

**YORK AREA UNITED FIRE AND RESCUE COMMISSION
FIRE PENSION BOARD**

**FEBRUARY 21, 2023
APPROVED**

The York Area United Fire and Fire Pension Board meeting on Tuesday, February 21, 2023 at 6:30 p.m., York, PA 17402.

MEMBERS IN

ATTENDANCE: Dan Rooney, Chairman, Spring Garden Township
Deb McCune, Vice Chairman, Manchester Township
Andy Seebold, Treasurer
Thomas Gwilt, Secretary, Spring Garden Township
George Dvoryak, Springettsbury Township
Charles Wurster, Springettsbury Township
John Inch, Manchester Township (via Zoom)
Craig Miller (via Zoom)

ALSO IN

ATTENDANCE: Daniel Hoff, YAUFR Chief
Walter Tilley, Solicitor
Lester Rhoads, Pension Board Rep
Annette Hose, Fulton Financial Advisors
Jeff Taylor, Fulton Financial Advisors
Don Bishop, Springettsbury Township
Sue Sipe, Stenographer

1. CALL TO ORDER

ROONEY Chairman Rooney called the York Area United Fire and Rescue Pension meeting to order. A quorum was established.

2. ACTION ON MINUTES

A. Approval of Minutes: November 15, 2022 – Pension Board Meeting

MR. RHOADS MOVED TO APPROVE THE MINUTES OF THE NOVEMBER 15, 2022 PENSION BOARD MEETING AS SUBMITTED. MR. WURSTER WAS SECOND. MOTION UNANIMOUSLY CARRIED.

3. PUBLIC COMMENT

There was no public comment.

4. CORRESPONDENCE AND OTHER COMMUNICATIONS

- A. Acknowledge Receipt of Fulton Financial Trust Report for November 1, 2022-November 30, 2022
- B. Acknowledge Receipt of Fulton Financial Trust Report for December 1, 2022-December 31, 2022
- C. Acknowledge Receipt of Fulton Financial Trust Quarterly Report for October 1, 2022-December 31, 2022

- D. Acknowledge Receipt of Fulton Financial Trust Annual Report for January 1, 2022-December 31, 2022
- E. Acknowledge Receipt of Fulton Financial Trust Report for January 1, 2023-January 31, 2023

MR. RHOADS MOVED TO RECEIVE THE DOCUMENTS A THROUGH E AS LISTED. MR. DVORYAK WAS SECOND. MOTION WAS UNANIMOUSLY CARRIED.

5. REPORTS FROM FINANCIAL ADVISORS

- A. Fulton Financial – Investment Presentation – a copy of the report was submitted to the Commission members.

HOSE Ms. Hose clarified the report is received on a monthly basis. There is also a quarterly report as well as the Annual statement.

- The recap is for the 4th quarter of 2022 – October 1, 2022 to December 31, 2022
- Started the quarter October 1, 2022 - \$5,795,165.09
- In October 2022 received the MMO contribution - \$99,239
- Firefighters' quarterly contribution \$7,406.10
- \$368.88 under Other – Receipts represents a small proceed from the litigation of an asset held approximately 10 years ago which was a petroleum company in Brazil
- Investment income for the quarter - \$83,308.65
- Capital gains – realized and unrealized for the quarter - \$288,488.05
- Disbursements - \$73,659.39 – quarterly pension payments
- Expenses – includes trustee fees \$10,544.44
- Total portfolio \$6,189,501.94 – period ending December 31, 2022

TAYLOR Mr. Taylor referred to the key economic topics which provides a summary of the quarter.

- October, November and December were strong with holiday day sales starting earlier
- Inflation beginning to come down
- Equities in the account were up over 9% for the quarter
- International up approximately 14% for the quarter
- Fixed income was up over 3% for the quarter
- 3rd quarter growth was at 3.2%
- 4th quarter 3% growth
- Job numbers continue with 200,000 in December
- Two weeks ago - 517,000 new jobs created in January
- The portfolio during January peaked at 7% YTD
- Unemployment at 3.4% with 11 million jobs available
- Inflation rates are coming down – 6½% in December, 6.4% in January
- Stock market – S&P up 7½% for the quarter
- Equities were up over 9% - stock selections did well along with international exposure of 14%
- Large caps outperformed

Mr. Taylor offered to address any questions.

ROONEY Chairman Rooney asked if the Fed considers a strong job growth as a good sign that they are not going to raise rates with shorter increase or lesser increase for a stronger economy.

TAYLOR Mr. Taylor stated by raising rates the Fed is trying to curtail spending and get inflation under control. He provided insight on how the Fed is working through issues dealing with the economy.

Mr. Taylor referred to Page 11 for the quarter and year-to-date fixed income:

- Fixed income up 2% for the quarter
- Benchmark up 1.87%
- YTD – fixed income down 9.5%
- Bloomberg US Aggregate down 13%
- 5.4 years is the average maturity in the portfolio vs. 6.8 years for the index
- On the overall equity side at the 10,000 foot level, at 9.04% for the quarter vs. the index 9.76%.
- Currently international up 14% - benchmark up 17%
- Returns for the quarter – up over 5% with average alternative index down 1.7%
- Currently the account has generated a return of \$270,809 – up 4.72%
- \$56,400 in distributions
- \$5,427 in contributions
- Currently emerging markets is 1½% - anticipated to increase to 3%

DVORYAK Mr. Dvoryak asked if they anticipate increasing the allocation to fixed income as they move forward and then extending interest in maturity and also increase the allocation in the portfolio.

TAYLOR Mr. Taylor stated they currently have 9.2 to 10% - half of that is earmarked for equities and half for fixed income. This was a tactical decision they made last year to underweight fixed underweighted equity advance cash. They are looking to add the Pimco Intermediates Corporate bond fund (PIGIX) which has an 8-to-9-year average maturity.

Mr. Taylor also stated the yield on the money market at this time is 4.56% which at the beginning of last year it was 2.10%. He noted it has been beneficial to be conservative in gaining a good income yield.

HOSE Ms. Hose commented they have also kept a higher position in the cash portion because the outflow of pension distributions has been outweighed by the inflow of contributions coming in which has happened in the last five years.

TAYLOR Mr. Taylor also noted with interest rates moving higher, the fixed income interest they are receiving moving forward is approximately 25% higher resulting in covering more of the distributions over a monthly or quarterly basis than what it was two years ago.

ROONEY Chairman Rooney thanked Ms. Hose and Mr. Taylor for their report.

6. OLD BUSINESS

There was no Old Business.

7. NEW BUSINESS

There was no New Business.

8. COMMITTEE REPORTS

There were no committee reports.

9. COMMITTEE MOTIONS

There were no committee motions.

10. ADJOURNMENT

ROONEY Chairman Rooney adjourned the meeting at 7:09 p.m.

Respectfully submitted,

Signature on file at YAUFR Headquarters

Thomas Gwilt
Secretary

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