

The regular monthly meeting of the Retirement Board of Allegheny County was held on April 21, 2022, via Teams Meeting/Conference Call. The meeting was called to order at 12:00 pm.

Roll Call of the Board members was made: Board members, Ted Puzak, Tracy Royston, Rich Fitzgerald, Jennifer Liptak, Sarah Roka, Frank DiCristofaro, and John Weinstein were in attendance.

Also, in attendance: Walter Szymanski, Manager, Retirement Office, Brian Gabriel, Campbell Durrant, Solicitor, Brad Rigby, Cowden Associates, Chris Brokaw and Tim Walters, AndCo Consulting, Ed Boyer, Asset Strategy, and Perry Giovannelli, PFM.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

None

APPROVAL OF BOARD MINUTES

The board unanimously approved a motion by Tracy Royston, duly seconded by Frank DiCristofaro to approve the minutes of the March 17, 2022, board meeting.

APPROVAL OF FINANCIAL STATEMENTS

A. The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Tracy Royston, to approve the February 2022 Financial Statements. The reports are generated by the Controller's Office Board Secretary.

- Pension Fund Assets
- Statement of Changes in Plan Net Assets
- RBAC Balance Sheet

APPROVAL OF INVOICES

APRIL VENDOR EXPENSES		
VENDOR	DATE	AMOUNT
GRIDIRON PARTNERS MGMT PARTNERS-FI		\$ -
GRIDIRON MGMT PARTNERS-MA		\$ -
CIM INVESTMENT MANAGEMENT (Fixed Income)		\$ -
CIM INVESTMENT MANAGEMENT (Small Cap)		\$ -
CIM INVESTMENT MANAGEMENT (Israel Bonds)		\$ -
CSM ADVISORS, LLC		\$ -
COOKSON PEIRCE & CO INC		\$ -
EARNEST PARTNERS		\$ -
EMERALD ADVISERS (All Cap)		\$ -
EMERALD ADVISERS (Small Cap)		\$ -
EMSTONE ADVISERS, LLC	10/1/21-12/31/21	\$ 2,739.81
FEDERATED (Core Broad)	10/1/21-12/31/21	\$ 25,579.46
FEDERATED (High Yield)		\$ -
F.N.B. WEALTH MANAGEMENT		\$ -
FIDELITY INVESTMENTS (Select Int'l Plus)		\$ -
FRAGASSO FINANCIAL ADVISORS		\$ -
HARVEST FUND ADVISORS LLC		\$ -
HARVEST FUND ADVISORS LLC		\$ -
iNetworks OF, LLC		\$ -
MELLON CAPITAL		\$ -
COLUMBUS MACRO, LLC (formerly Raylient)		\$ -
SALIENT		\$ -
SALIENT		\$ -
SEGALL, BRYANT & HAMILL		\$ -
SINGULAR GUFF(DREOF II)		\$ -
STATE STREET GLOBAL ADVISORS (MSCI World)		\$ -
STATE STREET GLOBAL ADVISORS (S&P 500)		\$ -
TWIN CAPITAL MANGEMENT		\$ -
<u>Total Vendor Invoices for Approval</u>		<u>\$28,319.27</u>

PENSION APPLICATIONS

The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Tracy Royston, to approve the pension applications filed with the Retirement Office for the month of April 2022.

Early Voluntary	20
Full Retirement	19

MANAGER'S REPORT

Walter Szymanski

The Dashboard reports as of April 21, 2022, Retiree Payroll is up 7.74%, YTD. Contributions Refunded are up 75.27%. Total Retirements YTD up 49.38%. Capital Calls down -42.61%. Capital Calls as of prior board meeting \$870,198.67.

The Office budget is as of March 31, 2022.

Board Update:

- Draft of the 2021 annual report will be sent to the Controller's Office once the financials are finalized and the final audits are added to the draft. Final approved copy is expected to go in the mail in the month of May 2022.
- Assistant Manager Report enclosed and will be part of the RBAC meeting materials on a quarterly basis.

