

Warrington Township Pension Committee

Minutes for February 6, 2019 Meeting

The regular meeting of the Warrington Township Pension Committee was held at 7:00 PM. February 6, 2019 at the Township Building located at 852 Easton Road, Warrington, PA 18976. The members present were as follows:

Kevin Peacock
Daniel Sadowski
Barry Lubner
Ken Hawthorne
Fred Gaines

Amy Organek
Joe Kirby
Cassandra Williams
Lee Martin – Marquette Assoc

1. Call to Order

The meeting was called to order at 7:03PM.

2. Approval of Minutes

a. November 7, 2018

On a motion made by Mr. Peacock, seconded by Mr. Lubner, the Warrington Township Pension Committee voted to approve the minutes of November 7, 2018. This motion passed with a vote of 7-0.

2. Election of Officers

a. Chair

Barry Lubner nominated Kevin Peacock for Chair; Kevin accepted. No other nominations. Kevin was approved as Chair 7-0.

b. Vice Chair

Dan Sadowski nominated Joe Kirby for Vice Chair, Joe accepted. No other nominations. Joe was approved as Vice Chair 7-0.

c. Secretary

Barry Lubner nominated Amy Organek for Secretary, Amy accepted. No other nominations. Amy was approved as secretary 7-0.

3. 4th quarter Pension Plan Performance Review

Lee Martin reviewed the status of Marquette as a company to advise us of their stability. They have not had any consultants leave and the ownership is divided equally among the partners which ensures that the company is stable as it stands now.

Mr. Martin reviewed the market performance as of December 31, 2018.

For the 4th Quarter of 2018, the Police Pension Plan was down -9.4% and the NUPP was down -7.7%. The two pension plans underperformed for the 2018 plan year by -5.6% for the police and -3.8% NU plan. The underperformance for the quarter and the full year was driven by the selloff in equities in December 2018. Since inception, the NU and Police plans have outperformed their benchmarks and gained \$1 million and \$2.3 million respectively.

There was discussion on the effects of smoothing on the anticipated valuation report through 12/31/2018 dated 1/1/19.

4. Old Business

a. Pension Ordinance update – NUPP changes

This was distributed via email and no questions were raised.

b. COLA update – Custodial Service update

Amy Organek updated the committee on the status of the COLA implementation and the problems we have had with this implementation. TD Ameritrade has been difficult to find the correct department to contact for this increase and for information on retirees. Lee Martin has been assisting Amy in getting some response with this request and there has been progress. This should be fully implemented for the police retirees in the next few weeks.

New custodians are being interviewed this week and next week with a potential recommendation at the end of next week. The goal is to have the new custodian approved by the Board of Supervisors and contracts signed and in implementation by March.

5. New Business – none

6. Action Items

- a. Request the timing of the delivery of the valuation report from John Vargo
- b. Request valuations with and without smoothing
- c. Request from Marquette the average asset return to be sent to the actuary

7. Other business

Item for next meeting:

If possible, discuss the changes needed in the pension documentation to bring it into compliance with the CBA and Act 600.

8. Next Meeting – May 8, 2019

Adjournment – 8:45 PM

Recorder: Amy Organek