

TOWN OF McCANDLESS
MINUTES – FINANCE COMMITTEE MEETING
MARCH 14, 2016 TOWN HALL

CALL TO ORDER

The meeting was called to order at 8:18 p.m. by Committee Chairwoman Powers with the following in attendance: Council members Aufman, Mertz, Walkauskas, LeDonne and McKim; Town Manager Cordek, Assistant Town Manager Ebner, Zoning Officer Betty, Marie Haller, Administrative Assistant; and citizens as per the sign-in sheet. Excused: Councilwoman Zachary

INVESTMENT MANAGEMENT REVIEW
MANNING NAPIER & BOGDahn CONSULTING GROUP

David Immonen, Vice President/Client Consultant for Manning & Napier and Justin Lauver, an investment consultant with The Bogdahn Group, Inc., formerly Raulin, Inc., were in attendance to provide an overview and detailed information regarding the Town's investment performance of the Uniformed and Non-Uniformed Defined Benefit Pension Plans.

Mr. Immonen reviewed the Manning & Napier year-end Investment Performance Review for the Town of McCandless Police Pension Plan, dated December 31, 2015. He discussed the overall performance and discussed a disappointing return in 2015. He reviewed the Manning & Napier's Multi-Asset Class Strategies and Investment Process along with their equity positioning, fixed income returns, portfolio allocation and the stock market cycle.

Mr. Lauver explained the Bogdahn Group's role as a third party independent consultant responsible to oversee the Town's portfolio. He provided an in depth review a year-end Investment Performance Analysis, dated December 31, 2015. He discussed growth over a thirteen year period and under performance experienced during the past two years, suggesting this in part may be attributed to fixed income investments and Manning Napier's limited portfolio. Mr. Lauver stated that he does not advocate replacing Manning Napier and has conviction that they will continue to perform moving forward. Rather, he suggested the Town consider diversification strategies; perhaps investing a small amount of funds with an active manager experienced with the management of fixed assets, with the goal of maintaining an overall return of 7.25% or higher long-term.

Council members discussed Mr. Lauver's recommendation to diversify investments and agreed it would be prudent to schedule a meeting in July to review an updated performance report.

SEMINARS & CONFERENCES

The Annual Allegheny League of Municipalities Conference will be held April 7 through April 10, 2016 at Seven Springs Mountain Resort. Town Manager provided an overview of this conference.

The Pennsylvania State Association of Township Commissioners (PSATC) 2016 Annual Conference will be held June 23-26, 2016 the Crown Plaza in King of Prussia, PA. The registration deadline is May 20.

The Annual Western Association of Township Commissioners Conference will be held May 26, 2016 at Shannopin Country Club, further details will be provided.

ADJOURNMENT

The meeting adjourned at 10:07 p.m.

Respectfully submitted,



Marie A. Haller, Administrative Assistant

TMC/mah