

Presentation to the West Goshen Township Board of Supervisors

West Goshen Pension Committee
March 2, 2001

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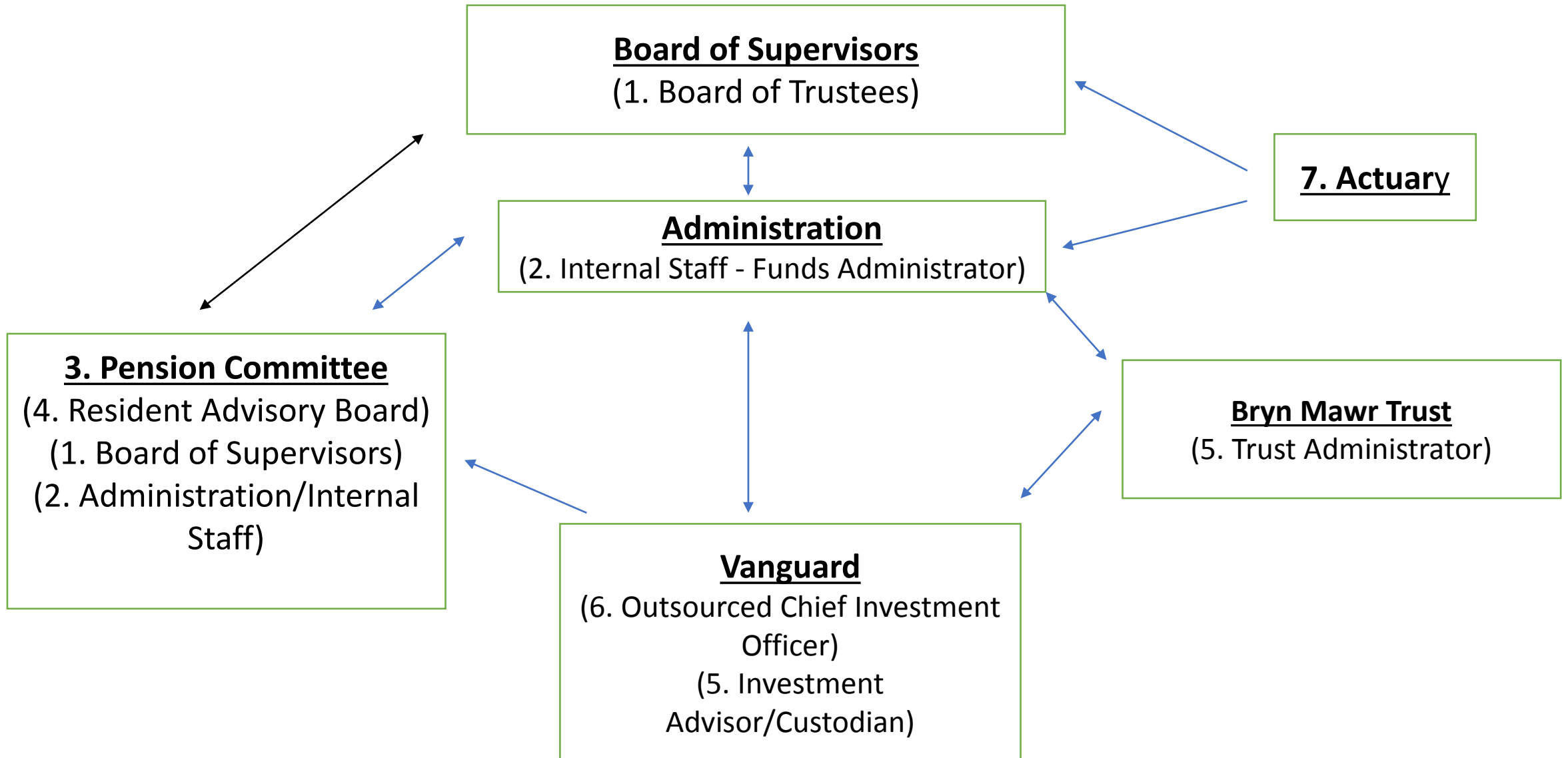
Agenda

- Introduction to the Pension Committee
- Organization of the Pension Process
- Overview of the Quarterly Meetings
- Open Items before Committee

Introduction to the Pension Committee

- History of the Pension Committee
- Investment Policy Statement (IPS)
- Resident Advisory Board Members (RAB): Bob Holland, David Brune, Angelo Saviloni, Bob Sheller, and Walker Tompkins
- Pension Committee

IPS Pension Diagram



Agenda

- I. Market recap
 - II. Asset allocation & performance
 - III. Domestic active equity proposal
 - IV. Asset allocation study
 - V. Market & economic outlook
- Exhibits
- Fund pages

