



# BLAIR COUNTY RETIREMENT BOARD

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

## Blair County Retirement Board Meeting

May 5, 2021 at 9:00 AM

### By Conference Call

**Board Members in Attendance:**

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

**Non-Board Members in Attendance:**

Jennifer Sleppy, Pat Wing, Marquette Associates

**Board Members not in Attendance:**

Commissioner Amy Webster

**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.

Commissioner Erb explained the ground rules for today's teleconference. Only voting members of the Retirement Board may leave their telephones unmuted during the entire meeting, but we would request each avoids excess noise from your location. All other participants should mute their telephones until called upon to speak. Public participants may speak only during the designated public comment period near the beginning of the meeting and must keep their phones muted during the rest of the meeting. Each person needs to avoid interrupting the person speaking. Each speaker MUST state his/her name before talking each time he/she speaks so others will know who is speaking and to ensure minutes will be accurate.

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 Commissioner Burke and seconded by Treasurer Carothers to approve the minutes from the April 7, 2021 Retirement Board Meeting. The motion was unanimously carried.

**Quarterly Performance Review:** Pat Wing from Marquette Associates presented the First Quarter 2021 Investment Performance Report, reviewing the global economic environment, capital markets performance and the Retirement Fund (the “Fund”).

The Fund had an investment return of 3.4% for the quarter (all returns are net of investment management fees), outperforming its policy benchmark by 0.4% (3.4% vs. 3.0%). Outperformance was largely due to value and mid-cap tilts within U.S. Equities and the high-yield allocation within fixed income.

**Equity Structure Review:** Mr. Wing presented a review and analysis of the Fund’s equity investments. Within U.S. Equities, the Fund has historically had a tilt towards value stocks, which is intended to be a more conservative approach, and mid-cap stocks for increased return potential. Within International Equities, the Fund has historically had similar tilts for the same reasons.

He then reviewed the current positioning relative to the Fund’s equity policy benchmark, noting that the Fund’s allocation to U.S. mid-cap stocks had grown since the last review, while the value tilt within International Equities had decreased. Given that, Mr. Wing proposed altering the informal investment manager target allocations so that the tilts were in line with the original intentions. He stated that the Fund could move closer to the new target allocations over time, as liquidity is needed or when a larger rebalancing was under consideration.

**Rebalancing Proposal:** The Controller’s Office has determined that \$225,000 is needed from the Fund to meet May distribution payments. Mr. Wing presented a rebalancing option to the Board that proposed a redemption of \$485,000 from the Vanguard Mid Cap Stock Index Fund and a purchase of \$200,000 of the Vanguard Intermediate-Treasury Fund. The remaining proceeds would then be left in the money market 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 May 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 Pat Wing from Marquette Associates presented.

**Clarion Dividend Reinvestment:** Amid the rebalancing discussion, Mr. Wing noted that the Fund’s Real Estate allocation was now in line with its target, per the Investment Policy Statement. Given that, he recommended that the Board modify the current dividend election for the Fund’s allocation to the Clarion Lion Property Fund. Currently, the quarterly dividends are paid in cash. Investors, however, can elect to have those dividends reinvested. Mr. Wing recommended the Board switch to the latter approach, with dividends being reinvested. He noted that this change can be made and then switched back at any time. So, the Board can revisit this decision in the future, as appropriate.

After discussion by the Board, a motion was made by Treasurer Carothers, seconded by Controller Stickel, and unanimously carried to change quarterly dividends from distributed to reinvested for the Clarion Lion Properties Fund.

Meeting of May 5, 2021 continued.

**Monthly Financial Report:** Controller Stickel provided the April 2021 financial report for the information of the board.

**Applications for Membership, Retirements, Refunds, and Rollover Payments:** A motion was made by Controller Stickel and seconded by Treasurer Carothers 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:** No administrative fees for the month.

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

Totals for the Monthly Retirement Distribution for 2021 were set forth in the agenda for the information of the board.

Contributions made to the Retirement Fund in 2021 were set forth in the agenda for the information of the board.

**Adjournment:** There being no more business to discuss, the meeting was adjourned at 9:48 a.m.

**The next regular meeting of the Retirement Board will be held on June 2, 2021 at 9:00 a.m. in the Commissioners' Meeting Room. Masks will be required.**

Respectfully Submitted,



August C. Stickel IV  
Secretary