

**SPRINGETTSBURY TOWNSHIP  
POLICE PENSION BOARD**

**NOVEMBER 12, 2014  
APPROVED**

The Police Pension Board of Springettsbury Township held a meeting on Wednesday, November 12, 2014 at 6:00 p.m. at the offices of Springettsbury Township located at 1501 Mt. Zion Road, York, PA.

**MEMBERS IN**

**ATTENDANCE:** George Dvoryak, Chairman  
Bill Schenck  
Mark Swomley  
Julie Landis (arrived 6:30 p.m.)

**MEMBERS NOT**

**IN ATTENDANCE:** Kathleen Phan

**ALSO IN**

**ATTENDANCE:** Kristen Denne, Township Manager  
Jack Hadge, Director of Finance  
Renee Laychur, F.N.B. Wealth Management  
Jean Abrecht, Stenographer

**1. CALL TO ORDER**

**DVORYAK** Chairman George Dvoryak called the meeting to order. He noted that a Quorum was not present. There were no police department representatives present.

**DENNE** Ms. Denne called for a Point of Order. She noted that a Quorum consisted of four members of the six-member board; members of the board plus one police officer. The Secretary of the board is a non-voting member.

**2. ACTION ON MINUTES**

A. Police Pension Board Regular Meeting of August 28, 2014

No action was taken due to lack of a Quorum.

**3. PUBLIC COMMENT**

There were no public comments.

**4. CORRESPONDENCE AND OTHER COMMUNICATIONS**

A. Police Pension Reports:

- 1) Acknowledge Receipt of Payroll Pension Contribution Reconciliation Report for Police Pension Fund
- 2) Acknowledge Receipt of F.N.B. Management Report for August 2014
- 3) Acknowledge Receipt of F.N.B. Management Report for September 2014

- 4) Acknowledge Receipt of F.N.B. Management Report for October 2014

No action was taken due to lack of a Quorum.

**5. REPORTS FROM FINANCIAL ADVISORS**

A. F.N.B. – Police Fund

**LAYCHUR** Renee Laychur, F.N.B. presented the financial report. She provided the Net Asset Summary. Beginning market value: \$13,564,417.89; Contributions: \$21,149.73; Distributions totaled \$126,593.45; Income: \$39,022.60; Realized losses/gains: \$333,071.58; Accrued Income: \$366.59; Unrealized Depreciation \$335,700.37; Grand Total as of September 30, 2014: \$13,495,734.57.

Ms. Laychur provided a written report of the portfolio to the board. She noted a few highlights of the third quarter, which indicated the economic activity continued to improve. Unemployment rate fell to 5.8% and job creation was improved as well. The third quarter GDP rebounded to 3.5% versus second quarter final at 4.6%.

**SWOMLEY** Mr. Swomley asked whether there was any differentiation in unemployment rates to the number of people who are not searching.

**LAYCHUR** Ms. Laychur responded that the participation rate was as low as it had been since 1977 – about 62.7%.

Ms. Laychur reported that the Federal Reserve Board finally ended its taper in October. F.N.B. will not be purchasing any more bonds but is re-investing income from the bonds currently owned. Short term rates are expected to rise.

Third quarter market highlights were negative except for large cap U.S. Small caps under-performed for most of the first three quarters of the year. Year-to-date resulted in realized gains of approximately \$400,000. Fixed Income returns lagged all year. Returns have lagged all year mostly due to being short and overweight Corporates; underweight Treasuries. Rates continue to be held lower in parts of Europe, Spain and Italy. Spain's unemployment rate dropped to 26.7%.

Ms. Laychur reviewed the Portfolio Asset Allocation. Cash and Equivalents: 6.10%; Fixed Income – Low Volatility: 41.86% and Equity: 52.04%. Performance lagged in the third quarter. For September: down -1.87 versus Benchmark -1.74; three months: -1.28 versus Benchmark -1.02; YTD: 2.98 versus Benchmark 3.14. 1, 3, and 5 years produced above Benchmark; Since inception: 6.70 versus Benchmark 7.19.

**LAYCHUR** Ms. Laychur asked for some of the history of Fulton's numbers in order to clarify some inconsistencies within the report.

