

Warrington Township Pension Committee Minutes for November 16, 2022 Meeting

The regular meeting of the Warrington Township Pension Committee was held at 7:00 pm. November 16, 2022 in the Neshaminy Room at the Warrington Township Building and Zoom.

The members present were as follows:

Fred Gaines (BOS)	Vanessa Maurer (BOS)
Kenneth Hawthorn (Police Rep) Zoom	Alexander Moldavskiy (Police Alt) Zoom
Peter Kim (Finance Dir)	Amy Organek (NUPP)
Joseph Kirby (Resident)	Michael Thom (Resident)
Barry P. Luber (Twp Mgr)	

Also present: Lee Martin – Marquette Assoc.
Samuel Frymier - Marquette Assoc.

1. Call to Order

The meeting was called to order at 7:00pm.

2. Approval of Minutes

a. June 30, 2022 and September 1, 2022

In a motion by Sgt Hawthorn, seconded by Ms. Maurer, the Pension Committee voted to approve the minutes of June 30 and September 1, 2022. Motion passed 7-0-1.

Fred Gaines - yes	Joseph Kirby - yes	Amy Organek - yes
Ken Hawthorn – abstain	Barry Luber - yes	Michael Thom - yes
Peter Kim - yes	Vanessa Maurer - yes	

3. New Business

a. 3rd Quarter Pension Plan Performance Review

b. Mr. Martin reviewed the economy and our plans and performance through September 30th, 2022.

The Police plan return returned -5.1% for the quarter, versus the policy index of -4.6% and benchmark of -5.3%. This represents a loss of \$1.07M. The NUPP returned -5.1% for the quarter versus -4.7% for the policy index and -5.3% for the benchmark. This represents a loss of \$342K.

Negative factors towards performance were exposures within International Equity, Emerging Markets and Real Estate. Positive factors towards performance were exposures within Global Equity, Defensive Equity, and short term High Yield.

It was noted that Real Estate redemptions have started to be paid out with the intention of bringing the allocation back in line with targets.

AB Global Equity was terminated as a manager due to underperformance and style drift. This termination was shown on page 26 of the report with the ending balance

for AB Global at \$0. Wellington and Fidelity 500 have taken the redistribution which has had the impact of lowering overall investment manager fees from 39 to 35 bps

b. Current Plan Investments Discussion - Review of Mr. Simone's work

As part of Mr. Simone's review, the concern with overlapping investment and overpayment of fees as related to this overlap was noted. Marquette was asked to do an analysis of this situation.

Total Equity Holding Study - Marquette

Mr. Frymier reviewed the equity holding study provided by Marquette because of some of the questions from Mr. Simone's review.

As a synopsis, there are some overlapping holdings within the mutual funds, but that is expected seeing as there are some broad market index funds within the portfolio. The overlap is mostly unavoidable, and minimal. The chart on page 2 of the presentation shows a sampling of some of the managers compared to other managers with both the number of common holdings and the percentage of overlap of the common holdings represented for each manager.

4. Old Business

- a. Minutes and Agendas posted
This is complete and up to date for 2018 – 2022 (to date)
- b. E-code update
All updates and revisions have been approved and are shown as additions at the end of the E-Code online. These will be incorporated into the whole of the e-Code when the codification is done next year.
- c. Pension Committee's Mission & Goals
This has been completed and approved by the Board of Supervisor's
- d. Volunteer Application Process
Since the application is for all committees, it needs to be all encompassing. It is still being reviewed and streamlined by staff and then the Supervisors can approve at a meeting.

The location of the application form on the website was also discussed. It is found on the Government Tab under forms. It has been removed from the quick links on the home screen for now since the title was confusing there. The website is in process of being updated. Additional changes will be made for better accessibility in the meantime with the existing site as soon as possible.

6. Committee Membership

The committee has 1 resident member vacancy remaining. A couple of potential members were discussed. Sgt Hawthorn suggested that we may be able to post the vacancy on the Crimewatch

site for the open Volunteer position for the committee to hopefully reach potential candidates that have not considered volunteering before. Sgt. Hawthorn will ask the Chief if that is possible.

7. Action Items

- a. The solicitor will be consulted on the PBA rep/PBA Alternate vote is determined and can it be changed in the course of a meeting depending on accessibility of the Rep.
- b. Sgt Hawthorn will ask the Chief if we can post on the Crimewatch site for the open volunteer position for the committee
- c. Mr. Luber will make a push to get the Volunteer form standardized and completed.

Next Meeting – The next meeting is scheduled for February 15, 2023 at 7pm at the township building and Zoom.

Adjournment

In a motion by Mr. Luber, seconded by Ms. Maurer, the Pension Committee voted to adjourn
Motion passed 8-0. Meeting Adjourned 8:48 pm

Recorder: Amy Organek