

The regular monthly meeting of the Retirement Board of Allegheny County was held on June 15, 2017, in the Gold Room, 4th floor, Courthouse, Pittsburgh, Pennsylvania. The meeting was called to order at 12:18 pm.

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

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

**PUBLIC COMMENT**

There was no public comment

**APPROVAL OF BOARD MINUTES**

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Mr. Puzak, to approve the minutes of the May 18, 2017 Board meeting.

**APPROVAL OF MONTHLY FINANCIAL STATEMENTS**

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Mr. Puzak to accept the April 30, 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 Mr. Puzak, duly seconded by Mr. DiCristofaro to accept the following invoices the Board has received since the May 18, 2017 Board Meeting.

## JUNE 2017 VENDOR EXPENSES

VENDOR	DATE	AMOUNT
FIDELITY INVESTMENTS (Select Int'l Plus)	1/1/2017-3-31-2017	\$ 62,108.25

Total Vendor Invoices for Approval

\$62,108.25

## **PENSION APPLICATIONS**

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

- Early Voluntary – 12
- Full Retirement – 4
- Disability – 2
- Buy Back - 1

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Mr. DiCristofaro to approve the disability application for member #093729 based on the recommendation of the three designated physicians.

## **MANAGER'S REPORT**

Mr. Szymanski provided the monthly status report of the Retirement Board, highlighting the following:

The Dashboard as the month ending May 2017 for retiree payroll is up 5.84% for the month, contributions are up 2.96%, contributions refunded are up 29.14%, refunds are up 25.86%, new members are down 18.65%, disability applications are down 28.57%, disability appeals are up 100%, deaths are down 16.22%, life insurance claims paid are down 14.29%, pension estimates are up 121.51%, buyback applications are up 32%, total retirements for the year are down 28.80%, full retirements are down 33.64%, early retirements are down 20.27%, and disabilities are down 42.86%. Capital Calls are up 41.62% and total for the month from the last report there were \$800,648.86 in Capital Calls. The office budget is looking good for the year.

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Ms. Liptak to approve the 2016 audit report performed by Case Sabatini through the County Controller's Office.

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Mr. DiCristofaro to engage with BTIG Partners as an additional transition manager to be added to the rotating list.

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Mr. Puzak to engage with 3+1 Advisors as an additional transition manager to be added to the rotating list.

## **SOLICITOR'S REPORT**

Mr. Gabriel provided the Board with the Monthly Confidential Report as of June 8, 2017.

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Ms. Liptak to accept the full recommendation of the hearing officer that member #72289 disability appeal be denied.

Mr. Puzak asked if any of the doctors thought she was disabled and Mr. Gabriel advised that the medical recommendations among the doctors were unanimous to deny the disability application.

## **WILSHIRE**

Calvin Born, of Wilshire Associates, provided a brief Capital Market Review and David Lindberg provided the Monthly Performance Review as of May 31, 2017.

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Mr. DiCristofaro to hire Harvest MLP Structure Investment at a \$26,500,000 allocation at 75 basis points upon approval of the contract with the Solicitor.

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Mr. Puzak to hire Saline at an allocation of \$17,500,000 at 75 basis points upon approval of the contract with the Solicitor.

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Mr. DiCristofaro to raise \$8,000,000 by pulling \$5,000,000 from FIAM and \$3,000,000 from Baillie Gifford.

## **ASSET STRATEGY**

Ed Boyer, of Asset Strategy made two recommendations based the interviews conducted during executive session.

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Mr. DiCristofaro to engage with Auldbrass Partners based on the recommendation of the consultant for an allocation of \$4,000,000 with a fee of 1.25% of the capital commitments with a carried interest fee of 12% after 6% is made

The Board unanimously approved a motion by Mr. DiCristofaro, duly seconded by Mr. Puzak to engage with Five Points (SBS III) at a \$3,000,000 allocation at a fee of 75 basis points for the first year, 1% for years 2-5, at year six 90 basis points and it steps down after that.

## **NEW BUSINESS**

There was no new business.

## **ADJOURNMENT**

Meeting was adjourned at 12:44pm

Respectfully submitted,



Chelsa Wagner, Secretary

