

## **Minutes of Police Pension Plan Committee-Regular Meeting - January 17, 2013**

Attendees: Shannon Drosnock, Ann Shade, Supervisor Liaison Jeffrey McDonnell, , Thomas Schatzman, Mark Webster, Thomas Kowalski, Maryann Hermann

Unable to Attend: Edward Davies, James Kelly, Howard Haber, Lawrence Gregan

The meeting was called to Order at 8:00 pm.

Motion to approve the minutes of July 19<sup>th</sup>, 2012 was approved. (Webster/Kowalski)

Mr. Schatzman provided the following regarding his investment fund analysis and economic review:

- The target allocation of the plan is 65/35 based on the 5 year cash needs of the plan.
- Cash is high but about \$270K coming out to reimburse Township.
- Discuss about Morgan Stanley's new reporting format.
- Fourth Quarter is ok.
- Tracking very much in line with the indexes
- Lord Abbot is below benchmark mainly because of their loyalty to investing in the big banks and some energy.
- Goldman – hung on during the struggle but bounced back well.
- Loomis, Pimco, Harbor all doing well compared to index
- Discussion about the reporting cycle and how it works
- Discussion about the valuation – 8% rate of return – how realistic is that with a 65/35 asset allocation
- Discussion about junk bonds, yields, etc – no where to find yield
- Discussion about cutting spending – Medicare crisis

Motion to adjourn by Mr. Kowalski, second by Mr. Webster. All approved.

Meeting adjourned at 8:30 pm.