

**October FINAL APPROVED
EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
Held at INR, 115 W. State St; Media, PA
October 16, 2018, 10am**

Present: Bill Smith, Jon Altshul, Janet Emanuel and Tim O'Reilly. Non-members Senior Staff Accountant Lynn LeBlanc, Township Manager Rick Smith and Mike Glackin, INR, were also present.

Tim called the meeting to order at 10am, led the Pledge of Allegiance and the moment of silence.

Mike provided an overview of Q2 and Q3 results. He noted that bonds have performed poorly this year due to the rising interest rate environment; that growth stocks have been the strongest asset class through September 30th, but that the recent market dip has caused investors to reallocate into value stocks; and that international equities have done poorly and are now undervalued.

Mike noted that money managers are now predicting that a traditional 70/30 asset allocation may only return 6% next year. He suggested that the Township invite Jim Kennedy to its January Pension Committee meeting to discuss how this lower return may impact our 1-1-19 valuations and our assumed rate of return of 7%.

Janet made a motion to approve the minutes of July 19, 2018. Bill seconded. The motion passed 4-0.

Jon explained that the Township's state aid increased slightly over 2018 and that the Board of Supervisors had approved a 5.5% allocation to the Non-Uniformed Defined Contribution for the third straight year.

Jon explained that the Township's adopted 2018 budget envisioned using \$180,774 from the balance of the Police Pension Trust to pay for the Township's share of the additional 30% MMO contribution to the WEGO Pension Plan. Tim made a motion to authorize a withdrawal from the Police Pension Trust this year to fund the Township's share of the additional 30% of MMO contribution to the WEGO Pension Plan. Janet seconded. The motion passed 4-0.

Tim indicated that he planned to step down as Chairman at the end of this year, but remain on the Committee. Jon made a motion to appoint Bill Smith as Chairman of the Pension Committee, effective January 1, 2019. Tim seconded. The motion passed 4-0.

Mike then led the attendees on a 20-minute tour of INR's office, where East Goshen representatives met INR's back office staff and learned more about their roles and responsibilities.

There being no further business, the meeting adjourned at 11:20.

Respectfully Submitted,
Jon Altshul, Assistant Township Manager