John Strate, Chairman
Tammie Gaff, Secretary

Members:
Anthony Shea
Pat Fabian
Amanda C. Hiles

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Retirement Board

COUNTY OF ARMSTRONG

ARMSTRONG COUNTY RETIREMENT BOARD
Meeting Minutes
December 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, December 11, 2024 at 10:30 AM. The following attended, unless marked absent:

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

Guests:
Mr. Don Broggi, Scott + Scott
Mr. Jonathan Zimmerman, Scott + Scott
Mr. Brad Hampton, 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 Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to approve the Minutes of the September 11, 2024 Retirement Board Meeting.

It was motioned by Commissioner Fabian, seconded by Controller Gaff, and carried unanimously to amend the ACRB Meeting Agenda for December 11, 2024. It was motioned by Commissioner Fabian, seconded by Controller Gaff, and carried unanimously to discuss the Horizon Information Systems agreement and to recommend to the Board of Commissioners to approve the agreement at the next Public Meeting.

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge the Peirce Park Group/Marquette Associates Cash Flow Summary Reports for 07/31/24 – 10/31/24. It was noted that during the same time period there was a net increase in the Combined Asset Market Value of $430,055 (07/31/2024 - $84,854,935 to 10/31/2024 - $85,284,990).

It was motioned by Controller Gaff, seconded by Commissioner Fabian, and carried unanimously to discuss and acknowledge the Trade Transactions for **AUGUST 2024 - OCTOBER 2024.**

It was motioned by Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge the Retirement Summary for **SEPTEMBER 2024 - NOVEMBER 2024**.

It was motioned by Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge Retirement A/P Bills for **SEPTEMBER 2024 - $40,727.20, OCTOBER 2024 - $5,419.91,** and **NOVEMBER 2024 - $7,080.76.**

It was motioned by Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to open discussion on the Securities Litigation presented by Mr. Don Broggi and Mr. Jonathan Zimmerman from Scott + Scott. After discussion, it was motioned by Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to recommend to the Board of Commissioners to approve the engagement letter between County of Armstrong and Scott + Scott at the next Public Meeting.

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to open discussion on the Q3 Investment Performance, November Performance Update, and 2024 PA County Database Report presented by Mr. Brad Hampton of Marquette Associates.

Mr. Hampton presented an investment review, discussing the global economic environment, capital markets and performance of the Retirement Fund in Q3 2024. Notably, capital market returns were strong, with both equity and fixed income markets posting sizable gains. U.S. equity markets posted a return of 6.2% in Q3, while non-U.S. equities outperformed, returning 8.2% for the quarter. Fixed income, meanwhile, benefited from investor expectations that the Federal Reserve would cut short-term interest rates dramatically through the end of 2025. Regarding non-traditional asset classes, private real estate was essentially flat, while private infrastructure and private credit continued to perform well.

The Fund had an investment return of 5.4% for the quarter (all returns are net of investment management fees), slightly topping its policy benchmark return of 5.2%. Outperformance was driven by an underweight to U.S. mega-cap growth stocks.

He then reviewed quarter-to-date performance through November, noting that U.S. equity markets continued to move higher in the wake of the U.S. election, though non-U.S. stocks were negative. The market, however, saw a notable shift in leadership, with lower-quality stocks outperforming the broad market. The Fund was slightly behind its policy benchmark during the first two months of the quarter (0.6% vs. 0.9%).

Mr. Hampton then gave a quick overview of the 2023 PA County Database Report for Armstrong County. He informed the Board of the information contained in the report and requested they ask any questions about the data after they've had time to review.

Finally, Mr. Hampton noted that Marquette will revisit the Fund's long-term strategic asset allocation targets in 2025 given the uncertainty around real estate and its current allocation within the Fund.

The Armstrong County Retirement Board acknowledged $1,000.00 donation from Marquette Associates to "Armstrong County Community Foundation" on behalf of the Armstrong County Retirement Board.

It was motioned by Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to discuss and approve the 2025 Armstrong County Retirement Budget.

It was motioned by Commissioner Fabian, seconded by Commissioner Shea, and carried unanimously to discuss and recommend the following dates for the 2025 Armstrong County Retirement Board Meetings:

- Wednesday, March 12, 2025 @ 10:30 AM
- Wednesday, July 9, 2025 @ 10:30 AM
- Wednesday, September 10, 2025 @ 10:30 AM
- Wednesday, December 10, 2025 @ 10:30 AM

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to discuss and approve the Armstrong County Retirement Yearly Crediting Interest Rate of 4.0% per Act 96.

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

Respectfully submitted,

Tammie Gaff

Tammie Gaff
Secretary/Controller