John Strate, Chairman
Tammie Gaff, Secretary

Members:
Anthony Shea
Pat Fabian
Amanda C. Hiles

Courthouse Administration Building - Suite 102
450 Market Street
Kittanning, PA 16201
Phone: 724-548-3241
Fax: 724-548-3204

Retirement Board

COUNTY OF ARMSTRONG

ARMSTRONG COUNTY RETIREMENT BOARD
Meeting Minutes
September 11, 2024, 10:30 AM

The meeting of the Armstrong County Retirement Board (The Board) was called to order by Commissioner Strate in the Commissioners' Conference Room on Wednesday, September 11, 2024 at 10:30 AM. The following attended, unless marked absent:

Board Members:
Commissioners John Strate (Chairman), Anthony Shea (Member), Pat Fabian (Member)-ABSENT, Controller Tammie Gaff (Secretary), Treasurer Amanda Hiles (Member)

Guests:
Mr. Pat Wing, Consultant/VP, Marquette Associates
Mr. Aaron Poole, Financial Management Director
Mrs. Amanda Rybarik, Retirement Specialist

The meeting was being electronically recorded.

Commissioner Strate led the Pledge of Allegiance.

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to approve the Minutes of the July 10, 2024 Retirement Board Meeting.

There were no amendments made to the ACRB Meeting Agenda for September 11, 2024.

It was motioned by Commissioner Shea, seconded by Treasurer Hiles, and carried unanimously to discuss and acknowledge the Peirce Park Group/Marquette Associates Cash Flow Summary Reports for 05/31/24 – 07/31/24. It was noted that during the same time period there was a net increase in the Combined Asset Market Value of $2,113,747 (05/31/2024 - $82,741,188 to 07/31/2024 - $84,854,935).

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to discuss and acknowledge the Trade Transactions for **JUNE 2024 - JULY 2024.**

It was motioned by Treasurer Hiles, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge the Retirement Summary for **JULY 2024 - AUGUST 2024**.

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to discuss and acknowledge Retirement A/P Bills for **JULY 2024 - $110.40** and **AUGUST 2024 - $20,395.97.**

It was motioned by Treasurer Hiles, seconded by Commissioner Shea, and carried unanimously to open discussion on the Q2 Investment Performance.

Mr. Wing presented an investment review, discussing the global economic environment, capital markets and performance of the Retirement Fund in Q2 2024. Notably, capital market returns were muted compared to Q1. U.S. equity markets posted a return of 3.2% in Q2, while non-U.S. equities posted a marginal gain. U.S. equities outperformed their international counterparts, given the strength in mega-cap growth stocks. Fixed income, meanwhile, was slightly positive. Regarding non-traditional asset classes, private real estate remained under pressure, while private infrastructure and private credit continued to perform well.

The Fund had an investment return of 1.5% for the quarter (all returns are net of investment management fees), slightly lagging its policy benchmark return of 1.7%. Underperformance was driven by an underweight to mega-cap growth stocks. Mr. Wing noted that the Fund has exposure to these stocks but is underweight them relative to the broad U.S. equity market, given concerns about their valuation.

He then reviewed quarter-to-date performance through July, noting that equity markets continued to move higher. The market, however, saw a notable shift in leadership, with small- and mid-cap stocks outperforming the broad market. The Fund was slightly ahead of its policy benchmark during the month (1.9% vs. 1.7%). He ended the discussion with an outlook for equity markets through the end of the calendar year and into 2025.

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to open discussion on the Securities Litigation.

Mr. Wing revisited the possibility of utilizing a securities litigation firm for the Fund. He provided a brief overview of the services and recommended the Board invite a representative from Scott + Scott to the December meeting to provide more information. The Board agreed and asked Mr. Wing to coordinate with Scott + Scott.

It was motioned by Controller Gaff, seconded by Treasurer Hiles, and carried unanimously to adjourn the September 11, 2024 Retirement Board Meeting at 11:27 AM.

Respectfully submitted,

Tammie Gaff

Tammie Gaff
Secretary/Controller