

AGENDA
EAST GOSHEN TOWNSHIP PENSION COMMITTEE
Monday, April 27, 2020 at 2pm
EAST GOSHEN TOWNSHIP BUILDING

Note: Due to the Coronavirus pandemic, this meeting will be conducted via videoconference. Members of the public who wish to participate may do so by telephone only by calling 929-205-6099 and using Access Code 873458663. Please call in 5 minutes prior to the start of the meeting so as to avoid disturbing the Pledge of Allegiance.

1. Call to order/Pledge of Allegiance/Moment of Silence
2. Ask if anyone is recording the meeting
3. Approval of minutes of January 28, 2020
4. Staff update on Pension activities
5. Review of Q1 2020 results and discussion with Mike Glackin
6. Any Other Matter
7. Adjournment

NET RETURNS-EAST GOSHEN TWP PENSIONS THRU 3-31-20

| | Allocation (Stocks/ Bonds)*** | 2016 | 2017 | 2018 Q2 | 2018 Q3 | 2018 Q4 | 2018 | 2019 Q1 | 2019 Q2 | 2019 Q3 | 2019 Q4 | 2019 Total | 2020 Q1 | Average quarterly return ('10 Q1- Present) | 3/31/2020 Balance |
|----------------------------|-------------------------------------|-------|--------|---------|---------|---------|--------|---------|---------|---------|---------|---------------|---------|--|----------------------|
| INR Defined Benefit | 70/30 | 7.92% | 16.16% | 0.73% | 2.55% | -8.91% | -6.12% | 9.21% | 3.27% | 0.81% | 5.97% | 20.52% | -15.83% | 1.82% | \$2,551,284 |
| INR Defined Contribution | 60/40 | 6.76% | 14.47% | 0.67% | 1.92% | -7.40% | -5.99% | 8.28% | 3.18% | 1.03% | 5.10% | 18.47% | -13.42% | 1.74% | \$924,223 |
| INR Police Pension Trust** | 70/30 | 8.13% | 16.22% | 0.67% | 2.64% | -9.28% | -6.41% | 9.46% | 3.26% | 0.79% | 5.92% | 20.62% | -15.85% | 0.90% | \$966,947 |
| INR Firefighters DB* | 70/30 | 5.26% | 15.67% | 0.74% | 2.86% | -8.94% | -6.68% | 9.33% | 3.25% | 0.81% | 6.02% | 20.59% | -15.71% | 1.11% | \$1,678,742 |
| INR OPEB* | 70/30 | 4.81% | 15.79% | na | na | | | | | | | | | 2.39% | \$0 |
| | Primary indexes | | | | | | | | | | | | | TOTAL | \$6,121,196 |
| S&P 500 | | 9.54% | 19.42% | 2.93% | 7.20% | -13.97% | -4.40% | 13.07% | 3.79% | 1.19% | 8.53% | 28.88% | -19.60% | 2.78% | |
| Barclay's Bond Index | | 2.65% | 3.55% | -0.22% | -1.73% | 1.69% | 0.15% | 2.94% | 3.07% | 2.27% | 0.19% | 8.64% | 3.16% | 1.01% | |

* Firefighters DB and INR OPEB (and balance of NU DB) transferred to INR on 4/18/16; OPEB Trust closed & transferred to Police Commission on July 2018

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

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

| | 2018 | 2019 | 2020 Q1 |
|--|--------|--------|---------|
| Hypothetical 70% Equity-30% Bond index | -3.04% | 22.81% | -12.77% |
| Hypothetical 60% Equity-40% Bond index | -2.58% | 20.78% | -10.50% |

**DRAFT MINUTES
EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
East Goshen Township Building
January 28, 2020, 10:00am**

Present: Jon Altshul, Mark Gordon and Tim O'Reilly (by phone). Non-members Township Manager Rick Smith and Mike Glackin (CBiz/INR) were also present.

Jon called the meeting to order at 10:00am, led the Pledge of Allegiance and called for a moment of silence.

Mark made a motion to approve the minutes of October 14, 2019. Jon seconded. The motion passed 3-0.

Jon reported that there was one non-uniformed retirement in late 2019.

Mike provided an overview of the 2019 results, which ranged from 18.47% for the Defined Contribution Plan to 20.62% for the 70% equity plans. He noted that with a 37% annual return Large Cap Growth Stocks were the winning asset class for the year.

Mike presented 2020 forecasts of 6.68% growth for 70/30 models, with a range of +\$27.77 to -9.7%, and 6.27% for 60/40 allocation models. However, he explained that Vanguard's modelling anticipated somewhat more pessimistic returns over a 10-year horizon.

Rick suggested that the assumed return for the Non-Uniformed Plan be dropped from 7% to 6%. However, Jon disagreed, noting that the plan is already significantly over-funded and has been frozen for the past 10 years, so the Township is not incurring any new liability.

Jon stated that he would send around an email to schedule the next meeting.

There being no further business, Jon made a motion to adjourn the meeting at 10:45. Mark seconded. The motion passed 3-0.

Respectfully Submitted,
Jon Altshul, Assistant Township Manager