



BLAIR COUNTY RETIREMENT BOARD

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

Blair County Retirement Board Meeting

November 2, 2022 at 9:00 a.m.

In the Commissioners' Public Meeting Room

Board Members in Attendance:

Commissioner Bruce Erb, Commissioner Laura Burke, Controller A.C. Stickel, Commissioner Amy Webster, Treasurer Jim Carothers

Non-Board Members in Attendance:

Lindsay Dempsie, Pat Wing; Marquette Associates

Board Members not in Attendance:

None

Media in Attendance:

Kay Stephens, Altoona Mirror

Quorum: Present

Call to Order: Commissioner Bruce Erb called the meeting to order at 9:01 a.m.

The roll was called by Tracy Miller.

Call for Public Comment: Commissioner Erb 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 by Treasurer Carothers to approve the minutes from the October 5, 2022, Retirement Board meeting. The motion was unanimously carried.

Quarterly Performance Review: Pat Wing from Marquette Associates presented the Third Quarter 2022 Investment Performance Report, reviewing the global economic environment, capital markets performance and the Retirement Fund (the "Fund").

The Fund had an investment return of **-4.7%** for the quarter (all returns are net of investment management fees), slightly outperforming its policy benchmark return of **-4.8%**. Outperformance by the Fund was driven by asset allocation and outperformance by Partners Group PCS. For the quarter, the Fund ranked in the 60th percentile in a national database of public funds of all sizes.

Year-to-date, the Fund had an investment return of **-16.7%**, outperforming its policy benchmark by 1.1 percentage points (**-16.7%** vs. **-17.8%**). Year-to-date, the Fund ranked in the top 22% in a national database of public funds of all sizes.

Meeting of November 2, 2022 continued.

Rebalancing Proposal: The Controller's Office has determined that \$115,000 is needed from the Fund to meet November distribution payments. Mr. Wing presented a rebalancing option to the Board that proposed a redemption of \$115,000 from the Vanguard Equity Income Fund.

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 November distribution payments.

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

Investment Policy Statement Addendum:

In an effort to further align the Fund's Investment Policy Statement with the Fund's investments, Mr. Wing drafted and presented an addendum to the Investment Policy Statement for the Board's approval. The amendment included:

- Changing the benchmark for International Equities from the MSCI ACWI ex US Index to the MSCI ACWI ex US IMI given the Fund's exposure to international small-cap equities
- Changing the benchmark for High Yield/Private Credit from the Bloomberg High Yield Bond Index to Credit Suisse Leveraged Loan Index given the Fund's exposure to floating-rate debt

After discussion by the Board, a motion was made by Treasurer Carothers, seconded by Controller Stickel, and unanimously carried to approve the Investment Policy Statement Addendum.

PA County Database Review: Finally, Mr. Wing also provided and reviewed the 2022 Pennsylvania County Pension Plan Report. This is a report that Marquette Associates prepares each year that provides an opportunity to compare aspects of each county's pension plan and fund in relation to those of other Pennsylvania counties. It also provides information to assist Retirement Board members in understanding the components of the pension plan system. Mr. Wing reviewed a myriad of information, including Actuarial Assumed Rate of Return, Salary Increase Assumption, Mortality Assumption, Funding Method and Asset Valuation Method.

2023 Pension Fund Contributions: A motion was made by Controller Stickel to recommend to the Board of Commissioner a \$250,000.00 increase to the pension fund contribution, bringing the total annual contribution to \$5,250,000.00. Treasurer Carothers seconded the motion and it was unanimously carried.

Applications for Membership, Retirements, Refunds, and Rollover Payments: A motion was made by Controller Stickel and seconded by Commissioner Burke that the applications for membership, retirements, refunds and rollover payments be accepted as set forth in the agenda. The motion was unanimously carried.

Administrative Fees: A motion was made by Controller Stickel and seconded by Commissioner Burke that the administrative fees be accepted as set forth in the agenda. The motion was unanimously carried.

Meeting of November 2, 2022 continued.

Litigation Checks: No litigation checks received this month.

Monthly Financial Report: Controller Stickel provided the October 2022 financial report for the information of the Board.

Totals for the Monthly Retirement Distribution for 2022 were set forth in the agenda for the information of the Board.

Contributions made to the Retirement Fund in 2022 were set forth in the agenda for the information of the Board.

A motion was made by Treasurer Carothers and seconded by Controller Stickel to hold the 2023 Retirement Board meetings on the first Wednesday of each month at 9:00 a.m. The motion was unanimously carried.

Adjournment: There being no more business to discuss, the meeting was adjourned at 9:50 a.m.

**The next regular meeting of the Retirement Board will be held on December 7, 2022,
At 9:00 a.m. in Commissioners' Public Meeting Room.**

Respectfully Submitted,



August C. Stickel IV
Secretary