



# BLAIR COUNTY RETIREMENT BOARD

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

## Blair County Retirement Board Meeting of September 13, 2018 at 9:00 AM Blair County Courthouse in Room 2B

### Board Members in Attendance:

Commissioner Erb, Commissioner Beam,  
Deputy Controller Wagner<sup>1</sup>, Treasurer  
Carothers

### Board Members not in Attendance:

Commissioner Tomassetti, Controller Stickel

### Non-Board Members in Attendance:

Katherine Swigart, Helen Schmitt, Bobbie  
Pucciarella, Nicole Hemminger, Al Winters, Pat  
Wing via telephone

### Media in Attendance:

None

**Quorum:** Present

**Call to Order:** Commissioner Erb

**Call for Public Comment:** Commissioner Erb called for public comment on any Retirement Board items. There was no comment at this time.

**Approval of Minutes:** A motion made by Commissioner Beam, seconded by Treasurer Carothers that the minutes from the August 9, 2018 Retirement Board meeting are approved as prepared. This motion was unanimously carried.

**CBIZ Retirement Plan Services:** Al Winters presented a current review of the Blair County Employees' Retirement System. Pat Wing from Marquette joined the presentation via telephone.

Mr. Winters reported that The Blair County Employees' Retirement System's funded status improved from 34.2% in 2017 to 36.5% in 2018. As of January 1, 2018, the plan had a funding liability of \$96,896,823 and plan assets of \$35,343,653. Over 60% of the liability is comprised of payments to those already retired.

The County contributed \$4.0 million to the plan in 2017 and the plan's investment performance was strong at 13.9%. Based on the current assets, an ongoing \$4.0 million contribution, and assumed asset returns of 7.0%, the plan's assets are projected to be depleted in 2047. This a major improvement over the last two years, in 2016 the plan was expected to deplete in 2026.

The current contribution of \$4.0 million is still less than the actuarially determined contribution of \$6,669,817. The actuarial contribution is the amount needed to fully fund the plan over a 20-year period based on a 7.0% investment return and current demographic assumptions. A minimum contribution of \$4,200,000 would keep the plan solvent indefinitely if contributed every year through

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<sup>1</sup> The Deputy Controller is authorized to represent the Controller in his absence.

Meeting of September 13, 2018 continued. . .

2062. Based on current Government Accounting Standards Board requirements, increasing the contribution to \$4.2 million would also improve the County's balance sheet by approximately \$13.3 million.

At a minimum, I recommend increasing the contribution to \$4.2 million. The County should attempt to increase the contribution as much as its budget allows. Future market returns are uncertain, the contribution requirements could increase if the plan's investments do not earn 7.0% or if the life expectancy of plan participants increase.

A motion was made by Commissioner Erb and seconded by Treasurer Carothers that the Retirement Board recommend to the Commissioners during the Commissioners' Budget Meeting, that they should budget a five percent increase to the Pension Plan, which would be \$200,000, taking it to the 4.2 million. This motion was unanimously carried.

A motion was made by Treasurer Carothers and seconded by Commissioner Beam that Al Winters has the approval to finalize the evaluation. This motion was unanimously passed.

**Rebalancing:** The Controller's Office has determined that \$550,000 is needed from investments to meet September distribution payments. Marquette presented a rebalancing option during the meeting to the Board. Commissioner Erb recommended adoption of the option liquidating \$300,000 from Vanguard Total Stock Market Index, \$100,000 from Vanguard Mid Cap Index, and \$150,000 from Vanguard Short-Term Corporate Bond Index in order to keep asset allocation close to the targets as set forth in the Fund's Investment Policy Statement.

The rebalancing moves \$400,000 from U.S. Equity and \$150,000 from U.S. Fixed Income to cash.

A motion was made by Commissioner Beam and seconded by Treasurer Carothers that the rebalancing proposal as presented be approved. This motion was unanimously carried.

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

**Retirements:** A motion was made by Deputy Controller Wagner and seconded by Treasurer Carothers that the retirements be accepted as set forth on the agenda. This motion was unanimously carried.

**Refunds:** A motion was made by Deputy Controller Wagner and seconded by Commissioner Beam that the refunds be accepted as set forth on the agenda. This motion was unanimously carried.

**Rollovers:** A motion was made by Deputy Controller Wagner and seconded by Treasurer Carothers that the rollovers be accepted as set forth on the agenda. This motion was unanimously carried.

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

Meeting of September 13, 2018 continued. . .

**Adjournment:** There being no further business to discuss, the meeting was adjourned.

**Next Retirement Board Meeting Will Be Held on October 11, 2018 at 9:00 AM in Room 2B**

Respectfully Submitted,

A handwritten signature in black ink, appearing to be "Gregory S. [unclear]", written in a cursive style.

Secretary