

The regular monthly meeting of the Retirement Board of Allegheny County was held on June 15, 2023, in the Gold Room, 4th Floor, County Courthouse. The meeting was called to order at 12:00 p.m.

Roll Call of the Board members was conducted: Ted Puzak, Amy Weise representing Corey O'Connor, Rich Fitzgerald, Jennifer Liptak, Sarah Roka, Frank DiCristofaro, and Janice Vinci representing John Weinstein.

Also, in attendance: Walter Szymanski, Manager of Retirement Office; Richard Miller, Solicitor from Campbell Durrant, Chris Brokaw and Tim Walters, AndCo Consulting, and Ed Boyer, Asset Strategy.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

No public comment.

APPROVAL OF BOARD MINUTES

The Board unanimously approved a motion by Board member Sarah Roka, duly seconded by Board member Frank DiCristofaro, to approve the minutes of the Board's meeting on May 18, 2023.

APPROVAL OF FINANCIAL STATEMENTS

The Board unanimously approved a motion by Board member Frank DiCristofaro, duly seconded by Board member Sarah Roka, to approve the April 2023 Financial Statements. The reports are generated by Board Secretary, Controller Corey O'Connor.

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

APPROVAL OF INVOICES

No invoices to presented for approval

PENSION APPLICATIONS

The Board unanimously approved a motion by Board member Sarah Roka, duly seconded by Board member Frank DiCristofaro, to approve the pension applications filed with the Retirement Office for the month of June 2023.

- Disability 1
- Early Voluntary 5

- Full Retirement 9

INDEPENDENT MEDICAL EXAM OPINION FOR DISABILITY APPLICATIONS DENIALS

*The board unanimously approved a motion by Frank DiCristofaro, duly seconded by Sarah Roka, to grant the disability application of member #097671 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 June 15, 2023: Retiree Payroll is up 8.00% YTD, as of prior month ending \$11,533,408.48. Total Contributions Made are up 6.17%. Contributions Refunded are down -34.62%. Life Insurance Paid Claims are down -14.77%. Paid Claims are down -16.90%. Members with 4K Life are up 1.97% and Members with Additional Life up 3.39% YTD /Prior YTD. Total Retirements YTD are down -36.84%, YTD 120 compared to Prior YTD at 190. Pension Estimates are up 2.93% YTD. Capital Calls are down -0.63%. Capital Calls as of prior board meeting \$278,259.76. Blackrock Liquidity beginning balance \$2,024,216.79 and Cash Account Transfer to FNB for Payroll and Refunds \$5,600,000.00.

Office Budget up to date as of May 31, 2023.

Board Approval

The board unanimously approved a motion by Rich Fitzgerald, duly seconded by Jennifer Liptak, to approve the RFP for the Independent Performance Audit to be posted in the Post-Gazette and the Retirement Office website.

SOLICITOR'S REPORT

Richard Miller

The Solicitor's Report is current as of June 8, 2023. No report and no questions.

CONSULTANT'S REPORT

AndCO

Chris Brokaw

Market update through May 31, 2023

S&P 500 Total Return for the month was a positive 0.43% and YTD was 9.65%. International stocks, represented by the MSCI EAFE NR posted negative returns for the month of -4.23%. Due to rising rates, the U.S. Aggregate was down -1.09% The Federal Reserve met this week and did not raise short term interest rates.. Since the

Federal Reserve started raising rates in 2022, they raised rates 10 times. The market is expecting the Federal Reserve to raise rates 1 or 2 more times in 2023. The market interpreted the Federal Reserve decision as a positive for the market. For example, the S&P500 YTD rose over 14% through the first half of June. Short-Term US Generic Govt 3 MTH T-Bills yield 5.39%. Investors can now receive higher rates for short term fixed income and money market investments. In a positive development for consumers, commodities, oil and natural gas prices are going down.

Portfolio Update Through April 30, 2023

Asset Allocation & Performance – The Total Fund value at the end of April, was \$938,224,281. Total Fund performance YTD is up 2.68%. US Equity returned 0.84% for the month and YTD is up 7.80%. With more growth exposure, the Non-US Equity posted higher returns than their index YTD, returning 9.87% versus 8.72% for the index. Bonds holdings are more conservative and less volatile than the index and returned 2.63% YTD. Real Estate Composite holdings are recorded on a quarterly basis therefore there were no monthly returns posted. The Infrastructure Composite had a positive return in the month at 0.20%. Private Equity has a market value of \$199,009,350 with a negative performance YTD of -2.47%. Private Equity outperformed public equity in 2022 when the public markets posted double digit negative returns and Private Equity was essentially flat for the year.

Asset Allocation – Liquidations are continuing to move the asset classes towards their target allocations. US Equity and Non-US Equity positive performance continues to increase the public equity allocations. We expect another Oaktree distribution in June 2023 which will decrease the allocation to high yield. Private Equity distributions continue a quarterly basis. High Yield, pending distributions will fund future benefit payments in June and July. Overall, cash is sufficient to cover the benefit payments.

Asset Strategy

Ed Boyer

Memoranda

A memorandum requesting to extend the life of the Adams Street 2009 Direct Fund LP by 2 years to maximize the value for the benefit of the beneficiaries.

The board unanimously approved a motion by Board member Rich Fitzgerald, duly seconded by Frank DiCristofaro to approve the extension of the Adam Street 2009 Direct Fund LP expiration date from 9/18/2023 to 9/18/2025.

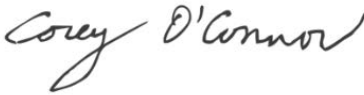
NEW BUSINESS

None

ADJOURNMENT

The Board unanimously approved a motion by Board member Frank DiCristofaro, duly seconded by Board member Sarah Roka, to adjourn at 12:25 p.m.

Sincerely,

A handwritten signature in cursive script that reads "Corey O'Connor". The signature is written in black ink and is positioned below the word "Sincerely,".

Corey O'Connor
Controller