

**SPRINGETTSBURY TOWNSHIP  
POLICE PENSION BOARD**

**AUGUST 27, 2015  
APPROVED**

The Police Pension Board of Springettsbury Township held a meeting on Thursday, August 27, 2015 at 6:15 p.m. at the offices of Springettsbury Township located at 1501 Mt. Zion Road, York, PA.

**MEMBERS IN**

**ATTENDANCE:** George Dvoryak, Vice Chairman  
Julie Landis  
Kathleen Phan  
Bill Schenck

**MEMBERS NOT**

**IN ATTENDANCE:** Mark Swomley, Chairman  
Police Representative

**ALSO IN**

**ATTENDANCE:** Kristen Denne, Township Manager  
Renee Laychur, F.N.B. Wealth Management  
Karen Kenderdine, F.N.B. Wealth Management  
Joe Paese, F.N.B. Wealth Management  
Jean Abreght, Stenographer

**1. CALL TO ORDER**

**DVORYAK** Vice Chairman George Dvoryak called the Police Pension Board meeting to order.

**2. ACTION ON MINUTES**

**MS. LANDIS MOVED TO APPROVE MINUTES OF THE MAY 28, 2015 POLICE PENSION BOARD. 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 (2<sup>nd</sup> Quarter – 2015)
- (2) Acknowledge Receipt of FNB Management Report for May 2015
- (3) Acknowledge Receipt of FNB Management Report for June 2015
- (4) Acknowledge Receipt of FNB Management Report for July 2015

**MR. SCHENCK MOVED TO ACKNOWLEDGE RECEIPT OF THE FOUR POLICE PENSION BOARD REPORTS AS LISTED ON THE AGENDA. MOTION UNANIMOUSLY CARRIED.**

**5. REPORTS FROM FINANCIAL ADVISORS**

**Economic Report**

**LAYCHUR** Renee Laychur, Senior Vice President of F.N.B. Wealth Management presented a written report on the Springettsbury Township Police Pension Plan Portfolio. In addition she had provided an addendum with the performance numbers and comments as of August 26<sup>th</sup>. Month to date the S&P 500 was down 7.57, Value was down 8; Growth down 7.15, Mid-Caps 7.60; Small Caps at 8-1/2, MSCI EFA 9, and Emerging Markets was down 12. Barclay's Intermediate Government Credit was up 5 basis points. Cash was flat. Total account, Gross of Fees was down 4.64%.

Ms. Laychur noted that, even though the previous week was difficult, the action had been slightly positive. The second quarter GDP, second revision was revised up from 2.3 to 3.8. Weekly unemployment numbers showed job growth of 5.3%; GDP is up about 70%. People are purchasing big ticket items: 17.5 million car units sold. Existing home sales and new home sales; housing starts are all good. Retail sales are up. Any interest rate increase will be held off until later in the year.

Ms. Laychur commented on the International economies. U.S. dollar is strong; 1% of our exports are to China. Germany's manufacturing is doing well; EURO is weaker than the dollar.

**Total Market Value - Portfolio Performance**

**LAYCHUR** Ms. Laychur reported that the Total Market Value as of August 26, 2015 is \$13,457,601. The market closed up 369 points. The Equity markets are up approximately 3%, of which half is in Bonds.

Performance (6/30/15) Net of Fees, Investment Results include:

YTD 1.59 vs 1.93 BM; 1 year 2.27 vs. 2.70 BM; 3 years 9.05 vs 8.04 BM; 5 years 9.18 vs. 8.47 BM; 10 years 5.62 vs. 6.07 BM.

Performance (7/31/15)

YTD 2.07 vs. 2.43 BM; 1 year 4.30 vs. 4.34 BM; 3 years 8.97 vs. 7.88 BM; 5 years 8.45 vs. 7.69 BM; 10 years 5.65 vs. 5.95 BM.

**LAYCHUR** Ms. Laychur noted that the above performance figures do not include Fulton's information. She has been working on including figures from 2008, 2009, which will change the performance substantially.

**DVORYAK** Mr. Dvoryak questioned the Bond holdings. He noted that when the FRB raises rates, it will impact Bond prices and yields will go down. Within the portfolio there are both individual Bonds and Bond Funds. If the scenario unfolded where interest rates rise and the individual Bonds are held, he questioned whether there would be an adverse impact.

**LAYCHUR** Ms. Laychur responded that there would be adverse impact and the performance will reflect that, if they are not sold.

**DVORYAK** Mr. Dvoryak questioned whether it is better to own Bond Funds or Individual Bonds if the scenario begins and people begin liquidating their Bond Funds.

**LAYCHUR** Ms. Laychur responded that it would be better to own Bonds. She reviews the Bonds every day and will respond to the market conditions.

**PAESE** Mr. Paese mentioned that the funds are very manageable and Ms. Laychur is able to liquidate the entire portfolio in one day.

**LAYCHUR** Ms. Laychur added that the income from the Bond Funds is continually being reinvested. Duration on the Bonds is 3.74 and 2.95; 3 on Individual Bonds. She concluded that she hoped the information was helpful and that the portfolio is not negative.

**6. OLD BUSINESS**

There was none for action.

**7. NEW BUSINESS**

There was no New Business.

**8. COMMITTEE MOTIONS**

There were no Committee Motions for action.

**9. ADJOURNMENT**

**DVORYAK** Vice Chairman George Dvoryak adjourned the meeting at 6:50 p.m.

Respectfully submitted,

Kathleen Phan  
Secretary  
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