed	780,426	-2.29%
Key WEGO OPEB	1,005,735	-1.87%

A retired employee will start withdrawals in May.

b. Patricia C. Brennan, CFP, CFS, Key Financial Advisor. She feels 2016 will be a year of change which will include corporate profits – down; commodities – oil crash; interest rate policy; China and the Presidential election. She reviewed the YTD returns as of 12/21/15 and as of 3/11/16 of the different indexes. She had charts which reviewed the history of U.S. Market downturns, recoveries, and expansions. Giulio mentioned that there should be less risk and more bonds. Patti expects only 2-3% return on bonds. Patti feels there is an opportunity to invest in commodities/oil.

Giulio thanked Patti for coming.

c. Michael Glackin, InR advisor, reviewed 2015. We are in compliance with GASB. He reviewed the returns and balances as of 12/31/15. He felt it was important when he said we should freeze and we did. Michael reviewed rebalancing, and an annual returns chart showing 27 out of 36 years were positive but there will still be declines/corrections every year. He showed the projections difference between allocations of 60/40 and 70/30.

Guilio thanked him for coming.

d. The Committee members discussed the difference in the returns between INR and Key. They feel Michael understands municipalities better. Guilio made a motion to move the three plans with Key to INR. Jon seconded the motion. The motion passed unanimously. Guilio made a motion to authorize Jon to work with Michael at INR to move the 3 plans from Key to INR. Tim seconded the motion. The motion passed unanimously.

4. The next meetings will be held on Tuesday, May 24, 2016 at 10:00 am and October 25, 2016 at 10:00 am.

5. Adjournment

There being no further business to discuss, Janet made a motion to adjourn the meeting. Guilio seconded the motion. The motion passed unanimously. The meeting was adjourned at 11:45 am.

Respectfully submitted,

Ruth Kiefer, Recording Secretary