

**SPRINGETTSBURY TOWNSHIP  
POLICE PENSION BOARD**

**FEBRUARY 25, 2016  
APPROVED**

The Springettsbury Township Board of Supervisors held a meeting of the Police Pension Board on Thursday, February 25, 2016 at 6:00 p.m. at the offices of Springettsbury Township located at 1501 Mt. Zion Road, York, PA.

**MEMBERS IN**

**ATTENDANCE:** Mark Swomley, Chairman (arrived at 6:20 p.m.)  
George Dvoryak, Vice Chairman  
Bill Schenck  
Blanda Nace

**MEMBERS NOT**

**PRESENT:** Kathleen Phan, Secretary

**ALSO IN**

**ATTENDANCE:** Kristen Denne, Township Manager  
Lt. Tony Bean, Police Department  
Joe Paese, FNB Wealth Management  
Renee Laychur, FNB Wealth Management  
Karen Kenderdine, FNB Wealth Management  
Jean Abreght, Stenographer

**1. CALL TO ORDER**

**DVORYAK** Vice Chairman George Dvoryak called the meeting to order. He announced that a Quorum was not present; however, additional members of the board were expected to arrive at a later time. Because a Quorum was not present, Mr. Dvoryak asked the Financial Advisors to move up on the Agenda with their report.

**5. REPORTS FROM FINANCIAL ADVISORS**

**KENDERDINE** Karen Kenderdine presented the Net Asset Summary for the Fourth Quarter of 2015. Beginning Market Value as of 10/1/15 was \$13,307,274.74. Contributions received for Employee Receipts of \$38,114.57; Other Receipts of \$6,930.00 for Total Contributions of \$45,044.57. Distributions for Benefits Paid of \$166,751.46; Expenses of \$11,822.56; Other Payments of \$35,406.37 for Total Distributions of \$213,980.39. Income: Interest Income was \$10,303.44; Dividend Income of \$82,336.85 for Total Income of \$92,640.90. Realized Gains were \$139,308.61; Accrued Income was \$881.75; Market Appreciation was \$78,455.84. Ending Market Value as of 12/31/15 of \$13,449,625.41.

The Net Asset Summary for the year 2015: Beginning Market Value on January 1, 2015 was \$14,275,822.79. Employee Contributions \$142,538.13; Other Receipts \$9,701.62 for Total Contributions of \$152,239.75. Distributions: Benefits Paid \$645,688.01; Expenses \$50,856.77; Other Payments \$142,417.42 for Total Distributions of \$838,962.20. Interest Income was \$56,562.46; Dividend Income \$221,285.79. Total Income: \$277,848.25. Realized Gains were \$576,906.96; Accrued Income was \$3,081.59; Market Depreciation was \$991,148.55. Ending Market Value as of 12/31/15 \$13,449,625.41.

**LAYCHUR** Renee Laychur provided an in-depth review of the portfolio report provided to the Pension Board members. She provided the Net Asset Review of the Fourth Quarter noting the highlights in the documentation. Of note the 4<sup>th</sup> Quarter of 2015 was a good quarter for the market. The S&P500 was up over 7%; Developed International market rebounded by almost 5%. The Unemployment rate fell to 4.9% in January. The Federal Reserve Board finally raised short-term interest rates from 0 to .25 basis points. Consumers continue to spend on big ticket items, such as automobiles and homes.

Ms. Laychur reviewed the Fourth Quarter Market Highlights noting the best part of the market was the S&P500 growth, and the worst was the Barclays Intermediate Government Credit. The Fourth Quarter Fixed Income Returns revealed Municipals were the best performers, and Corporates were the worst. Fourth Quarter Equity Returns revealed 4.62% versus a benchmark of 5%; year to date -2.49% versus a benchmark of -1.22%, underperforming largely due to individual dividend paying stocks. Dividend producing stocks were down -3.52% versus a benchmark of 1.38%. Best performing sector in the 4<sup>th</sup> Quarter Index Returns was in Materials; worst was in Energy.

Ms. Laychur reported on the Portfolio Asset Allocation. Equity is at 46.98%; Fixed Income 45.61%, plus some cash. Sub-allocations show Large Cap Stocks and Investment Grade Bonds are two biggest pieces of the pie. The Bond Maturity ladder reveals that the year 2018 will be a big year. She called attention to the Holdings section, which is an alphabetical listing of all holdings.

Ms. Laychur reviewed the Investment Results section as of 12/31/15. The results are net of fees down -1.44 for the month; last quarter up 2.24; year to date -1.41; since inception 6.08. She called attention to the last section showing Exceptions which were shown in red.

Ms. Laychur had prepared her Economic Comments for February which had been recently updated in charts for the board. She noted that they do not see the economy in the U.S. going into a recession. There is some global weakness. Interest rates are continuing to do well and European interest rates have gone down to low levels. Overall in the U.S. consumer spending is good; gas prices are half of what they were two years ago; savings rates are up slightly, and consumers have the power to spend a little more.

**SWOMLEY** Chairman Swomley apologized for his late arrival. He thanked her for her report.

**DVORYAK** Mr. Dvoryak indicated that it had been announced earlier that a Quorum was not present. At this time a Quorum was present with Messrs. Swomley, Schenck, Dvoryak and Nace and action could be taken on the remaining items.

**2. ACTION ON MINUTES**

- A. Police Pension Board Minutes – December 10, 2015
- B. Police Pension Board Reorganization Meeting Minutes – January 4, 2016

**MR. DVORYAK MOVED TO APPROVE MINUTES IN ITEMS A AND B. MR. SCHENCK WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

**3. PUBLIC COMMENT**

There was no public comment.

**4. CORRESPONDENCE AND OTHER COMMUNICATIONS**

- A. Police Pension Reports:
  - (1) Acknowledge Receipt of Payroll Pension Contribution Reconciliation Report for Police Pension Fund (4<sup>th</sup> Quarter)
  - (2) Acknowledge Receipt of FNB Management Report for November 2015
  - (3) Acknowledge Receipt of FNB Management Report for December 2015
  - (4) Acknowledge Receipt of FNB Management Report for January 2016

**MR. SCHENCK MOVED TO ACKNOWLEDGE RECEIPT OF POLICE PENSION REPORTS IN ITEMS 1 THROUGH 4. MR. NACE WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

**5. REPORTS FROM FINANCIAL ADVISORS**

This report was given earlier during the Agenda.

**6. OLD BUSINESS**

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There was no Old Business for discussion.

**7. NEW BUSINESS**

There was no New Business for discussion.

**8. COMMITTEE MOTIONS**

There were no Committee Motions for action.

**9. ADJOURNMENT**

**SWOMLEY** Chairman Swomley adjourned the meeting at 6:36 p.m.

Respectfully submitted,

Kathleen Phan  
Secretary

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