

Doylestown Township Pension Advisory Committee
Minutes for August 9, 2021

In attendance: Ed Denton, Chairman; Sinclair Salisbury, Vice Chairman; Bob Salanik, Joe Delikat, Tom Burke, Colleen Mullin, and Bill Mokriski,

Board of Supervisors Liaisons: Jen Herring and Nancy Santacecilia

Staff Liaisons: Ken Wallace, Finance Director and Stephanie Mason, Township Manager

Guest: Aaron Walizer, Special Projects Coordinator

WELCOME

Mr. Denton Welcomed everyone to the meeting.

APPROVAL OF MEETING MINUTES – July 12, 2021

On motion of Mr. Delikat, seconded by Mr. Salanik the minutes of the July 12, 2021 meeting were unanimously approved.

NEW BUSINESS

Semi-Annual Review of Pension Portfolio Reports & Performance (Debra Brede)

Ms. Brede introduced her colleague Barry Morgan to the PAC. Ms. Brede walked the PAC through the Report indicating the plan assets had done well and that the plan was up.

There was discussion regarding active managers and the passive ETFs being utilized and their indexes and discussion on emerging market debt as well.

Ms. Brede indicated the strength came in the small cap and mid-cap growth areas.

Contributions to the Police Uniformed Plan was \$430,277.17 and withdrawals totaled \$365,457.51.

Non-Uniformed Plan had contributions of \$310,342.78 and withdrawals of \$250,137.43.

Ms. Brede shared performance of the plan by individual securities for both the Uniformed and Non-Uniformed Plans. Also, providing Morning Star information on the T-Row Price floating rate, the MFS emerging market debt information which was discussed in greater detail with the Committee.

Mr. Delikat asked how long Ms. Brede believes the current dynamic will remain. She indicated that it is difficult to know especially with the COVID 19 Delta variance.

Mr. Denton indicated that being overweighted in US equity vs. foreign seems to be a steady as we go approach.

Ms. Mullin asked for clarification regarding the PIMCO mortgage mutual fund on page 61, which Ms. Brede addressed.

Ms. Brede indicated that we are beating the index by 2.70%

Ms. Brede indicated that she started with the plan in 2000. Previously the Township utilized PNC and only bought Blackrock funds. She began moving funds over to the SEI platform in 2002. She provided a history of the overall performance of the plan to the Committee from 2006 – 2021 and expressed the value that she's brought to the plan. She also provided an updated BIO on herself and company. Ms. Brede indicated that she was a bit surprised by the RFP, although she admitted that the Committee and Staff had been indicating for over a year that it was their intent to issue one. She indicated that she was surprised that since she was the current advisor that she would need to complete a submission, however it was clarified that to participate and be considered, she and her firm would need to submit an RFP. She referred to the fact that her fees are 50 bases points and that she could reduce them to 3/8ths but that is the lowest she believed she could go.

Mr. Denton indicated that the Committee believed that doing such an evaluation is just part of the due diligence for the Township. He indicated that having worked with her that she does have many of the qualifications set forth in the RFP.

Ms. Mason stated again that to be considered a complete RFP would need to be submitted.

The PAC thanked Ms. Brede for her time and indicated they looked forward to the next report.

OLD BUSINESS:

RFP Status & Draft Timeline

Mr. Denton indicated that the RFPs were due in on August 20th and that by the 23rd a spreadsheet listing those who had submitted would be shared with the Committee.

Mr. Walizer indicated that so far 49 companies had looked at the RFP online.

The timetable will be that the subcommittee will meet on the 27th at noon to cull the submissions. They will meet again on September 2nd to begin the evaluation of the submissions. Information will be shared with the Committee by the September 13th PAC meeting, and we will try to narrow down submissions to five. These five vendors will then receive a list of questions and interviews for the five will be scheduled.

After that a recommendation of the top two companies will be recommended to the Board of Supervisors. At that time the Board of Supervisors could decide to interview the two finalists

and/or make the final selection.

The hope and the goal are to work to have the transition to occur by the end of the year.

Being no further business, the meeting adjourned at 5:45p.m.

Respectfully submitted by

Stephanie J. Mason
Secretary