**SCHENCK** Mr. Schenck noted that the performance numbers appeared to be skewed and it is due to the Fulton side of it not being included.

**DENNE** Ms. Denne asked Mr. Hadge to get the requested numbers.

**LAYCHUR** Ms. Laychur asked him to get the numbers through the end of 2013, which is the end of a period. She noted she could provide the results in a separate report. She would like to have the cash, fixed income and equities broken out.

**DVORYAK** Mr. Dvoryak commented that he thought the board members were simply looking for the returns.

**HADGE** Mr. Hadge stated that he thought that had been made available to the township when Fulton turned over the securities. He thought they had provided the performance numbers throughout the year. He indicated he would discuss it with Mr. Paese.

*Stenographer Note: Ms. Landis arrived at 6:30 p.m. constituting a Quorum in which to conduct official business.*

**LAYCHUR** Ms. Laychur asked whether there had been any changes in the Investment Policy.

**DVORYAK** Chairman Dvoryak responded that it had been tabled at the last meeting given that Ms. Denne had just come on board as the new Manager.

**LAYCHUR** Ms. Laychur offered that they would be glad to participate in a work session if needed. They have some new software that can provide a lot of the legalese, which would be helpful.

**DVORYAK** Chairman Dvoryak thanked her for her report. He noted that the board could conduct official business with a Quorum present.

## **2. ACTION ON MINUTES**

A. Police Pension Board Regular Meeting of August 28, 2014

**MS. LANDIS MOVED TO APPROVE THE MINUTES. MR. SCHENCK WAS SECOND.  
MOTION UNANIMOUSLY CARRIED.**

## **4. CORRESPONDENCE AND OTHER COMMUNICATIONS**

A. Police Pension Reports:

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**MR. SCHENCK MOVED TO ACKNOWLEDGE RECEIPT OF THE FOUR REPORTS AS LISTED ON THE AGENDA. MR. SWOMLEY WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

**7. NEW BUSINESS**

- A. Acknowledge Payment to Conrad Siegel Actuaries in the amount of \$2,680 for the period March 1, 2014 through July 31, 2014. Copy of invoice attached.

**MR. SCHENCK MOVED TO ACKNOWLEDGE PAYMENT TO CONRAD SIEGEL IN THE AMOUNT OF \$2,680. MR. SWOMLEY WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

- B. Acknowledge COLA Payment Increase to Gregory Witmer from \$4,084.66 to \$4,154.10 effective November 1, 2014. As stated in Mr. Zimmerman's attached letter, Mr. Witmer should also receive a one-time payment for September and October 2014 totaling \$138.88.

**MS. LANDIS MOVED TO APPROVE THE COLA PAYMENT FOR MR. GREGORY WITMER IN THE AMOUNT FROM \$4,084.66 TO \$4,154.10 EFFECTIVE NOVEMBER 1, 2014. MR. SCHENCK WAS SECOND.**

**DVORYAK** Chairman Dvoryak noted that the one-time payment for Mr. Witmer of \$138.88 should be included.

**MS. LANDIS AMENDED HER MOTION TO INCLUDE A ONE-TIME PAYMENT FOR SEPTEMBER AND OCTOBER 2014 RECOMMENDED BY MR. ZIMMERMAN TO GREGORY WITMER OF \$138.88. MR. SCHENCK WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

- C. Recommendation for Amending Pension Fund Ordinance with "2014 Compliance Amendment"

**MR. SCHENCK MOVED TO APPROVE THE AMENDMENT TO THE PENSION FUND ORDINANCE AS OUTLINED. MS. LANDIS WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

- D. Appointment of Police Pension Board Secretary

**MS. SWOMLEY NOMINATED KRISTEN DENNE AS SECRETARY OF THE POLICE PENSION FUND. MR. SCHENCK WAS SECOD. MOTION UNANIMOUSLY CARRIED.**

**8. COMMITTEE MOTIONS**

There were no committee motions for action.

**9. ADJOURNMENT**

**DVORYAK** Chairman Dvoryak adjourned the meeting at 6:35 p.m.

Respectfully submitted,

Kristen Denne, Secretary

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