

The regular monthly meeting of the Retirement Board of Allegheny County was held on December 15, 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, Janice Vinci representing John Weinstein, Ted Puzak, Corey O'Connor, Rich Fitzgerald, Jennifer Liptak, Sarah Roka, and Frank DiCristofaro were in attendance.

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

## **PLEDGE OF ALLEGIANCE**

## **PUBLIC COMMENT**

None

## **APPROVAL OF BOARD MINUTES**

*The board unanimously approved a motion by Corey O'Connor, duly seconded by Frank DiCristofaro to approve the minutes of the November 17, 2022, board meeting.*

## **APPROVAL OF FINANCIAL STATEMENTS**

A. *The board unanimously approved a motion by Frank DiCristofaro, duly seconded Corey O'Connor, to approve the October 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

## **PENSION APPLICATIONS**

A. *The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Corey O'Connor, to approve the pension applications filed with the Retirement Office for the month of December 2022.*

Early Voluntary	8
Full Retirement	6
Re-Calc	1

**INDEPENDENT MEDICAL EXAM OPINION FOR DISABILITY APPLICATIONS DENIALS**

- A. *The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Corey O’Connor, to deny the disability application of member #099977 upon the recommendation of three designated physicians that the member **IS NOT** totally and permanently disabled from gainful employment in Allegheny County.*

**MANAGER’S REPORT**

**Walter Szymanski**

The Dashboard reports as of December 15, 2022, Retiree Payroll is up 8.00%, YTD. As of Prior Month, Ending \$11,282,752.53. Total Contributions made are up 2.26%. Contributions Refunded are up 56.51%. Total Retirements YTD up 3.16%. Capital Calls are down -9.24% YTD. Capital Call as of prior board meeting \$505,467.23

As requested,

RETIREE FUNDING	BEGINNING BALANCE	Transfer to Cash Account	Change in Capital Value	ENDING BALANCE	
BLACKROCK LIQUIDITY	\$ 13,188,732.08	\$ -	\$ 925.22	\$ 13,189,657.30	
	BEGINNING BALANCE	Transfer from Black Rock	Transfer to FNB for Payroll and Refunds	ENDING BALANCE	
CASH ACCOUNT	\$ 8,192,384.33	\$ -	\$ 5,400,000.00	\$ 2,792,384.33	

The Office budget is as of November 30, 2022.

**Board Approval Requests**

1. *The board unanimously approved a motion by Corey O’Connor, duly seconded by Frank DiCristofaro, to renew the Labor Management Trust Fiduciary Liability Insurance effective from January 19, 2023 - January 19, 2024 with \$100K retention option, total premium is \$53,665.00.*
2. *The board unanimously approved a motion by Corey O’Connor, duly seconded by Frank DiCristofaro, to approve the 2023 office budget which includes staffing of four, corresponding benefits, and operating expenses.*
3. *The board unanimously approved a motion by Corey O’Connor, duly seconded by Frank DiCristofaro, to approve the contract with Duncan Financial to provide additional Financial Wellness benefits to members of individual formal financial planning which includes online financial planning. Two year contract at the cost of \$1,800.00 per quarter for 2023 and \$2,100.00 per quarter starting in 2024.*

4. *The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Corey O'Connor, to approve the fee agreement with BNY Mellon, a two-year agreement effective January 1, 2023.*
5. *The board unanimously approved a motion by Corey O'Connor, duly seconded by Frank DiCristofaro, to approve the 2023 RBAC Public Meeting Dates to be held on the third Thursday of each month at 12:00 noon in the Gold Room, Courthouse Fourth Floor, 436 Grant Street, Pittsburgh, PA 15219.*
6. *The board unanimously approved a motion by Corey O'Connor, duly seconded by Frank DiCristofaro, to approve the 2023 Refund Rate based on the average three-month T-Bill Rate for 2022, the recommended rate to be paid on refunds is 167 bases points or 1.67%.*
7. 2023 Contribution Rate – the summary of the Cowden Report will be presented with a recommendation for the 2023 contribution rate.
  - a. *The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Corey O'Connor, to accept the recommendations of the Cowden Report presented at the November 17, 2022 board meeting.*

## **SOLICITOR'S REPORT**

### **Brian Gabriel**

The solicitor's report is current as of December 7, 2022. Direct questions to Mr. Gabriel as needed.

