

Warrington Township Pension Committee

Minutes for August 7, 2019 Meeting

The regular meeting of the Warrington Township Pension Committee was held at 7:04 pm. August 7, 2019 at the Township Building located at 852 Easton Road, Warrington, PA 18976.

ATTENDANCE

Eileen Albillar	Karen Palmer
Barry Luber	Kevin Peacock
Fred Gaines	Daniel Sadowski
Joe Kirby – via phone initially	Amy Organek

Also in attendance was Lee Martin from Marquette Associates.

CALL TO ORDER: The meeting was called to order at 7:07pm.

APPROVAL OF MINUTES: Mr. Luber motioned, seconded by Officer Sadowski, to approve the minutes of May 8, 2019 meeting. This motion passed with a vote of 8-0.

CONSENT ITEMS:

Resignation of Kevin Peacock AS Chairman as of August 7, 2019

Nomination of chair & vice chair – Chairperson, Officer Sadowski nominated Joe Kirby as new chair.

Mr. Gaines seconded and Mr. Kirby accepted. Mr. Kirby is chair with a vote of 5-1-2.
Ms. Albillar – yes Mr. Luber – no Mr. Gaines – yes Mr. Kirby – yes
Ms. Organek – abstain Ms. Palmer – abstain Mr. Peacock – yes Ofc. Sadowski - yes

Ms. Palmer stated she has no prior history and could not offer an opinion. Ms. Organek has declined to comment on nomination.

Vice-chair – Mr. Luber nominated Karen Palmer as vice-chair, Ms. Palmer accepted. Ms. Palmer is vice-chair with a vote of 8-0.

2nd quarter Pension Plan Performance Review - Lee Martin reviewed the market performance. This has been a good quarter for the market all the indices up and equities doing well for the quarter. Even treasuries are starting to go up.

Our portfolios are up 3.4% for the year with the benchmark at 3.2%. We are currently close to hitting our actuarial marks, but if we hit a recession it may become harder to make those benchmarks. We have already de-risked the NUPP, but we may need to consider further action depending on the market and possibly for the Police plan as well. Marquette would recommend looking at de-risking potential and by using the defensive equity. We would have to have the actuary run an analysis to change the assumed rate of return.

COLA request from Police - Officer Sadowski made a motion for a 1% COLA increase for the police pensioners in accord with the CPI for the Philadelphia area. Mr. Lubber seconded and the motion passed, 7-0-1, with Mr. Peacock abstaining.

We will request the analysis from Conrad Siegel and send the Board of Supervisors a memo with the information for their decision on stability of the plan.

This was suggested as a discussion item for the bargaining unit for the Police contract

OLD BUSINESS

Pension Ordinance update – NUPP changes - This was distributed via email and no questions were raised.

Discussion/Decision regarding the valuation methodology to asset smoothing from “snap shot” valuation - The value and detriment were discussed. We will request the valuation with the smoothing option and forward to the committee for comment. After the committee decides, we will forward to the Board of Supervisors.

Discuss the changes needed in the pension documentation to bring it into compliance with the CBA and Act 600 - This will continue and be discussed by the Bargaining Unit.

Board vacancies - Mr. Kirby inquired regarding the vacancies on our board for resident advisors. Mr. Lubber said that this has been advertised, but no applications have been received yet.

Mr. Gaines introduced Mr. Seth Gansman as the elected auditor.

Action Items:

- 1) Contact Conrad Siegel for analysis on:
 - Smoothing
 - COLA for 2020
 - Lowering the Assumed Rate of Return by ¼
- 2) Send out the Valuation report to the Pension Committee
- 3) Check on the language for the make-up of the committee, the COLA language, and the amendments to the NUPP are correct.

Next Meeting – November 6, 2019

Adjournment – 8:40 pm

Recorder: Amy Organek

