Donald K. Myers, Chairman
Myra L. Tammy Miller, Secretary

Members:
Jason Renshaw
Pat Fabian
Amanda C. Hiles

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Retirement Board

COUNTY OF ARMSTRONG

ARMSTRONG COUNTY RETIREMENT BOARD
Meeting Minutes
September 14, 2022, 10:30 AM

The meeting of the Armstrong County Retirement Board (The Board) was called to order by Commissioner Myers in the Commissioners' Conference Room on Wednesday, September 14, 2022 at 10:30 AM. The following attended, unless marked absent:

Board Members:
Commissioners Donald K. Myers (Chairman), Jason Renshaw (Member) - ABSENT, Pat Fabian (Member), Controller Myra L. Miller (Secretary), Treasurer Amanda Hiles (Member)

Guests:
Mr. Pat Wing, Consultant/VP, Marquette Associates
Mr. Charles Friedlander, Actuary, Municipal Finance Partners, Inc.
Mr. Aaron Poole, Financial Management Director
Mr. A.J. Panian, Leader-Times Reporter
Mrs. Amanda Rybarik, Retirement Specialist

Commissioner Myers announced that the meeting was being electronically recorded.

Commissioner Myers led the Pledge of Allegiance.

It was motioned by Commissioner Fabian, seconded by Controller Miller, and carried unanimously to approve the Minutes of the June 8, 2022 Retirement Board Meeting.

It was motioned by Controller Miller, seconded by Commissioner Fabian, and carried unanimously to acknowledge the Peirce Park Group/Marquette Associates Cash Flow Summary Reports for 04/30/2022 – 07/31/2022. It was noted that during the same time period there was a net decrease in the Combined Asset Market Value of $639,702 (04/30/2022 - $77,383,901 to 07/31/2022 - $76,744,199).

It was motioned by Commissioner Fabian, seconded by Treasurer Hiles, and carried unanimously to acknowledge the Trade Transactions for **MAY 2022 – JULY 2022.**

It was motioned by Commissioner Fabian, seconded by Controller Miller, and carried unanimously to acknowledge the Retirement Summary for **JUNE 2022 – AUGUST 2022**.

It was motioned by Commissioner Fabian, seconded by Controller Miller, and carried unanimously to acknowledge Retirement A/P Bills for **JUNE 2022 – ($8,281.72)**, **JULY 2022 – ($38,948.69)**, and **AUGUST 2022 – ($6,892.32)**.

Controller Miller noted that there was no update on the alternate retirement plan at the moment.

Controller Miller then introduced the idea of having an organization present on Claims Litigation during an upcoming Retirement Board Meeting. Commissioner Fabian suggested that Controller Miller and Mr. Pat Wing work together to possibly put together three proposals to be considered at the next Armstrong County Retirement Board Meeting in December.

Mr. Charles Friedlander presented his Actuarial Valuation as of January 1, 2022.

Mr. Wing presented an investment review, discussing the global economic environment, capital markets and performance of the Retirement Fund in Q2 2022. Notably, equity markets declined meaningfully amid investor concerns around inflation, monetary policy and an economic slowdown. Fixed income also posted poor returns, leaving a very poor environment for traditional asset classes (e.g., equities and fixed income).

The Fund had an investment return of -9.2% for the quarter (all returns are net of investment management fees), outperforming its policy benchmark return of -10.5%. Outperformance by the Fund was driven by value tilts within U.S. and Non-U.S. equities, outperformance by most active equity managers, and outperformance by the real estate manager. Mr. Wing noted that the Board approved diversification efforts over the past few years were very helpful in Q2, as Private Real Estate and Infrastructure posted positive returns amid high inflation, as would be expected.

He then reviewed quarter-to-date performance through August, noting that equity markets saw a mild rebound. The Fund underperformed its policy benchmark during the first two months of Q3, returning 1.9% vs. a 2.3% return for the policy benchmark. Through August, the Fund posted a year-to-date return -10.8%, outperforming its policy benchmark by 1.1 percentage points (-10.8% vs. -11.9%).

Mr. Charles Friedlander then presented the Estimated 2023 County Contribution Requirements. It was discussed that this may be revisited again in December.

Controller Miller suggested a recommendation to Salary Board for a salary increase for her employee, Amanda Rybarik – Retirement Specialist. Controller Miller discussed the idea of increasing her Retirement Board Secretary Stipend and then giving a portion of this stipend to Mrs. Rybarik. It was decided that no action would be taken at this time.

In a discussion initiated by Mr. Pat Wing, it was announced that Marquette Associates, Inc. wanted to make a charitable donation to a charity of the Board's choosing. It was decided that no formal motion needed to be made to make a charitable donation of $1,000.00. Treasurer Hiles made a suggestion of Armstrong County Community Foundation for the Day of Giving. Commissioner Myers made a suggestion of a Veteran's Center.

It was motioned by Treasurer Hiles, seconded by Controller Miller, and carried unanimously to adjourn the September 14, 2022 Retirement Board Meeting at 12:34 AM. The next 2022 Retirement Board Meeting will be in the Commissioners' Conference Room on Wednesday, December 14, 2022 at 10:30 AM, unless otherwise rescheduled and advertised.

Respectfully submitted,

Myra L. Miller

Myra L. Miller
Secretary/Controller

MLM