John Strate, Chairman
Tammie Gaff, Secretary

Members:
Anthony Shea
Pat Fabian
Amanda C. Hiles

Courthouse Administration Building - Suite 102
450 Market Street
Kittanning, PA 16201
Phone: 724-548-3241
Fax: 724-548-3204

Retirement Board

COUNTY OF ARMSTRONG

ARMSTRONG COUNTY RETIREMENT BOARD
Meeting Minutes
July 10, 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, July 10, 2024 at 10:43 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)

Guests:
Mr. Pat Wing, Consultant/VP, Marquette Associates
Mr. Charles Friedlander, Actuary, Municipal Finance Partners, Inc.
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 Shea, seconded by Commissioner Fabian, and carried unanimously to approve the Minutes of the March 13, 2024 Retirement Board Meeting.

There were no amendments made to the ACRB Meeting Agenda for July 10, 2024.

It was motioned by Commissioner Fabian, seconded by Controller Gaff, and carried unanimously to discuss and acknowledge the Peirce Park Group/Marquette Associates Cash Flow Summary Reports for 01/31/24 – 05/31/24. It was noted that during the same time period there was a net increase in the Combined Asset Market Value of $2,996,528 (01/31/2024 - $79,744,660 to 05/31/2024 - $82,741,188).

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to discuss and acknowledge the Trade Transactions for **FEBRUARY 2024 - MAY 2024.**

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to discuss and acknowledge the Retirement Summary for **MARCH - JUNE 2024**.

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge Retirement A/P Bills for **MARCH 2024 - $8,978.51, APRIL 2024 - $42,154.26, MAY 2024 - $12,472.55** and **JUNE 2024 - $43,883.23.**

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge the 2024-2025 Fiduciary Liability Renewal.

Mr. Friedlander presented the Actuarial Valuation as of January 1, 2024. After Mr. Friedlander's presentation, it was motioned by Commissioner Fabian, seconded by Commissioner Shea, to take a vote on the interest rate staying at 7.00% but with a 10-year re-amortization for the Actuarial Determined Employer Contribution. The motion passed 3 to 2 with Treasurer Hiles and Commissioner Shea both opposing.

Mr. Wing presented an investment review, discussing the global economic environment, capital markets and performance of the Retirement Fund in Q1 2024. Notably, the equity market environment was strong, despite mixed economic and inflation data. Fixed income, on the other hand, was under a bit of pressure as interest rates rose amid higher-than-expected inflation, putting downward pressure on bond prices.

For the quarter, the Retirement Fund's investment return was slightly ahead of the policy index return (5.0% vs. 4.9%) thanks to positive impacts from asset allocation, active equity manager performance, and fixed income. During the review, he also discussed the importance of a more conservative approach given the Fund's negative cash flows.

He then reviewed year-to-date performance through June. Equity markets continued to rally, but the gains were driven by a handful of mega-cap stocks within the U.S. amid investor beliefs that inflation would continue to moderate, and the Federal Reserve would soon cut short-term interest rates. The Retirement Fund had a preliminary year-to-date return of 6.4% through June.

Amid the current environment, Mr. Wing stated that a disciplined rebalancing approach and holding additional cash continue to make sense to Marquette.

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to adjourn the July 10, 2024 Retirement Board Meeting at 12:34 PM.

Respectfully submitted,

Tammie Gaff

Tammie Gaff
Secretary/Controller