

The regular monthly meeting of the Retirement Board of Allegheny County was held on July 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, 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, Ed Boyer, Asset Strategy, and Perry Giovannelli, PFM.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Mr. Weinstein congratulated Corey O'Connor on his appointment as the County Controller and Frank DiCristofaro for his 3rd term as an elected member of the board.

APPROVAL OF BOARD MINUTES

The board approved a motion by Frank DiCristofaro, duly seconded by Sarah Roka to approve the minutes of the June 16, 2022, board meeting, with one abstention.

APPROVAL OF FINANCIAL STATEMENTS

A. The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Sarah Roka, to approve the May 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

The board unanimously approved a motion by Sarah Roka, duly seconded by Frank DiCristofaro, to approve the July 2022 Invoices.

JULY VENDOR EXPENSES

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		\$ -
FEDERATED (Core Broad)		\$ -
F.N.B. WEALTH MANAGEMENT		\$ -
FIDELITY INVESTMENTS (Select Int'l Plus)		\$ -
FRAGASSO FINANCIAL ADVISORS		\$ -
iNetworks OF, LLC		\$ -
MELLON CAPITAL		\$ -
SEGALL, BRYANT & HAMILL	1/1/22-3/31/22	\$ 56,297.12
STATE STREET GLOBAL ADVISORS (MSCI World)		\$ -
STATE STREET GLOBAL ADVISORS (S&P 500)		\$ -
TWIN CAPITAL MANGEMENT		\$ -

Total Vendor Invoices for Approval

\$56,297.12

PENSION APPLICATIONS

- A. *The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Sarah Roka, to approve the pension applications filed with the Retirement Office for the month of July 2022.*

Early Voluntary	9
Full Retirement	24
Payment Plans	2

- B. *The board unanimously approved a motion by Sarah Roka, duly seconded by Frank DiCristofaro, to deny the disability applications of member #101030 and member #102335, upon the separate recommendations of three designated physicians that each member **IS NOT** totally and permanently disabled from gainful employment in Allegheny County and to approve the disability application of member #098710, upon the separate recommendation of three designated physicians, that this member **IS** totally and permanently disabled from gainful employment in Allegheny County*

MANAGER'S REPORT

Walter Szymanski

The Dashboard reports as of July 21, 2022, Retiree Payroll is up 8.09%, YTD. As of Prior Month, Ending \$11,057,198.04. Total Contributions made are down - 2.24%. Contributions Refunded are up 69.87%. Disability Applications are up 75.00%. Total Retirements YTD up 31.58%. Pension Estimates are up 6.73%; Capital Calls down -10.19%. Capital Calls as of prior board meeting \$910,874.82

As requested,

RETIREE FUNDING	BEGINNING BALANCE	Transfer to Cash Account	Change in Capital Value	ENDING BALANCE	
BLACKROCK LIQUIDITY	\$ 31,396,286.12	\$ 8,000,000.00	\$ (2,181,413.53)	\$ 21,214,872.59	
	BEGINNING BALANCE	Transfer from Black Rock	Transfer to FNB for Payroll and Refunds	ENDING BALANCE	
CASH ACCOUNT	\$ 31,629,034.45	\$ 8,000,000.00	\$ 6,250,000.00	\$ 33,379,034.45	

The Office budget is as of June 30, 2022.

Assistant Manger's quarterly report includes a draft of the Fall Newsletter for the board' review.

SOLICITOR'S REPORT

Brian Gabriel

The solicitor's report is current as of July 14, 2022. Direct questions to Mr. Gabriel as needed.

CONSULTANT'S REPORT

AndCO

Chris Brokaw

Market update through June 30, 2022.

Market Update through June 30, 2022. Declines in all the equity markets. S&P 500 Total Return down for the month at -8.25%; Russell 2000 Index down -8.22% month; International Equity, MSCI EAFE NR, developed market, down for the month at -9.28%. YTD Indices down -20% S&P 500 and the EAFE. The market bottomed on June 16th, since that period it has experienced positive returns, Bonds were negative for the month. Interest rates rose during the month of June generating those returns. Barclay's Aggregate yield rose to 3.72%; at the beginning of 2022 it was near 1.5% Key Rates – 30 yr. Mortgage Rate at 5.83%, at the beginning of 2022 it was close to 2.5 -3.00%. High Mortgage Rates is bad news for buyers that need home loans, on the positive side the federal reserve uses rate increases as an instrument to slow inflation. Commodities – a barrel of oil as of June 30, 2022, was \$105.76, now it is below \$95, July. The price of oil is moderating and price of gasoline as well at a slower pace.

Page 2 – Total Fund at \$1,010,354,086 as of May 31, 2022. Total Fund for the month experienced positive returns 0.34%. Private Equity was the top performer earning a positive 0.79% for the month and YTD 5.19%. Equity Market Returns YTD are negative as are Fixed income Returns. They are experiencing volatility in the monthly period as well as YTD. After the Russian invasion of Ukraine, the subsequent increase in the price oil and of other commodities added to inflation. Overall, the YTD return for the portfolio is -5.57 with some of the asset classes, like private equity, offsetting the negative return, which were especially pronounced in the stock market.

Page 10 Asset Allocation - Total Private Equity w Life Settlement Composite is over target due to the relative performance of the portfolio. Distributions continued, with a net 1.25 million cash per month coming back to the portfolio from private equity in the year-to-date period. The TIPS portfolio was used to fund the Infrastructure Investment; the \$25 million allocation was made at the beginning of July 2022.

Asset Strategy

Ed Boyer

Extensions, wind down phases, or the sale of some interest of the secondary market

will occur with broad and robust alternative portfolios that have been held for many years. An example is the letter from Goldman Sachs with the sale of two partnerships. 1) \$50,000 at a 51% discount to the ARV; \$200,000 at a 21% discount. The sale of these assets is typical for the age of the investment.

Chris Brokaw – To put the timing and size into context, Goldman Sachs Asset Management, the funds date back to 2005 with a contribution of \$10 million and distribution of \$14.8 million over time.

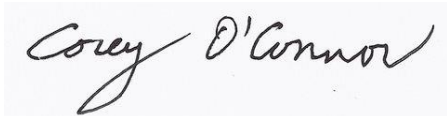
NEW BUSINESS

1. The August 2022 meeting is cancelled.

ADJOURNMENT

The Board unanimously approved a motion by Frank DiCristofaro, to adjourn at 12:23pm.

Sincerely,

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

Corey O'Connor
County Controller