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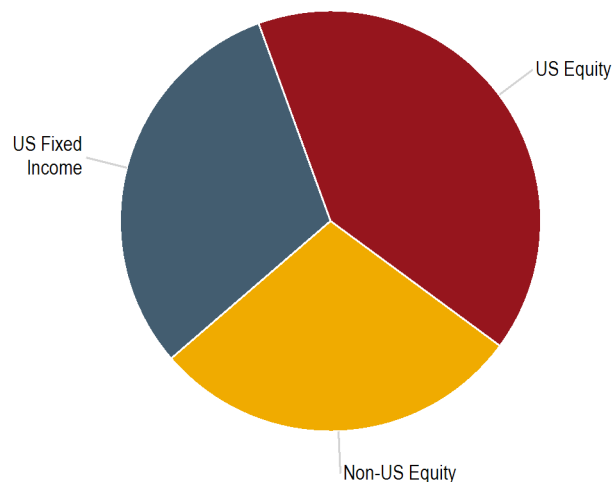
Total Portfolio Performance & Asset Allocation

Performance Summary ending December 31, 2020

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
WEST GOSHEN POLICE PENSION	22,433,723	3.85	11.83	15.88	9.81	10.68	9.09	7.98	Jun-08
WEST GOSHEN POLICE PENSION (Net)		3.85	11.80	15.76	9.69	10.56	8.88	7.77	
Composite Benchmark		3.33	10.70	14.70	9.68	10.53	8.87	7.85	Jun-08

- Composite Benchmark = 40% Spliced Total Stock Market Index / 27% Spliced Total International Stock Index / 33% Spliced Bloomberg Barclays US Aggregate Float Adjusted Index

Current Allocation as of December 31, 2020



	Current \$	Current %	Policy	Difference*
US Equity	\$9,122,280	40.7%	40.0%	0.7%
Non-US Equity	\$6,406,255	28.6%	27.0%	1.6%
US Fixed Income	\$6,905,189	30.8%	33.0%	-2.2%
Total	\$22,433,723	100.0%	100.0%	

*Difference between Policy and Current Allocation

Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any other security-level expenses.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

Returns greater than one year represent annualized returns. Returns less than one year represent cumulative returns.

Asset summary as of December 31, 2020

Fund	Police Pension		Admin Employees Pension		Sewer Employees Pension		Target
	Value	Weight	Value	Weight	Value	Weight	
Total Stock Market Index Fund (70%)	\$3,161,540	13.8%	\$1,525,871	14.4%	\$909,933	14.7%	
PRIMECAP Fund	\$1,600,325	7.0%	\$715,985	6.8%	\$440,219	7.1%	
Equity Income Fund	\$780,683	3.4%	\$350,488	3.3%	\$216,883	3.5%	
Windsor II Fund	\$802,569	3.5%	\$362,400	3.4%	\$224,245	3.6%	
Total US Large Cap Stock	\$6,345,117	27.7%	\$2,954,744	27.9%	\$1,791,280	28.9%	
Total Stock Market Index Fund (30%)	\$1,354,946	5.9%	\$653,945	6.2%	\$389,971	6.3%	
Explorer Fund	\$715,582	3.1%	\$323,800	3.1%	\$199,459	3.2%	
Strategic Equity Fund	\$706,634	3.1%	\$315,906	3.0%	\$196,380	3.2%	
Total US Mid/Small Cap Stock	\$2,777,162	12.1%	\$1,293,651	12.2%	\$785,810	12.7%	
Total Domestic Stock	\$9,122,279	39.8%	\$4,248,395	40.1%	\$2,577,090	41.6%	39%
Total International Stock Index Fund	\$4,009,899	17.5%	\$1,841,790	17.4%	\$1,105,560	17.8%	
International Growth Fund	\$1,203,446	5.3%	\$539,432	5.1%	\$309,134	5.0%	
International Value Fund	\$1,192,910	5.2%	\$536,445	5.1%	\$308,960	5.0%	
Total International Stock	\$6,406,255	28.0%	\$2,917,667	27.5%	\$1,723,654	27.8%	26%
TOTAL EQUITY	\$15,528,534	67.8%	\$7,166,062	67.6%	\$4,300,744	69.4%	65%
Short-Term Invest Grade Bond Fund	\$1,350,955	5.9%	\$614,796	5.8%	\$316,492	5.1%	
Total US Short-Term Bonds	\$1,350,955	5.9%	\$614,796	5.8%	\$316,492	5.1%	
Interm-Term Invest Grade Bond Fund	\$2,097,668	9.2%	\$924,075	8.7%	\$480,152	7.7%	
Total Bond Market Index Fund	\$3,456,566	15.1%	\$1,589,629	15.0%	\$798,409	12.9%	
Total US Intermediate-Term Bonds	\$5,554,234	24.3%	\$2,513,704	23.7%	\$1,278,561	20.6%	
Aetna Contract	\$468,625	2.0%	\$305,201	2.9%	\$301,070	4.9%	
TOTAL FIXED INCOME	\$7,373,814	32.2%	\$3,433,701	32.4%	\$1,896,123	30.6%	35%
Federal Money Market Fund*	\$0	0.0%	\$0	0.0%	\$0	0.0%	0%
TOTAL ASSETS	\$22,902,348	100.0%	\$10,599,763	100.0%	\$6,196,867	100.0%	100%

