



BLAIR COUNTY RETIREMENT BOARD

c/o Blair County Controller, 423 Allegheny St., Ste 141 Hollidaysburg, PA 16648

Blair County Retirement Board Meeting

December 4, 2024 at 9:00 a.m.

In the Commissioners' Public Meeting Room

Board Members in Attendance:

Commissioner Laura Burke, Commissioner Amy Webster, Controller A. C. Stickel, Deputy Treasurer Brenda Bryan

Non-Board Members in Attendance: Brad

Hampton – Marquette Associates, Lindsay Dempsie, Sherry Socie, Angela Wagner, Brian Walters

Board Members not in Attendance:

Commissioner David Kessler, Treasurer James Carothers

Media in Attendance: Kay Stephens –

Altoona Mirror

Quorum: Present

Call to Order: Commissioner Burke called the meeting to order at 9:02 a.m.

Moment of Silent Refection: Led by Commissioner Burke.

Pledge of Allegiance to the Flag: Led by Commissioner Burke.

Roll Call: The roll was called by Commissioner Burke.

Call for Public Comment: Commissioner Burke called for public comment on Retirement Board agenda items. There were no comments.

Approval of Minutes: A motion was made by Controller Stickel and seconded Commissioner Burke by to approve the minutes from the October 2, 2024 Retirement Board meetings. The motion was unanimously carried.

Quarterly Investment Performance Report: Brad Hampton from Marquette Associates presented the Third Quarter 2024 Investment Performance Report, reviewing the global economic environment, capital markets performance, and the Retirement Fund (the "Fund").

The Fund had an investment return of +5.7% for the quarter (all returns are net of investment management fees), which was in line with the policy benchmark. Mr. Hampton noted, the return in the third quarter, equated to over \$2 million in investment gains. During the quarter, the Fund benefited from its largest position in the Vanguard Total Stock Mark Index, while a slight value tilt in the U.S. equity holdings added to performance. Global Infrastructure was the best performing asset during the quarter with a +12.6% return, as a lower interest rate backdrop was a tailwind during the quarter.

Mr. Hampton reviewed the current asset allocation, noting the overweight to U.S. equities given the strong relative outperformance of the asset class, while the relative underweight in Real Estate has

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benefited the fund. Mr. Hampton noted that Real Estate underweight is to be reviewed at the beginning of 2025, along with a broader asset allocation review. Mr. Hampton reviewed the cash flows for the quarters, noting that the fund harvested gains from U.S. equities year-to-date, while using the proceeds to rebalance into fixed income, along with providing liquidity for the monthly benefit needs. Mr. Hampton noted the changes to the fixed income managers were carried out during the quarter following the last meeting. Mr. Hampton reviewed the funds peer group rankings in a national database of public funds of all sizes. Mr. Hampton noted the fund ranked in the top 35th percentile during the quarter. Over the trailing three-years, the fund is performing in the 22nd in the same national database.

Mr. Hampton reviewed the manager performance, noting the U.S. equity composite outperformed the index by 0.4% during the quarter, benefiting from a broadening out of small- & mid-cap companies vs. large-cap during the quarter. Mr. Hampton noted that the Non-U.S. equity composite underperformed during the quarter mostly due to the relative underweight the portfolio is exposed to Chinese equities. Mr. Hampton noted, Chinese equities increased over 20% during the month of September after mass fiscal and monetary stimulus were announced in efforts to boost the Chinese economy. Mr. Hampton noted that the momentum reversed shortly after the U.S. election results. Mr. Hampton concluded the 2nd quarter review with a review of the real asset & fixed income portion of the portfolio, which benefited from falling rates during the quarter. Mr. Hampton noted that transaction volume within real estate continued to show signs of recovery, noting there is no action to consider today, but we would revisit the real estate review at the start of 2025.

Mr. Hampton reviewed an October performance update. Mr. Hampton noted a shift in interest rates leading into the election reversed some of the gains in real assets & fixed income. Rates have since moderated slightly post-election but remain higher than where they ended the third quarter. Mr. Hampton noted that U.S. equities are back to outperforming Non-U.S., over concerns of increased tariffs, along with a stronger U.S. dollar backdrop. Mr. Hampton concluded noting that within U.S. equities, small-cap stocks had a strong rally post-election to make up for the October pull back.

Rebalancing Proposal: The Controller's Office determined that \$355,000 is needed from the Fund to meet December distribution payments. Mr. Hampton presented a rebalancing option to the Board that proposed a redemption of \$355,000 from the current cash balance.

This would accomplish multiple goals. First, the rebalancing would keep the Fund's asset allocation close to the targets as set forth in the Investment Policy Statement. Second, it would raise the necessary liquidity to meet the next several months of distribution payments

After discussion by the Board, a motion was made by Controller Stickel, seconded by Commissioner Webster, and unanimously carried to approve the proposed rebalancing.

2024 PA County Database Report: Mr. Hampton presented to 17th edition of the 2024 PA County Pension Plan Report to the board. Mr. Hampton began with a review of report noting a total of 51 counties participated in this year's report, which compares actuarial assumptions such as: Assumed Rates of Returns, Salary Increases, Mortality Tables, COLAs, and Valuation Methods. Mr. Hampton moved on to investment return and funded ratio comparisons in the report, noting the Fund has slightly exceeded both the average & median returns the trailing 5- & 10-year periods. Mr. Hampton mentioned that Risk-Adjusted returns, which the fund exceeded the average & median returns, when adjusted for

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the assumed volatility taken over the trailing 10-year period. Mr. Hampton concluded with the vendor review section.

Nationwide 457 Plan Trustees: Brian Walters brought to the Boards attention the Nationwide 457 Plan currently has the entire board as trustees to the plan. As the plan is an employee plan and not a County plan this was brought to the board to clarify who should and shouldn't be included as trustees to the Nationwide 457 plan. Controller Stickel made a motion to remove the Controller and Treasurer as trustees to the Nationwide 457 plan and Seconded by Commissioner Webster. The motion unanimously carried.

Discussion on the eliminating of Zoom option: This board will still continue to use Zoom for this meeting.

Administrative Fees, Litigation Checks, and Retirements: As presented in attachments A, B and C were made into a motion for approve by Controller Stickel and seconded by Commissioner Webster. The motion was unanimously carried.

Applications for Membership, Refunds, Rollover, and Beneficiary Payments for October and November 2024 were set forth in the agenda for the information of the board.

Contributions made to the Retirement Fund in 2024 were set forth in the agenda for the information of the Board.

Totals for the Monthly Retirement Distribution for 2024 were set forth in the agenda for the information of the Board.

The Monthly Financial report will be provided once available.

Adjournment: There being no more business to discuss a motion was made by Controller Stickel to adjourn and was seconded by Commissioner Webster and unanimously carried, the meeting was adjourned at 9:50 a.m.

**The next regular meeting of the Retirement Board will be
January 8, 2025 at 9:00 a.m. in the Commissioner's Public Meeting Room.**

Respectfully Submitted,



August C. Stickel IV
Secretary