

Minutes of the Carbon County Retirement Board
Meeting of Thursday, February 20, 2020

The regular meeting of the Carbon County Retirement Board was called to order by Chairman Wayne E. Nothstein. Members present were: Wayne Nothstein, Chris Lukasevich, Rocky Ahner and Mark A Sverchek. Mr. Sheehan was absent.

Chairman Nothstein called the meeting to order and turned it over to Secretary Sverchek.

Mr. Sverchek asked for the approval of the minutes, of the January 16, 2020 meeting.

Mr. Ahner made a motion to approve the minutes, of the January 16, 2020 meeting.

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

Mr. Sverchek	Yes
Mr. Ahner	Yes
Mr. Lukasevich	Yes
Mr. Nothstein	Yes

Guests concerning Retirement Board Business - None

Report of Executive Session –

January 15, 2020 2:00 p.m. – Educational workshop for the new Retirement Board Committee Members, as well as a review of The Boards responsibilities, and background of Marquette (consultant for the Retirement Fund), and the services they provide.

Mr. Ahner made a motion to ratify Warrant #40443 - #40480 and Direct Deposit #7006254 to #7006606 for January, 2020.

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

Mr. Sverchek	Yes
Mr. Ahner	Yes
Mr. Lukasevich	Yes
Mr. Nothstein	Yes

Retirement Activity: January Report:

Superannuation:	10
Refunds:	1
Deceased:	1

January/2020

Monthly Benefits	\$419,829.25
Refunds	5,420.89
Option 4	<u>605,015.14</u>
Total Disbursement	\$1,030,265.28

Portfolio Value: 1/31/2020

\$81,903,057

Correspondence: None

Solicitor's Report: None

Investment Manager's/Other Reports:

Marquette Associates- Sarah Wilson

Mrs. Wilson started with her quarterly review. She stated that with the volatile ending of 2018, being a negative year, 2019 provided a positive year for the U.S. Economy. The fourth quarter Economic activity remained steady, but sluggish, with GDP growing at 2.1% thanks in part to continued softness in business investment and a slowdown in personal consumption. Looking ahead to early 2020, leading economic indicators point to a weak economic environment. Mrs. Wilson continued on to review the Global Economy, Global Asset Class Performance and the U.S. Equity Markets.

Observations on the fourth quarter of the Carbon County Portfolio:

-Market Value as of December 31, 2019 was \$82.9 million.

-For the year 2019 the Plan returned 19.9% and had a net investment gain of \$14.2 million.

-For the trailing 3 years the fund had an annualized return of 9.5% and a net investment gain of 21.4 million.

-Since inception (6/1/15) the portfolio's annualized return was 7.1% per year, with a gain of 24.4 million

The Equity Composite returned 8.5% for the Quarter and for year 2019 had a return of 27.5%.

-The U.S. Equity returned 8.6% and for year 2019 had a return of 29.9%.

-Global Equity returned 8.2% and for year 2019 had a return of 25.2%.

-International Equity returned 9.0% and for 2019 had a return of 21.4%.

-Fixed Income Manager C.S. McKee returned 0.2% for the Quarter and for the year 2019 returned 7.8%

-Real Estate Manager Morgan Prime returned 1.5% for the Quarter and for the Year 2019 returned 6.2%

Looking ahead Marquette would like to do a review of the Asset Allocation, and review of Investment Policy Statement.

There was a brief conversation on when to start looking at the Asset Allocation, when to start (Right Now), and address the OCIO (Outsourced Investment Management), which was discussed in earlier meetings.

The Board would like to move forward with the review of a new contract including the OCIO, which Marquette would send in the coming weeks, for the Solicitor to review and The Board to address at a future meeting.

Mr. Nothstein made a motion to proceed on OCIO, and get a sample agreement from Marquette Associates for review

Mr. Sverchek seconded the motion.

Mr. Sverchek called the roll:

Mr. Sverchek	Yes
Mr. Ahner	Yes
Mr. Lukasevich	Yes
Mr. Nothstein	Yes

Each board member received a copy of the report with one on file in the Controller's Office.

Further Business:

There being no further business Mr. Nothstein adjourned the meeting.



Wayne E. Nothstein, Chairman



Mark A. Sverchek, Secretary