Pension Trustees
Meeting Minutes
May 13, 2026

The quarterly meeting of the Trustees of the Tredyffrin Township Police Pension Fund (TTPPF), Deferred Compensation Plan, and the OPEB Trust, to discuss the results of the previous quarter, was held on the above date at the Township Building. Trustees participating were Trustees Richard Veith, Warren Hyams, and Michael Heaberg. Also in attendance were Township Manager William Martin, Chief Operating Officer Dean Dortone, Chief Financial Officer Joseph DiRocco; Chief of Police Mike Beaty; Board of Supervisors Liaison David Miller; and Recording Secretary Patricia Hoffman. Attending from PFM Advisors was Donald Grant.

The meeting dates for the year were advertised in the 11/20/2025 issue of Daily Local and the 11/27/2025 issue of the Main Line Suburban. The meetings dates for the year were published on the Township website by 12/31/2025 and were printed in the Township's newsletter 1/31/2026.

The meeting was called to order at 7:28 AM.

Mr. Heaberg was introduced as the newly appointed Trustee, completing Stanford Nishikawa's term.

Mr. Veith shared with the team that he will be moving out of the Township in 2027 and will need to step down as a Trustee.

Chief Beaty left the meeting at 7:52 AM.

Approval of Minutes
A motion was made by Mr. Heaberg, seconded by Mr. Hyams and passed unanimously to approve the minutes of the February 11, 2026, meeting.

Mr. Hyams asked for and received an update on the RFP process. Mr. DiRocco noted that the Deferred Compensation 457 Plan may be sent out as a separate proposal from the Pension Fund and OPEB. Mr. Veith asked for and received clarification regarding fiduciary responsibility for the funds if a change is made. Mr. DiRocco noted that some firms may ask for custody of the funds themselves. The current 457 Plan advisor does not hold funds for any of its clients. The Trustees would continue to remain as fiduciaries for all funds. Mr. Dortone noted that once the RFP is ready to send, Township staff will identify appropriate candidates. Once the RFP is sent out, the Trustees will be provided the list of candidate companies.

PFM Review
Mr. Grant joined the meeting at 7:41 AM.

While PFM's report was dated as of 3/31/2026, Trustees asked Mr. Grant for an update of what's been happening with the markets since that date. Mr. Grant noted that, at first, the geopolitical effects of war in Iran on the economy brought markets down and markets sold off strongly. Domestic equity markets and large-cap stocks declined in the first quarter; but, as of 5/11/2026, domestic equity indexes had rebounded to net positive returns, YTD.

Inflation continues to affect GDP, and the labor market continues to be uneven. Costs of food and energy continue to have the greatest impact on the economy overall. Both manufacturing and service PMI demonstrated a strong comeback starting the second quarter, having a positive impact on economic growth. Although PFM is still projecting 1-2 Fed interest rate cuts later this year, that is dependent on what happens with the Strait of Hormuz. The Fed may even have to raise interest rates if the Middle East situation worsens.

Inflation, labor markets, geopolitical events, and policy changes are seen as large continuing risk factors over the next 6-12 months.

When Mr. Veith asked about the impact of the dollar's weakness on International Equity returns, Mr. Grant was not specific, however he noted that a weakening dollar should benefit dollar-based investors which have relatively higher international exposure (like TTPPF).

In reviewing the current asset allocation, the Trustees noted that TTPPF is overweight in domestic equity. By acclamation, the Trustees agreed to withdraw $1,000,000 from Fiduciary All Cap Value (SMA) and add funds equally to Vanguard Total Bond Index Fund and Voya Intermediate Bond Fund.

Mr. DiRocco indicated that there were no additional cash needs to be funded.

There was discussion regarding the Actuarial Assumption Rate, which is currently set at 7.125%. Trustees observed that, as of 3/31/2026, TTPPF's ROR has exceeded the AAR over the last 10 years, net of fees.

There was discussion with Mr. Grant regarding managers that have been placed on PFM's watchlist or have been downgraded. Trustees queried Mr. Grant whether Fiduciary Management's commingled fund had performed as well as their SMA for TTPPF. Aristotle International Equity has been downgraded to probationary status.

Action Items

On PFM Report pages 2.5 and 2.6, extend to three-year rolling cumulative over/under relative performance.

Evaluate Fiduciary Management's All Cap Value Fund management.

Provide more qualitative information on the international equity search candidates before the next meeting.

2026 Meeting

The remaining 2026 schedule for meetings is August 12, and November 18.

Adjournment

The meeting was adjourned at 9:10 AM.

Respectfully submitted,

Patricia Hoffman
Recording Secretary