



BLAIR COUNTY RETIREMENT BOARD

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

Blair County Retirement Board Meeting of May 9, 2019 at 9:30 AM

Blair County Courthouse in Room 2B

Board Members in Attendance:

Commissioner Bruce Erb, Commissioner Ted Beam, Chief Deputy Controller Angela Wagner, Treasurer Jim Carothers

Non-Board Members in Attendance:

Nicole Hemminger, Roberta Pucciarella, Helen Schmitt, Jennifer Sleppy, Pat Wing, Marquette Associates

Board Members not in Attendance:

Controller A.C. Stickel, Commissioner Terrence Tomassetti

Media in Attendance:

Kay Stephens, Altoona Mirror

Quorum: Present

Call to Order: Commissioner Erb called the meeting to order at 9:30 a.m.

Commissioner Erb noted that Deputy Controller Angela Wagner is attending today's meeting in Controller A.C. Stickel's absence.

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

Approval of Minutes: A motion made by Treasurer Carothers and seconded by Commissioner Beam that the minutes from the April 11, 2019 Retirement Board meeting be approved as prepared. The motion was unanimously carried.

Marquette Associates:

Quarterly Report: Pat Wing from Marquette Associates presented the First Quarter Investment Performance Report, reviewing the global economic environment, capital markets performance and the Retirement Fund ("the Fund.") The Fund had an investment return of 8.5% for the quarter (net of investment management fees,) slightly underperforming its policy benchmark by 0.2% (8.5% vs. 8.7%) The Fund ranked near the median in a national database of public funds of all sizes for the quarter. Over the past year, the Fund ranked in the top 20%. Mr. Wing also provided and reviewed a Performance Update for the month of April. For the month, the Fund returned 2.2%, bringing its year-to-date return to 10.9%.

Rebalancing: Given the outperformance of equity markets over the first four months of 2019, Mr. Wing made a rebalancing proposal to the Board in order to bring asset allocation closer to the targets as set forth in the Investment Policy Statement. The proposal included a redemption of \$350,000 from the Vanguard Total Stock Market Index Fund and a \$350,000 purchase of the Vanguard Intermediate-Term Treasury Fund.

A motion was made by Commissioner Erb, seconded by Treasurer Carothers, and unanimously carried to approve the proposed rebalancing.

Potential Fee Savings: Mr. Wing recommended that the Board consider changing the investment vehicle for the Hartford Schroder Int'l Multi-Cap Value Mutual Fund. Schroder manages the same strategy in a private commingled fund, which is the same type of investment vehicle that the Fund uses for its Core Real Estate investments. Importantly, the Schroder commingled fund mimics its mutual fund counterpart with regard to the investment team, investment process, holdings, liquidity, etc.

The commingled fund typically has a minimum investment of \$250 million, but Marquette negotiated a waiver for the Fund. The fees for the commingled fund are 0.55%, compared to 0.75% for the mutual fund. This change will equate to an annual fee savings of more than \$4,000 for the Fund. Finally, Mr. Wing stated that he would work with the Controller's Office to execute the required paperwork to implement the change, if approved by the Board.

A motion was made by Commissioner Beam, seconded by Treasurer Carothers, and unanimously carried to approve the change in investment vehicles.

Annual Investment Policy Approval: A motion was made by Treasurer Carothers and seconded by Commissioner Beam that the investment policy be approved with no changes. The motion was unanimously carried.

Applications for Membership: A motion was made by Chief Deputy Controller Wagner and seconded by Commissioner Beam that the applications for membership be accepted as set forth on the agenda. The motion was unanimously carried.

Retirements, Refunds, Rollovers and Beneficiary Payment: A motion was made by Chief Deputy Controller Wagner and seconded by Treasurer Carothers that the Retirements, Refunds and Rollovers be accepted as set forth on the agenda. The motion was unanimously carried.

Administrative Fees: A motion was made by Chief Deputy Controller Wagner and seconded by Commissioner Beam that the Administrative Fees be accepted as set forth on the agenda. The motion was unanimously carried.

One Litigation check received this month was set forth on the agenda for the information of the board.

Totals for the Monthly Retirement Distribution for 2019 and Contributions made to the Retirement Fund in 2019 were set forth on the agenda for the information of the board.

The Year-to Date Budget Report was distributed prior to the meeting for the information of the board.

Adjournment: There being no further business to discuss, the meeting was adjourned at 10:20 a.m.

The Next Retirement Board Meeting Will Be Held on June 13, 2019 at 9:30 AM in Room 2B.

Respectfully Submitted,



Secretary