

**FINAL APPROVED
EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
January 16, 2018, 10am**

Present: Giulio Perillo, Bill Smith, Jon Altshul, Janet Emanuel, Mark Gordon and Township Manager Rick Smith. Tim O'Reilly participated by phone.

Giulio called the meeting to order at 10am, led those present in the Pledge of Allegiance, and asked for a moment of silence.

The group welcomed its newest member, Bill Smith, and thanked Giulio for his many years of service to the Pension Committee and the Township.

Janet made a motion to approve the minutes of October 24th. Giulio seconded the motion. The motion passed unanimously.

Mike Glackin, INR Advisors, presented the Q4 2017 results. Mike noted that large cap growth stocks and international stocks were the top performing asset classes for the year. Overall, the NU DB plan was up 16.16% for the year; the Firefighters DB plan was up 15.67% and the NU DC plan was up 14.47%. He noted that any underperformance this year was due to the plans still holding individual securities that INR "inherited" when the plan assets were transferred from Key Financial. Some of these securities are difficult to liquidate prior to maturity; therefore INR intends to hold them through maturity.

Mike presented his analysis for 2018 assumed returns as required per GASB 67/68. He explained that a 70/30 asset allocation should, on average, return 6.66% and a 60/40 plan should return 6.21%. Giulio asked about whether the Committee should direct Mike to be more aggressive with the DC plan. Bill noted that the risk scores for the 70/30 were much higher than for 60/40 and that the higher risk does not justify a less than a 0.5% increase in returns. The group agreed to take no action on this matter for the time being.

Jon made a motion to reappoint Tim O'Reilly as Chairman for 2018. Giulio seconded. The motion passed 5-0.

The group agreed to hold its next meeting on May 8th at 10am. Mike plans to meet with employees in early spring.

There being no further business, Janet made a motion to adjourn at 11:15. Jon seconded. The motion passed unanimously.

Respectfully Submitted,
Jon Altshul, Finance Director

Jon observed that East Goshen intends to transfer its Police OPEB Trust into WEGO's OPEB trust in the next 8 months. Giulio raised concerns about the Township giving up oversight of this fund. Rick explained that East Goshen's representative on the Police Commission would provide oversight and that the funds would still be invested with INR.

Jon also noted that the funds have outperformed their respective benchmarks by nearly 2% year to date.

Jon stated that since INR began offering a 457 plan, the number of Township employees contributing and the average amount contributed has increased.

The Pension Committee agreed to schedule its January meeting over the next several weeks.

There being no further business, Janet made a motion to adjourn at 10:50. Giulio seconded. The motion passed unanimously.

Respectfully submitted,
Jon Altshul, Finance Director