

AGENDA
EAST GOSHEN TOWNSHIP PENSION COMMITTEE
Tuesday, October 13, 2020 at 10am
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 885 9141 5309. 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 April 27, 2020
4. Update on 2020 State Aid
5. Review of Q2 & Q3 2020 results and discussion with Mike Glackin
6. Any Other Matter
7. Adjournment

**DRAFT MINUTES
EAST GOSHEN TOWNSHIP
PENSION COMMITTEE MEETING
East Goshen Township Building
April 27, 2020, 2pm**

Due to the Coronavirus pandemic, the meeting was held as a videoconference on the Zoom platform

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

Bill called the meeting to order at 2pm, led the Pledge of Allegiance and called for a moment of silence.

Mark made a motion to approve the January 28, 2020 minutes. Bill seconded. The motion passed 5-0.

Jon reported that because of the COVID-related market correction, plan returns were down between 13% and 16% in Quarter 1.

Mike provided an overview of CBiz/INR's investment philosophy, and noted that because of rebalancing, the plans were able to outperform the market during the recent downturn.

David asked how severe a market downturn would need to be in order for the pension plans to create a major liability for the Township. Mike responded that our plans were in good shape before the downturn and continue to be in relatively good shape despite the recent market losses. David also asked what assumed interest rates Mike generally sees in other municipal pension plans, to which Mike responded that 7.5% is probably the most common rate used, compared with 7% for East Goshen's plans.

Russ Frank asked a number of questions about how the pension plans are funded and invested.

Mark asked Mike when his office would be available for pension consultations with employees. Mike indicated that he or Jen Coale would be in touch with Jon soon, and that as necessary the consultations could be conducted by videoconference.

David noted that the Pension Committee webpage is outdated and asked if the Investment Policy Statement could be posted, which Jon agreed to do.

It was agreed that the next Pension Committee meeting would be held on October 13 at 10am.

There being no further business, Mark made a motion to adjourn the meeting at 10:45. David seconded. The motion passed 5-0.

Respectfully Submitted,
Jon Altshul, Assistant Township Manager

Memo

To: Pension Committee
From: Jon Altshul
Re: 2020 State Pension Aid Overview
Date: October 2, 2020

The Township received \$241,268 in State Pension Aid this year, an increase of \$5,995 over last year.

Based on anticipated 2020 payroll, the Township has received enough state pension aid to contribute 5.5% of non-uniformed salaries, including the non-uniformed WEGO staff, to the Defined Contribution plan, and contribute \$117,432 to the Firefighter’s Defined Benefit plan.

The table below summarizes the 2020 contributions to the two Township-sponsored pension plans.

Total State Aid	241,267.83
2020 Firefighters MMO	161,056.00
5.5% of Projected Twp and WEGO Non-uniformed Wages (plus admin fees); i.e. State Aid Contribution to Non-Uniformed DC Plan	123,835.39
State Aid Contribution to Firefighters Plan	117,432.44
Goshen Fire Company Expected Contribution to Firefighters Plan	46,000.00
Total Contribution to Firefighters Plan	163,432.44
Surplus Contribution to Firefighters Plan (i.e. actual contribution-MMO)	2,376.44

This is just an FYI. No official action is needed by the Pension Committee or BOS.

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%