

The regular monthly meeting of the Retirement Board of Allegheny County was held on January 18, 2018 in the Gold Room, 4th floor, Courthouse, Pittsburgh, Pennsylvania. The meeting was called to order at 12:07 pm.

When the roll call of the Board members was made Board members Ted Puzak, Amy Weise (for Chelsa Wagner), Rich Fitzgerald, Jennifer Liptak, Sarah Roka, Frank DiCristofaro, and John Weinstein were recorded as being present.

Also present were Brian Gabriel of CDBPM Law and Janice Vinci for the Retirement Office Manager, Walt Szymanski.

PUBLIC COMMENT

There was no public comment

APPROVAL OF BOARD MINUTES

The Board unanimously approved a motion by Ms. Roka, duly seconded by Mr. DiCristofaro, to approve the minutes of the December 21, 2017 Board meeting.

APPROVAL OF MONTHLY FINANCIAL STATEMENTS

The Board unanimously approved a motion by Ms. Roka, duly seconded by Mr. DiCristofaro to accept the November 2017 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 Ms. Roka, duly seconded by Mr. DiCristofaro to accept the invoices for December.

VENDOR EXPENSES

VENDOR	DATE	AMOUNT
FIDELITY INVESTMENTS (Select Int’l Plus)	7/1/2017 – 9/30/2017	\$ 42,043.66

Total Vendor Invoices for Approval

\$ 42,043.66

PENSION APPLICATIONS

The Board unanimously approved a motion by Ms. Roka, duly seconded by Mr. DiCristofaro to approve the Pension applications filed with the Retirement Office in the month of January. The following applications have been filed.

- Early Voluntary – 6
- Full Retirement – 9
- Modification – 1

The Board unanimously approved a motion by Ms. Roka, duly seconded by Mr. DiCristofaro to deny the Disability Application of Member #064353. It is the recommendation of three designated physicians this member IS NOT totally and permanently disabled from any gainful employment in Allegheny County.

MANAGER’S REPORT

Ms. Vinci provided the monthly status report of the Retirement Board, highlighting the following:

The Dashboard as the month ending 2017 vs 2016 for retiree payroll is up 5.42% YTD, contributions are up 3.97%, contributions refunded are up 11.56%, refunds are up 11.49%, new members are down 12.51%, disability applications are up 50%, disability appeals are down 66.67%, deaths are down 12.78%, life insurance claims paid are up 17.01%, pension estimates are up 192.41%, buyback applications are up 41.51%, total retirements for the year are up 46.15%, full retirements are up 50%, and early retirements are down 14.29%.

Capital Calls are down 14.39%, rebalancing is up 290.09%, allocations are up 72.09% and terminations are down 100.00%. Capital calls are a total of \$1,624,266.60. At the end of the fiscal year 20% of the budget remains.

The Board unanimously approved a motion by Ms. Roka, duly seconded by Mr. DiCristofaro to authorize the Board to accept the Cowden Report and post it to the website.

The Board unanimously approved a motion by Ms. Roka, duly seconded by Mr. DiCristofaro to authorize the Board to offer full time employment to employee number K011061 with starting date of 2/1/18.

2018 Seminars will be posted to the website, through HR blasts and are listed as follows:

Jan 17 – Duncan	July 18 – Duncan
Feb 28 – ACERS	Aug 15 – ACERS
March 21 – Duncan	Sept 19 – Duncan
April 18 – Duncan	Oct 17 – Duncan
May 16 – ACERS	Nov 14 – ACERS
June 20 – Duncan	Dec 12 - Duncan

Act 125 Tyler Update: The Act 125 revisions have been uploaded into the testing environment except for the payroll module. Updates to come in February as progress continues.

SOLICITOR’S REPORT

Solicitor’s Report is current as of January 10. No questions or additional comments.

WILSHIRE

Craig Morton, of Wilshire Associates, provided a brief Capital Market Review of fourth quarter 2017. The U.S. stock market was up 6.39% for the fourth quarter of 2017, marking the ninth consecutive year of positive gains for the broad U.S. equity market. What made the past year the most impressive was the relative lack of volatility. The third quarter of 2017 was the second consecutive quarter of real GDP growth in excess of 3% and we expect fourth quarter to be above 3% as well.

Fitzgerald Comment on the market – It is great to see the run up in the stock market, but we need to be prepared for the future and be cautious. 10 years ago when the crash hit we weren't as prepared as we should have been and it took us a long time to recover. I hope that we are being cautious and maybe taking some money out of the stock market so that when there is change in the market we would be able to buy at a better value. We are responsible for our pensioners' money and we are at an all-time high and that typically means there might be something else coming.

Lindberg response – Relative to 10 years ago the policy is more diversified today, but that is something to keep in mind.

David Lindberg, of Wilshire Associates, provided the Monthly Performance Review through November 30, 2017. Market value of assets is \$930 million; at the beginning of the year was \$855 million. This is showing the fund is up roughly \$75 million in value after paying out 11 months roughly \$33 million in benefits. We are on track for one of the best years yet. The December report will probably add about half a percent to the return for the year. There are cash transfers moving around, MLP's being invested, and commodities being liquidated since those were removed from the asset allocation altogether.

NEW BUSINESS

No new business.

NOTE: Executive session was held prior to the Board meeting.

ADJOURNMENT

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Ms. Roka to adjourn at 12:35pm.

Respectfully submitted,



Chelsa Wagner, Secretary