*The board unanimously approved a motion by Corey O'Connor, duly seconded by Frank DiCristofaro, to re-appoint Gianni Floro and Vincent A. Tucceri as hearing officers for 2023.*

## **CONSULTANT'S REPORT**

### **AndCO**

#### **Chris Brokaw**

#### **Recommendation**

Recommend to fund the \$25 million dollar investment in the IFM Global Infrastructure Fund. Sell the TIPS portfolio current value \$13 million. The other portions are listed as:

\$5 million State Street, S&P Large Cap Index Portfolio

\$2 million Earnest Small Cap Value

\$5 million Federated Fixed Core Income

That will rebalance the portfolio after a couple of good months in October and November with in the Core Fixed income and Equity was above target allocation. Expected earnings for the IFM Fund are 8-12% and the cash yield is expected to be approximately 6%.

*The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Corey O'Connor, to approve the recommendation to fund the \$25 million investment into IFM Global Infrastructure Fund.*

## **Market update through November 2022.**

Page 1 – Positive performance in equity markets for the month. S&P 500 up 5.59% Russell Midcap Index up 6.01%; MSCI EAFE NR up at 11.26%; MSCI EM NR up for the month 14.83% Developed and emerging markets benefited from the strengthening of foreign currencies. Fixed Income strong positive returns– U.S, Aggregate up 3.68%. U.S. Corporate Investment Grade up 5.18% Interest rates went down in November producing positive returns. Expect ups and downs during December due to the volatility of the market.

Asset Allocation & Performance, Total Fund as of October 31, 2022. Total Fund \$930,441,879. The best performing asset class for the month was the US Equity Composite which was up 8.67%. The Non US Equity Composite was also positive, returning 3.24%. Interest rate increases lead to Core Bonds negative performance of -1.04% for the month. The High Yield Fixed composite benefitted from declining spreads and returned a positive 3.32%. Relative stable performance from the Infrastructure Composite for the month, returning 0.11%. Private Equity was flat for the month. Overall portfolio performance was a positive 2.16%.

The Private Equity Portfolio continues to generate cash. Even though capital contributions are being made to new investments, a lot of the mature investments are paying out, therefore, Net cash flows are being distributed from their portfolio. Net flows were \$14,299,763 into the retirement fund for the year to date period ending October 31, 2022.

## **Asset Strategy Ed Boyer**

*The board unanimously approved a motion by Corey O'Connor, duly seconded by Frank DiCristofaro, to approve the recommendation to approve the proposed extension of CCA Black L.P. for an additional two year period ending on December 31, 2024.*

## **NEW BUSINESS**

1. Contribution Rate Subcommittee-Jennifer Liptak, Sarah Roka, Frank DiCristofaro and staff convened a meeting to discuss the Contribution Rate and the status of the fund. It was determined by the actuary report and the movement of the market to hold the Contribution Rate at 10.5% and 10.5%, total 21%, and reconvene in 3-6 months for a reevaluation.

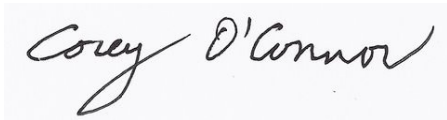
*The board unanimously approved a motion by Corey O'Connor, duly seconded by Frank DiCristofaro, to approve the contribution rate at 10.5% and 10.5%, total 21%.*

2. A RBAC Executive Session was held December 15, 2022.

**ADJOURNMENT**

*The Board unanimously approved a motion by Frank DiCristofaro, to adjourn at 12:30pm.*

Sincerely,

A handwritten signature in black ink that reads "Corey O'Connor". The signature is written in a cursive style and is centered within a light gray rectangular box.

Corey O'Connor  
County Controller