

WEATHERLY BOROUGH
SUMMARY OF TENTATIVE AWARD FOR GOVERNMENTAL
PENSION TRUST FUNDS

1. INTRODUCTION:

The Borough of Weatherly issued a Request for Proposals for Investment Management and Custodial Services for governmental pension trust funds on May 16, 2014. The closing date was June 14. The Borough of Weatherly received twelve (12) applications.

The Request for Proposals regarded Asset Management Services as well as custodial work for the defined Benefit Police and Non-Uniformed Pension Plans. The combined value of the trust funds is approximately \$2,200,000.00.

2. INITIAL EVALUATIONS:

The minimum requirements to respond included: (1) ten (10) or more municipal government entities under Contract for Pension Services; (2) ten (10) years of experience with local government pension plans, and (3) an understanding of the requirements for governmental plans in Pennsylvania under Act 205 of 1984 and other applicable pension regulations. The criterion for selection included investment management experience, specific experience with governmental defined benefit pension clients, fees, assessability and quality of references.

3. SELECTION PROCESS:

The Selection Committee met and reviewed all twelve (12) applications. Based upon a review of the applications, the committee selected six (6) entities to be interviewed. Those entities were Conrad Siegel, Univest Corp. of Pennsylvania, Williamington Trust, The Municipal Retirement Trust,

National Penn Bank-Institutional Advisors and First National Trust Company. These interviews took place on August 15, 2014. A subsequent meeting of the Committee took place on September 5, 2014.

4. CONCLUSION:

At the meeting on September 5 the committee unanimously selected Institutional Advisors as the successful applicant. Many of the applicants were qualified to perform the services for the Borough of Weatherly. Several things that stood out about the successful Applicant, Institutional Advisors. Institutional Advisors was one of the few applicants which indicated that it is GIPS compliant. Further, it was one of the few applicants that made minimal use of mutual funds, but instead had a proprietary separately managed investment strategy. Institutional Advisors had one of the best actual returns as computed by the Borough of Weatherly over a ten (10) year period. The Borough of Weatherly is looking for a long term manager/advisor; so this was extremely important to the Borough. Further and importantly the Borough evaluated the costs or compensation that would be charged to the Borough of Weatherly. All of the Applicants indicated that these charges vary over time. However, Institutional Advisors included one of the lowest fees to be charged to the Borough.

Importantly, Institutional Advisors gave the best presentation during the interviews that were held on August 15, 2014.

In conclusion, based upon all of the above, the Borough of Weatherly Committee recommended to Borough Council that Institutional Advisors be the successful Applicant.