Board Approvals:

- *The board unanimously approved a motion by Tracy Royston, duly seconded by Frank DiCristofaro, to approve the board member election materials 2022.*
- Requesting approval to hire member 113853, Darlene Schrello, who was brought on as a temporary employee to the Retirement Office in November 2021, as the Benefits Intake Coordinator. Official full time hire date will be May 1, 2022.

The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Tracy Royston, to approve the hiring of member 113853 as the Benefits Intake Coordinator effective May 1, 2022.

SOLICITOR'S REPORT

Brian Gabriel

The solicitor's report is current as of April 13, 2022. Direct questions to Mr. Gabriel as needed.

CONSULTANT'S REPORT

AndCO

Chris Brokaw

Recommendation

Portfolio Liquidity Maintenance recommendation to ensure there is \$8 million cash available in the Allegheny County Retirement Fund on the fifteenth of every month, or the next business day thereafter for benefit payments and other cash outflows required from the portfolio in the second half of the month. The payroll has increased from \$3.5 million to \$6.6 million in the last few months and the timing of the liquidity needs necessitates this administrative change. The Retirement Office Manager will identify the retiree funding in his report.

The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Tracy Royston, to approve the recommendation for an administrative change to ensure \$8 million cash is available in the Allegheny County Retirement Fund on the fifteenth of every month, or the next business day thereafter for benefit payments and other cash outflows required from the portfolio.

Market update through March 31, 2022.

Page 2 – US market mixed in the month of March, Equity markets have recovered from January and February. S&P 500 Total Return up for the month at 3.71%; Russell 2000 Index up 1.24% month; International Equity, MSCI EAFE NR, developed market, up for the month at 0.64%, and MSCI EM NR, emerging market, down at -2.26% Fixed Income for the month of March, interest rates continue to rise, US Aggregate down -2.78%; U.S. Corporate High Yield down -1.15%;

Page 5 - Performance as of February 28, 2022– The Total Fund balance was \$1,046,996,960. The Total portfolio declined -0.96% for the month and -3.59% for the YTD. US Equity declined -1.91% for the month. Non-US Equity returns were down at -3.36% for the month driven by the Russian market still closed to investors. Rising interest rates negatively affecting the returns of Fixed Income, Core Fixed Income was down for the month at -1.04%, High Yield for the month -0.88% a little better due to the duration and maturing longer term bonds. Inflation has helped

TIPS as positive 0.85% for the month. Real Estate are showing -0.01% in the report, most holdings updated quarterly, and you'll see positive returns in the next report. Total Private Equity positive performance for the month was up 0.87%.

Page 13 – Asset Allocation - As of February 28, 2022, Non-US Equity below target at 15.8%. Total Private Equity allocation was 22.0%. Total Private Real Estate allocation was 12.3%, in line with its target, AndCo recommends a search for a Real Estate Manager to increase exposure of private real estate. Currently about \$30 million of the Real Estate allocation is invested through closed end funds which are mature and in the distribution phase. The recommended \$15 million commitment will maintain the Real Estate allocation as the current closed end funds distribute capital.

Asset Strategy

Ed Boyer

iNetworks Opportunity Fund III, L.P. documents will be ready for signature May 2022.

PFM

Perry Giovannelli

No Update

NEW BUSINESS

- 1) Presented by Mr. Fitzgerald, beginning May 2022, hold RBAC meetings in the Gold Room to provide opportunity for public comment.
- 2) Presented by Mr. Fitzgerald, requesting Brian Gabriel, Solicitor, prepare a RFP to hire an outside agency to perform a performance audit on the amount of managers, amount of money spent, and how we benchmark against other public pensions.

The board discussed. The Retirement Fund is currently audited by K17. Previous evaluations have proven we have fair fees. AndCo prepares reports on fees quarterly. The recommendation to hire an outside firm to perform a best practices audit so there is no conflict. RFP needs to be specific. Concern to ensure the pension is solvent and clarity in with how the funds are run.

- 3) Next Board Meeting May 19, 2022.

ADJOURNMENT

The Board unanimously approved a motion by Frank DiCristofaro, to adjourn at 12:39pm.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Tracy Royston". The signature is fluid and cursive, with a large initial "T" and "R".

Tracy Royston, Acting Secretary