

PENSION ADVISORY BOARD/HEALTH & WELFARE BOARD OF TRUSTEES
JANUARY 16, 2008
REORGANIZATION MEETING

The Pension Advisory Board/Health & Welfare Board of Trustees, met for their Reorganization Meeting on Wednesday, January 16, 2008, in the Township Building. The meeting was called to order at 7:04 p.m.

ROLL CALL

The following members of the Pension Advisory Board/Health & Welfare Board of Trustees were present: Sylvan Silverman, Chairman; Ronald G. Wagenmann, Township Manager & Trustee; Fred Santoro, Staff Liaison; Eric C. Medrow, Member; Barbara Frailey, Supervisor and Trustee; Chief Ronald M. Fonock, Chief of Police/Trustee; Andrew Andreyko, Police Representative. Absent from the meeting was: Robert W. McKernan, Non-Uniformed Representative.

APPOINTMENT OF TEMPORARY CHAIRMAN

Mr. Ronald Wagenmann, Township Manager, was appointed temporary chairman for tonight's reorganization meeting.

ELECTION OF CHAIRMAN

The motion to appoint Sylvan Silverman as Chairman of the Pension Advisory Board was unanimously approved. None opposed. Motion unanimously passed.

ELECTION OF VICE CHAIRMAN

The motion to appoint Mrs. Frailey as Vice-Chairman of the Pension Advisory Board was unanimously approved. None opposed. Motion unanimously passed.

ELECTION OF SECRETARY

The motion to appoint Alfred A. Santoro, III as Secretary of the Pension Advisory Board was unanimously approved. None opposed. Motion unanimously passed.

REAFFIRMATION OF POLICE PENSION FUND MANAGER, D. F. DENT AND COMPANY

The motion to reaffirm D. F. Dent and Company as the Police Pension Fund Manager was unanimously approved. None opposed. Motion unanimously passed.

REAFFIRMATION OF PENSION FUND CUSTODIAN, PNC BANK

The motion to reaffirm PNC Bank as the Pension Fund Custodian was unanimously approved. None opposed. Motion unanimously passed.

REAFFIRMATION OF ANDERSON AND ASSOCIATES AS PENSION CONSULTANT

The motion to reaffirm Anderson and Associates as Pension Consultant was unanimously approved. None opposed. Motion unanimously passed.

OLD BUSINESS

Chairman Silverman reported that he spoke with Dan Dent about the market and indicated that Mr. Dent accurately forecast the current situation. Back in September he said get out of Citigroup because they are very weak. Citigroup charged off 18 billion yesterday for the sub prime loans and Mr. Dent indicates that there is more bad news to come. Chairman Silverman noted that Mr. Dent has been successful in taking out of the portfolio those investments that he feels are unsafe. Chairman Silverman also indicated that Mr. Dent believes that in the next two months or so we will see some drastic results from some of the banks.

A discussion among the members followed with several remarks about our current economic situation.

Eric Medrow stated that there is a tremendous balancing act between inflation and recession. He noted that with energy prices still going up and agriculture prices still going up, it and may well send us back to a situation we had in the 70's called "stagflation." Mr. Medrow believes that this is what is going through the minds of the people at the Federal Reserve because "stagflation" was a very difficult economic situation.

One of the members indicated that Dan Dent has been fantastic in predicting trends and said it would be interesting to see what he perceives as the bottom. Another member indicated that every segment of the economy has a different bottom and occurs at different times.

One of the members indicated that the next time Dan Dent comes up for a meeting he would like to ask him about his thoughts on international exposure.

NEW BUSINESS

Chief Fonock indicated that while he was in Harrisburg today for a meeting, an agenda item included discussion about legislation that has been proposed for the last several years regarding a state-wide police pension system. He reported that although there were some hearings last October, the bill is not moving forward and he does not anticipate any movement. One point of interest that was mentioned is that right now there are 700 individual police pensions in Pennsylvania – more than any other state. This bill seeks to bring them all under one umbrella. There are many reasons to do this and many reasons not to do this.

Chairman Silverman asked Chief Fonock to keep the Board informed. Mr. Medrow indicated that we have been very good with Dan Dent and prudent in our investments and have a very healthy pension system. If the state law was passed only healthy systems such as ours would be invited to join. Local controls are removed to a great degree.

ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned at 7:35 p.m.

Alfred E. Santoro, III
Board Liaison

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Minutes Approved:
Minutes Entered:

