



# BLAIR COUNTY RETIREMENT BOARD

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

## Blair County Retirement Board Meeting

May 1, 2024 at 9:00 a.m.

### In the Commissioners' Public Meeting Room

**Board Members in Attendance:**

Commissioner David Kessler, Controller A. C. Stickel, Treasurer James Carothers

**Non-Board Members in Attendance** Nicole Hemminger, Pat Wing – Marquette Associates, Brad Hampton – Marquette Associates

**Board Members not in Attendance:**

Commissioner Laura Burke, Commissioner Amy Webster

**Media in Attendance:** Kay Stephens

**Quorum:** Present

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**Call to Order:** Commissioner David Kessler called the meeting to order at 9:00 a.m.

The roll was called by Commissioner Kessler.

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

**Approval of Minutes:** A motion was made by Commissioner Kessler and seconded by Controller A.C. Stickel to approve the minutes from the April 3, 2024 Retirement Board meetings. The motion was unanimously carried.

**Marquette Associates:**

**Quarterly Investment Performance Report:** Pat Wing & Brad Hampton from Marquette Associates presented the First 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 +4.7% for the quarter (all returns are net of investment management fees), which was slightly ahead of the policy benchmark of 4.6%. Mr. Hampton noted, the return in the first quarter, equated to over \$ 1.6 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 detracted from performance. Non-U.S. Equity managers performed strongly during the quarter. Interest-rate sensitive areas of the portfolio, such as Real Estate & Listed Infrastructure, each struggled in the first quarter when compared with equity returns. With a volatile interest rate environment to start the year, the fund benefited from positions in Private Credit and High Yield, which were the two of the best performing areas of the fixed income & loan market.

Mr. Hampton reviewed the current asset allocation, noting the overweight to U.S. equities given the strong relative outperformance of the asset class. Mr. Hampton noted that the overweight was rebalance into fixed income & cash during the first week of April, ahead of recent market volatility. For

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the quarter, the Fund ranked in the 65<sup>th</sup> percentile in a national database of public funds of all sizes. Over the trailing three-years, the fund is performing in the 34<sup>th</sup> in the same national database. Mr. Hampton reviewed the split between the U.S. and Non-U.S. Equity splits, noting the relative outperformance of the U.S. has been driven by a strong dollar relative to a broad basket of currencies. In addition, the sector exposure differences between the two indices has led to more technology exposure in the U.S. vs. more interest rate sensitive areas of the market such as financials, industrials, and materials, along with a higher weighting in energy stock within the Non-U.S. Equity index. Mr. Hampton noted that maintaining the Non-U.S. Equity exposure provides a diversification benefit along with the U.S. Equity index which has become more concentrated in recent years.

Mr. Hampton presented a review and analysis of the Fund's underlying investments noting that there were no manager specific issues to draw the board's attention to. Mr. Hampton noted the performance of the active managers within Non-U.S. equity, each of which outperformed during the quarter. Mr. Hampton noted the relative underperformance of Emerging Markets vs. Developed Markets, however, the funds active manager has outperformed while Emerging Markets have been out of favor over the last year. Mr. Hampton discussed the Real Estate environment as the market continues to assess property valuations, while rental income has offset some of the write downs over the past 12 months. Mr. Hampton noted the benefits of the diversifying assets such as the Infrastructure, Private Credit, & High Yield exposure.

**Rebalancing Proposal:** The Controller's Office determined that \$130,000 is needed from the Fund to meet May distribution payments. Mr. Hampton presented a rebalancing option to the Board that proposed a redemption of \$130,000 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, where cash became slightly overweight as a result of the April rebalancing. Second, it would meet upcoming distribution payments.

After discussion by the Board, a motion was made by Controller A.C. Stickel and seconded by Treasure Carothers and unanimously carried to approve the proposed rebalancing as presented by Mr. Hampton.

**Administrative Fees:** No administrative fees this month.

**Litigation Checks:** No litigation checks received this month.

Applications for Membership, Retirements, Refunds, Rollover, and Beneficiary Payments for April 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.

Meeting of May 1, 2024 continued.

**Adjournment:** There being no more business to discuss a motion was made by Commissioner Kessler to adjourn and was seconded by Controller Stickel and unanimously carried, the meeting was adjourned at 9:40 a.m.

**The next regular meeting of the Retirement Board will be  
June 5, 2024 at 9:00 a.m. in the Commissioner's Public Meeting Room.**

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "August C. Stickel IV". The signature is written in a cursive style with a large initial "A".

August C. Stickel IV  
Secretary