

**WEST WHITELAND TOWNSHIP**  
**PENSION ADVISORY BOARD MINUTES**  
**April 22, 2020**

**Members Present**

Tom Belisari  
Jack Ellis  
Denise Bailey  
Chris Bamber, until 9:15am  
Victoria Griffith (Non-uniformed Representative)

**Township Staff Present**

Beth Jones, Finance Director  
Mimi Gleason, Township Manager  
Pam Gural-Bear, Asst. Twp. Manager  
Caroline Partridge, Accounting Manager

**Supervisors Present**

Joshua Anderson

The meeting was called to order at 9:00 A.M. The meeting was conducted via Zoom due to Governor's Wolf's stay at home order during the COVID-19 pandemic.

**1. Election of Chairman and Vice-Chairman**

MOTION: To nominate Tom Belisari as Chairman

ACTION: A roll call vote was taken, and the motion was unanimously approved.  
(Bamber/Bailey)

MOTION: To nominate Chris Bamber as Vice-Chairman

ACTION: A roll call vote was taken, and the motion was unanimously approved.  
(Belisari/Bailey)

**2. Approval of Minutes – October 16, 2019 and January 22, 2020**

MOTION: To approve the October 16, 2019 and January 22, 2020 Minutes

ACTION: A roll call vote was taken, and the motion was unanimously approved.  
(Bamber/Bailey)

**3. OPEB and Pension Plans YTD performance review**

**Comparison to benchmarks** – Mr. Belisari noted the poor performance and the tremendous volatility in the market during these unprecedented times. Mr. Bamber recommended it would be prudent to stay the course, and added that from an actuarial standpoint, the numbers will smooth out over time. Ms. Bailey agreed stating that from a long-term perspective, the Board should not be too aggressive in making changes, but still be able to adapt quickly if needed.

**Rebalance/cash flow discussion** – Ms. Jones reported that the Uniformed Pension needs were higher than normal due to the DROP payout associated with a high-level Police employee retirement in June. Mr. Bamber agreed that it would not be wise to rebalance at this time and

agreed with Ms. Jones' recommendation to pull the needed cash from the over-weighted bond fund.

**MOTION:** To approve the sale of Vanguard Total Bond Market Index shares to provide for the cash needs of both pension plans (\$470,908 for Police Pension, \$96,760 for Non-Uniform)

**ACTION:** A roll call vote was taken, and the motion was unanimously approved. (Bamber/Belisari)

#### **4. Pension RFP Presentations – Investment Manager**

##### **PFM Asset Management LLC**

Mr. Bamber announced that to avoid any conflict of interest, he has been and will continue to abstain from any discussions and comments regarding the RFP for Investment Manager as he is an employee of PFM Financial Advisors which is an affiliate of PFM Asset Management, one of the presenters today. Mr. Bamber then left the meeting.

Bikram Chadra, Director of PFM, introduced Surya Pisapati, Senior Managing Consultant; and Marc Ammaturo, Managing Director. Mr. Chadra and Mr. Ammaturo provided an overview of the company, noting the strong focus in the public sector since 1992, advising more than 90 municipal retirement plans in Pennsylvania.

Ms. Pisapati provided an overview of the Multi-Asset Investment Committee and the value-added investment approach used by PFM. Mr. Chadra presented portfolio observations and reviewed high level observations which included an opportunity to further diversify, increasing exposure to the international and emerging markets, and cutting costs in domestic equity by using passive management. Mr. Ammaturo then reviewed returns for the last three years for the Police and Non-uniformed pension plans as well as returns for the OPEB Trust for comparison.

Following the presentation, the members asked questions and Ms. Gleason clarified the Township's investment considerations related to climate change and businesses whose operations adversely affect the planet.

##### **Marquette Associates**

Pat Wing, Vice-President, introduced Lee Martin, Managing Director; Nicole Johnson-Barnes, Research Analyst; and Darin Lott, VP Business Development Officer with U.S. Bank.

Mr. Lee provided an overview of Marquette Associates and listed company differentiators, including a client retention rate over 99% and a focus on client service through attention, customization, and execution. Mr. Wing explained the 3-point investment approach which focuses on controlling risk, quality, and cost. In addition, he stressed that diversification is key. A potential portfolio structure was presented showing changes that Marquette would make to the Township's plans. They included divestment from fossil fuels and assurance that the lowest cost share classes are being used for all portfolios.

Following the presentation, the members asked questions.

### **Discussion**

During discussion of the two presentations, members noted being impressed with both firms, noting similar fees and past performance by both, reducing the decision down to which firm the members and staff would be more comfortable working with and an analysis of the differentiators observed.

Mr. Ellis noted that Marquette is based in Chicago and would prefer to stay local. He added that PFM has been very good to work with on the OPEB Trust. Ms. Jones said both firms were very responsive and professional, adding the PFM was especially helpful during the annual audit. Mr. Belisari said he was very impressed with Marquette and their results but added that the Township has a great relationship with PFM. Ms. Bailey said she leaned more to PFM and its diversity of people. Mr. Ellis agreed and was comfortable with PFM. Ms. Jones will confirm that Trustee is included in PFM's fee.

MOTION: To recommend the Board of Supervisors approve PFM Asset Management as West Whiteland Township's Investment Manager and U.S. Bank as West Whiteland's pension custodian, pending clarification of the fees and specific relationship proposed with U.S. Bank.

ACTION: A roll call vote was taken, and the motion was unanimously approved.  
(Belisari/Ellis)

Mr. Belisari thanked Ms. Jones for her hard work preparing the RFP's and coordinating the Zoom meeting.

### **Adjournment**

The meeting adjourned at 11:00 a.m.

Respectfully Submitted,



Beth Jones,  
Recording Secretary