



Doylestown Township

Pension Advisory Committee Meeting

~ MINUTES ~

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215-348-9915

Monday, June 11, 2018

4:00 PM

Large Conference Room

IN ATTENDANCE

Board Liaison, Supervisor Ken Snyder, Non-Uniformed Representative Sinclair Salisbury, Uniformed Representative Ofc. Tim Reihl, Non-voting members: Ken Wallace and Stephanie Mason. Newly appointed members: Ed Denton, Joe Delikat, Colleen Mullin, Greg Schuster and Nancy Wasch.

WELCOME

Mr. Snyder welcomed the members to the first meeting of the Pension Advisory Committee. He commented that the Board of Supervisors very seriously took the direction to form the new committee based on a study completed last year by a subcommittee of the Ways and Means Committee. Their recommendations consisted of eleven, four of which have already been implemented. He believes their work is a major contribution to the community and something they should share with other municipalities.

The members went around the room and introduced themselves to each other.

REORGANIZATION

Mr. Snyder turned the meeting to Mr. Salisbury. Mr. Salisbury indicated that the first order of business is to reorganize the Committee and select officers. Nominations were opened.

ON MOTION of Ofc. Reihl, Sinclair Salisbury was nominated as Chairman, seconded by Greg Schuster. Mr. Delikat nominated Ed Denton, motion was seconded by Ms. Mullin.

After some discussion Mr. Snyder indicated that historically the Pension Committee has always had a uniformed or non-uniformed employee sit as chairman of the Committee.

Mr. Delikat and Mr. Denton indicated that they didn't necessarily feel that was appropriate or necessary especially with the reconstituting of the Committee.

A vote was taken on both candidates for the position of Chairman and the vote was a 3-3 tie.

ON MOTION of Mr. Schuster, Mr. Salisbury was nominated to be Chairman and Mr. Denton was nominated to be Vice Chairman. Motion was seconded by Mr. Denton and unanimously approved.

Mr. Delikat suggested that the position of Secretary rotate as is done in many other committees. Mr. Denton pointed out that the Ordinance indicates that the Secretary of the Committee shall be the Secretary for the Township.

ON MOTION of Mr. Reihl, seconded by Mr. Salisbury Ms. Mason was nominated to serve as Secretary. Motion carried unanimously.

ESTABLISHMENT OF PENSION ADVISORY COMMITTEE/ORDINANCE NO. 387

Mr. Salisbury reviewed with the Committee that the Ordinance was approved by the Board of Supervisors and sets forth the rules and regulations for the Committee to operate.

TOWNSHIP PENSION PLANS – REVIEW

Mr. Salisbury indicated that the Uniformed Employee Pension Plan, Non-Uniformed Employee Pension Plan and Non-Uniformed Employee Defined Contribution Pension Plan can be found on the Township's website under Code Enforcement. It is listed under Chapter 28 in the Code of Ordinances. There was a direct link that was provided in the agenda.

WAYS AND MEANS SUB-COMMITTEE REPORT

Mr. Denton and Mr. Delikat indicated that, as members of the Ways and Means Committee for the Township, last year they began working along with Bob Salanik, another member of the Ways and Means Committee, on an evaluation of the Township Uniformed and Non-Uniformed Pension Plans, specifically focusing on the Defined Benefits plans.

At the time it was indicated that the plans were about 80% funded. The question was "is that good enough?" They did an immense amount of research and at the conclusion provided a detailed report to the Board of Supervisors. They also provided a list of recommendations on improving the operation associated with the plans.

One of the recommendations was to put additional funds into the plans. This year \$245,000 additional money has been placed into the plan. Changing the timing of the contributions from once a year to monthly or quarterly. There are other recommendations that need further evaluation and the role of this Committee will be to review, analyze and make recommendations to the Board of Supervisors to implement such improvements i.e. lowering of the discount rates.

Ms. Wasch questioned recommendations on the activities and whether or not RFPs should be done for new consultants. Something to review at the next meeting.

There was some discussion regarding the performance reports that have been received as of 12/31/17 and the benchmarking that was done by the sub-committee in their report as well. Continued review of adjustments to the Pension Committee, lowering the discount rate, amending the ordinances and policies, which need further review by this Committee to be able to optimize the portfolio etc., optimizing the Pension Plan assets returns and minimizing management expenses, something that this Pension Committee will focus on, Pension bonds and things to be done in the 2019 budget and beyond for consideration. Those will all be things that will be taken on through this newly constituted Pension Committee.

SET MEETING SCHEDULE

There was discussion when next to have a meeting. The second Monday at 4:30PM seemed to work for everyone.

ON MOTION of Mr. Denton, seconded by Mr. Schuster, it was agreed that the Committee will meet on the second Monday at 4:30PM. Motion carried unanimously.

It was also suggested that the Committee meet through the end of the year on a monthly basis.

ITEMS FOR THE NEXT MEETING

Ms. Wasch was hoping to have more information on the investment advisor, the actuarial reports, funding, information on the discount rate, any RFPs for services, general demographics that could be provided by the actuary, the 1/1/17 report, the Act 205, any current agreements with service providers, and what they are providing.

Mr. Denton questioned what the group wants to do for example with the PBA on the budget, things to prioritize regarding the rate and having that lowered in 2019 to align with the 1/1/19 ACT 205 reports.

Mr. Schuster indicated that he'd be happy to share Warminster's information for comparison.

Ms. Mason indicated that the consultants from Tom Anderson's office work to provide compliance with state regulation and DK Brede provides investment advice.

Mr. Snyder indicated that the Board of Supervisors will begin working on the 2019 Budget and certainly any information that can be provided through this Committee in the fall would be helpful. In addition, any support that this Committee can identify with the negotiation with the PBA would be helpful.

Ofc. Reihl questioned the State Aid and when and where that is paid. He indicated that he was told that all the money goes into the General Fund. Mr. Wallace indicated that money may flow through the General Fund but that the Township contribution for the Police totaling \$458,970.00 for 2017 all went to the appropriate pension plan. We are audited by the State, Auditor General's Office and have always had a clean audit and met the Townships MMO for the plan. Ofc. Reihl appreciated the clarification as there has been a misunderstanding amongst the uniformed employees.

ADJOURNMENT

Mr. Salisbury thanked everyone for their attendance.

ON MOTION of Mr. Schuster, seconded by Mr. Denton the meeting adjourned at 5:33PM.

Respectfully submitted by

Stephanie Mason
Secretary