

**BOROUGH OF DOYLESTOWN**  
**FINANCE AND PENSION COMMITTEE MEETING**  
**THURSDAY, AUGUST 5, 2015 – 5:00 pm**  
**MINUTES**

The meeting of the Finance and Pension Committee was held on the above date at the above time with the following members present: Chair Susan Madian and Jack O'Brien. Also present were Finance Director Caroline Brinker, Non-Uniformed Pension Plan representative Rich Pole and Mayor Ron Strouse.

**Approval of Minutes**

Minutes of July 9, 2015 Finance and Pension Committee meeting were approved. (O'Brien/Madian)

**Second Quarter Non-Uniformed Pension Plan Performance Review**

**Barry Keck, Univest Municipal Pension Services**

Mr. Keck reviewed the investment performance as of June 30, 2015. The portfolio had a loss of (1.19%) for the quarter, and a gain of 0.09% for the year. Portfolio value was \$3,482,934. The third quarter was starting to rebound, and value as of 7/31/2015 was \$3,499,812. The portfolio analysis and the quarterly returns for each fund were discussed against their indices and with their 3 and 5 year rankings. Asset additions and deletions were reviewed also. The asset allocations were also reviewed with all classes being on target. The committee thanked Mr. Keck for his report.

**Central Bucks Regional PD Actuarial Assumptions Discussion**

**Ron Bittner, Univest Municipal Pension Services**

Mr. Bittner reviewed with the committee the plan provision summary of the CB Regional Police Pension Plan, noting the present value of future benefits and actuarial assumptions used as of the 1/1/2013 valuation. He then reviewed several scenarios using different interest rate and actuarial assumptions, and the effect to the plan assets and funding status. Also presented was the GASB 67 Investment Disclosure – Long Term Expected Rates of Return, which showed an expected rate of 7.146%. Mr. Bittner explained that this was a new disclosure requirement and that the actuarially assumed rate of return for the plan should be within 0.5% of the long term expected rate. Currently the police pension plan has an assumed rate of 8%. After discussion, the committee agreed that this should be forwarded to the Regional Police Finance Committee for review and recommendation that the actuarial assumptions for the 1/1/2015 valuation be changed. The committee thanked Mr. Bittner for his presentation.

**Mid-Year Reserve Fund Performance**

**Rick White, Princeton Wealth Advisors**

Mr. White presented the mid-year 2015 Reserve fund investment review. Returns for the year-to-date were 0.88%. The annualized internal rate of return since 2007 is 2.79%. The price impact of rising and falling interest rates was discussed. The committee also discussed duration of investments and if there was any profit to keeping the portfolio shorter-term. It was decided that investments should continue to be laddered no longer than 5 years. The committee thanked Mr. White for his review.

**Resolution – Municipal Sustainability Act**

The committee reviewed a draft resolution supporting municipal pension reform for municipal police personnel, and urging the General Assembly to address municipal pension reform when undertaking state pensions this session. It was recommended that this item be forwarded to Council for adoption (O'Brien/Madian).

**Mid-Year Budget Review – General, Water & Reserve Funds**

Ms. Brinker reviewed with the committee the status of mid-year revenues & expenditures, noting items that were projected to be over or under budget at year-end.

**Old/New Business** - none

The meeting adjourned at 7:30 p.m. (O'Brien/Madian)

Respectfully Submitted,  
Caroline Brinker  
Finance Director