

**SPRINGETTSBURY TOWNSHIP  
POLICE PENSION BOARD**

**FEBRUARY 28, 2019  
APPROVED**

The Springettsbury Township Board of Supervisors held a Regular Meeting of the Police Pension Board on Thursday, February 28, 2019 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  
George Dvoryak, Vice Chairman  
Charles Wurster, Assistant Secretary/Treasurer  
Justin Tomevi  
Robert Cox

**ALSO IN**

**ATTENDANCE:** Ben Marchant, Township Manager  
Corporal John Lawton, Police Department Representative  
Sergeant Brian Wilbur, Police Department Representative  
Mark Renzini, F.N.B. Wealth Management  
Renee Laychur, F.N.B. Wealth Management  
Teresa Hummel, Finance Director  
Jessica Fieldhouse, Director of Community Development  
Andy Hinkle, Manager, Information Systems  
Jean Abreght, Stenographer

**1. CALL TO ORDER:**

**SWOMLEY** Chairman Swomley called the February 28<sup>th</sup> meeting of the Police Pension Board to order. He announced that a Quorum was present.

**2. ACTION ON MINUTES**

A. Police Pension Board Meeting Minutes – November 14, 2018

**MR. DVORYAK MOVED TO APPROVE THE POLICE PENSION BOARD MEETING MINUTES OF NOVEMBER 14, 2018. MR. WURSTER 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 November 2018 FNB Management Report
- (3) Acknowledge Receipt of December 2018 FNB Management Report
- (4) Acknowledge Receipt of January 2019 FNB Management Report

**MR. DVORYAK MOVED TO APPROVE CORRESPONDENCE ITEMS 4 (A) 1 THROUGH 4. MR. TOMEVI WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

## **5. REPORTS FROM FINANCIAL ADVISORS**

### **A. FNB Wealth Management**

**RENZINI** Mark Renzini, Market Manager with F.N.B. Wealth Management provided the Net Asset Summary for the 4<sup>th</sup> Quarter, and the YTD 2018. The Net Asset for the Quarter: Market Value for the Quarter \$16,827,402.64. Contributions of \$759,634.39 Distributions of \$271,267.15 Total Interest and Dividend Income was \$128,344.32. Some Non-Cash Asset Charges, Realized Gains and Accrued Income along with some Market Appreciation (Depreciation for the Ending Market Value as of 12/31/18) of \$16,016,665.99.

Beginning Market Value for the Year-To-Date was \$16,823,485.75.

Contributions were \$873,697.00; Distributions of \$925,955.93; Income of \$363,105.13; Realized Gains of \$600,457.70; Accrued Income of \$3,567.40; Market Appreciation (Depreciation) of \$1,721,731.06 brought the Ending Market Value as of 12/31/2018 to \$16,016,625.99.

**LAYCHUR** Renee Laychur, Director of Portfolio Management, F.N.B. spoke of the Fourth Quarter Highlights, which she indicated was the worst Quarter for the S&P500 since 2011. December was the worst December for stocks since 1931 or the Great Depression, but January was much better. The U. S. 10-year Treasury rose to 3.25% in October. Federal Reserve Chairman Powell stated the FRB planned to raise rates through the rest of 2019. China trade and tariff issues have not been resolved. The Fourth Quarter Index Returns revealed that the Russell 2000 was the worst performer. Sector Returns showed that Technology had lagged some along with Energy. Best performer was Healthcare followed by Utilities.

U. S. equities showed worst performance since 2011. Value outperformed growth slightly in the quarter. Fixed income was positive due to safety of the Bonds and Cash was the best performing Asset Class. Fixed Income Strategy – Over-Weight Corporate Bonds with a duration slightly less than neutral. Individual Bond Duration 2.32 year; Fixed Income Fund Duration 3.72 years; Total Fixed Income Duration 3.5 years; Duration reduced .5 years during quarter.

Stocks rebounded in January posting best returns in 30 years; trend continued in February. Unemployment rate went up because more people are entering the workforce. Wage growth still low, 3% year over year. Interest rates – consensus for zero to two rate hikes in 2019.

Asset Allocation shows an “Unknown” which includes individual bond purchases which were made but not settled. Cash - 5.15%; Fixed Income – 40.14%; and Equity – 52.93%. Sub-Asset Class – Fixed Income shows Mortgage Backed (9.19%); Government & Agencies (10.54%); Investment Grade (80.27%). Maturity Ladder shows bonds maturing in 2019 through 2023. Best performer in the Equity Holdings – Sector Overview was Health Care (18.93%) up almost 11%.

Investment Results – For December 2018 down 4.20; Three months down 7.71. Year-to-date account was down 4.88. Three Years up 3.98; Five Years 3.08, and ten years 6.73 and since inception 5.68. For January the account was up 4.68; Three months 1.31; Year-to-date 4.68; One year 2.97; Three years 6.81; Five years 4.37; 10 Years 7.49; Since Inception 5.95. The 10 Year number is 7.49, right on track with the Actuarial Assumption of 7.5.

Ms. Laychur called attention to the Market Overview for February. She noted they do not see a Recession in 2019. Individuals are employed; the consumer is pretty healthy; savings in America are up including retirement savings.

**DVORYAK** Mr. Dvoryak questioned how decisions are made as to where to deploy new life into individual stocks versus mutual funds; individual bonds versus mutual funds. In addition, he asked how the performance is monitored.

**LAYCHUR** Ms. Laychur responded that they have a Strategy Committee and decisions are discussed within the Strategy Committee. She wants to be out a little more in five years versus the Fund Manager. She noted that everything is monitored within a security level.

**DVORYAK** Mr. Dvoryak noted he was interested in \$30,000, by adding value with individual trades versus Mutual Funds.

**RENZINI** Mr. Renzini responded that it was the Tactical Analysis that the Research Group does. Within the Large-Cap Dividend Paying Stocks, it makes more sense for an account this size to have 35 individual stocks.

**6. OLD BUSINESS**

There was no Old Business.

**7. NEW BUSINESS**

A. Acknowledge COLA Payment Increase to Michael Sciangula from \$3,915.67 to \$3,995.46 effective March 1, 2019 as stated in Mr. Cramer’s attached letter. Mr.

Sciangula should also receive a one-time partial payment for January and full payment for February totaling \$149.28.

**MR. TOMEVI MOVED TO ACKNOWLEDGE THE COLA PAYMENT TO MICHAEL SCIANGULA. MR. WURSTER WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

**8. COMMITTEE MOTIONS**

There were no Committee Motions

**9. ADJOURNMENT**

**SWOMLEY** Chairman Swomley adjourned the meeting at 6:40 p.m.

Respectfully submitted,

Charles Wurster  
Secretary

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