

**BOROUGH OF CLARKS SUMMIT
POLICE PENSION BOARD MEETING
May 7, 2019**

The quarterly meeting of the Police Pension Board was held on Wednesday, May 7, 2019, in Council Chambers, 304 South State Street, Clarks Summit, Pennsylvania at approximately 5:37pm. In attendance were Mr. Robert Shedlock, Mr. Frank Besten, and Mr. Kevin Yetkowskas, and Ms. Gerrie Carey

CALL TO ORDER:

APPROVAL OF THE AGENDA:

Gerrie Carey made the first motion to approve the agenda. Kevin Yetkowskas made an amendment to the agenda; He would like to approve the 2019 Actuarial Assumption as recommended by the Actuary under New Business, seconded by Frank Besten. Vote was unanimous. Kevin Yetkowskas made the first motion to approve the amended agenda, seconded by Frank Besten, vote was unanimous.

APPROVAL OF THE MINUTES:

- **May 7, 2019:** Kevin Yetkowskas made the first motion to approve the minutes, seconded by Gerrie Carey, vote was unanimous.

OLD BUSINESS:

- a. **Review 2019 1st quarter performance:** Mr. Williamson stated that the year to date portfolio performance review is \$2,020,335. The Net Contribution is \$24,018. The ending value is \$2,165,633 the investment gain was \$169,316. The Net TWR is 8.44%. The MSCI EAFE Net is 13.07%, the S & P 500 Composite is 18.25%. The Wilshire 5000 Total Market is 18.68%. The Bloomberg Barclays US Aggregate is 2.97%. They reviewed asset allocation by asset class and asset style shows the current percentages. The next section is Portfolio Performance by Holdings shows all the investments in the portfolio and what their returns were. The bottom line is the percentage return is already 1.44% above the required 7%. The Income Report takes the sub accounts that generate interest and generate dividends on a regular basis, and it shows you in the last column which came to \$12,223 during the first 4 months and we use that to pay monthly benefits.

NEW BUSINESS:

Bob Shedlock stated that he received a letter from the Borough Manager saying that Council wished to look into a new pension plan provider and what was the association's position on that. Mr. Shedlock stated that some of the Council is not familiar with the act of arbitration that puts that in the pension board. However in that same act of arbitration, to precipitate that change the providers would be well within the right of Council either through ordinance or incident, but they left the authority to actually pick from chosen providers to this board. Mr. Shedlock stated that he doesn't think everyone on Council is familiar with that act of

arbitration and they may see it as some kind of infringement on their authority. The association's position is that they have every right to precipitate that if they so desire, but they don't get to pick the winner, that is pretty clear. The board picks who runs the plan, the benefits, and the actuary. That is up to the board not the association or Council. Mr. Shedlock stated that they had an executive session before the meeting. Gerrie Carey stated that she thinks they had everything resolved. Frank Besten stated that he thought they would be able to give Council a better understanding of the complications of investing money. It's not as simple as it sounds.

Bob Shedlock stated that under new business, they had an executive session prior to discuss certain questions at the request of Council and of the association. Mr. David Killick, who is the actuary, prepares their Act 205 paperwork was good enough to come up and answer a lot of comprehensive questions. Kevin Yetkowskas was also present during this executive session and it was suggested that the board adopt the 2019 Actuarial Mortality Assumptions and preparing this report which is in the process now and will slightly change the MMO, but it probably more accurately reflects the future pension plan. This is a good move and is sanctioned by the society of actuaries. It will probably be the standard eventually. Frank Besten made the first motion to accept the Public Safety Table, seconded by Gerrie Carey, vote was unanimous. They are asking Mr. Williamson to convey that the board has agreed to accept the Public Safety Table, from the American Society of Actuaries in completing this Act 205 evaluation.

PUBLIC COMMENT/INPUT:

EXECUTIVE SESSIONS:

- a. **Prior:** There was an executive session before the meeting.
- b. **During**
- c. **Subsequent**

ADJOURNMENT:

Frank Besten made the first motion to adjourn, seconded by Gerrie Carey, vote was unanimous.