* You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

Cash flow summary

Year-to-date December 31, 2020

	Beginning value 12/31/2019	Contributions	Disbursements	Income	Capital Appreciation	Ending value 12/31/2020
Police Pension	\$19,342,945	\$491,071	-\$535,945	\$375,418	\$2,760,235	\$22,433,723
Admin Employees Pension	\$8,691,043	\$474,640	-\$297,540	\$169,091	\$1,257,329	\$10,294,562
Sewer Employees Pension	\$5,092,991	\$221,903	-\$245,528	\$96,569	\$729,862	\$5,895,797

2019 calendar year

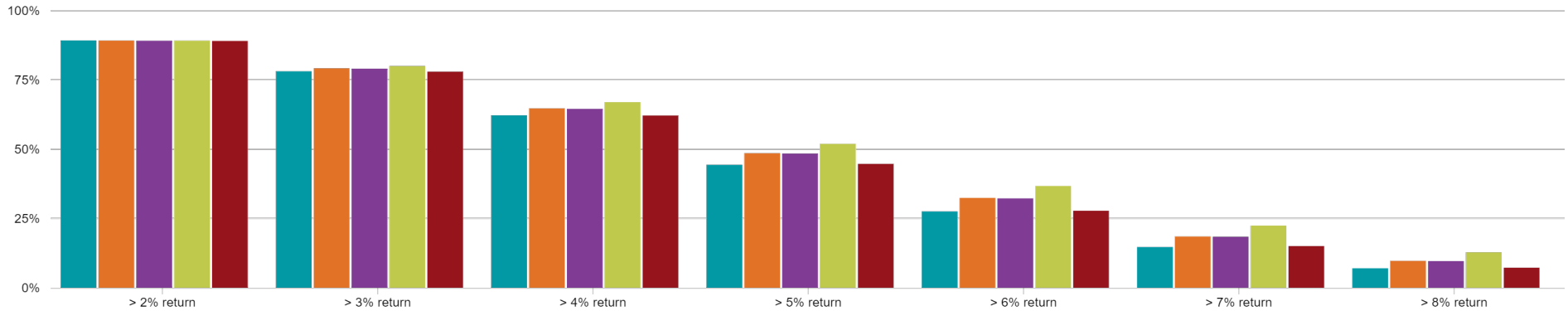
	Beginning value 12/31/2018	Contributions	Disbursements	Income	Capital Appreciation	Ending value 12/31/2019
Police Pension	\$16,073,132	\$455,622	-\$434,443	\$446,505	\$2,802,129	\$19,342,945
Admin Employees Pension	\$7,083,919	\$459,618	-\$308,275	\$197,039	\$1,258,743	\$8,691,043
Sewer Employees Pension	\$4,233,483	\$227,296	-\$248,504	\$114,854	\$765,861	\$5,092,991

Note: cash flow activity for Vanguard funds only

FORWARD-LOOKING ANALYSIS

Probability of meeting annualized return objectives

Nominal | 10 Years



	60/40	Current	Proposed	70/30	Current w/EM bonds
> 2% return	89.22%	89.17%	89.11%	89.13%	89.04%
> 3% return	78.09%	79.17%	79.03%	79.98%	77.95%
> 4% return	62.19%	64.70%	64.53%	66.95%	62.13%
> 5% return	44.35%	48.53%	48.40%	51.89%	44.68%
> 6% return	27.53%	32.41%	32.23%	36.71%	27.77%
> 7% return	14.68%	18.48%	18.39%	22.41%	15.03%
> 8% return	7.02%	9.68%	9.61%	12.77%	7.23%

IMPORTANT: The projections and other information generated by the Vanguard Capital Markets Model (VCMM) regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from VCMM are derived from 10,000 simulations for each modeled asset class. Simulations as of September 2020. Results from the model may vary with each use and over time. For more information, please see the Important Information in the appendix.

Neither diversification nor asset allocation can guarantee a profit or ensure against loss. Asset classes within each portfolio are represented by benchmark or index as a proxy. All indexes are unmanaged. Direct investment is not possible.

The performance displayed is gross of any advisory fees that would be assessed if portfolios are managed by Vanguard Institutional Advisory services. Advisory fees are calculated and assessed as set forth in VIAS' advisory brochure and in each client's Investment Management Agreement, and are based on each client's assets. Accordingly, the performance of the portfolios included are not intended to be reflective of the potential performance of a VIAS-managed portfolio as the assessment of the advisory fee would reduce the performance of the portfolios displayed. For example, a 0.5% advisory fee applied annually over a period of 10 years would reduce a gross 6% annualized return to a net 5.47% annualized return.

Open Items

1. Ability of portfolios to meet expected 7% return
 - a) Shift to higher equity allocation
 - b) Reduce actuarial return assumptions
 - c) Vanguard proposals on actively managed funds