

Minutes of the Carbon County Retirement Board
Meeting of Thursday, December 16, 2021

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

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 November 18, 2021 meeting.

Mr. Ahner made a motion to approve the minutes, of the November 18, 2021 meeting.

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

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

Guests concerning Retirement Board Business - None

Report of Executive Session – Board Workshop, Educational Session on 12/15/2021 @ 4:00

Mr. Sheehan made a motion to ratify Warrant Check #40742 - #40753 and Direct Deposit #7014701 to #7015103 for November, 2021.

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

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

Retirement Activity: November Report:

Superannuation Retirements:	1
Refunds:	8
Deceased:	3

Mr. Sverchek recognized the passing of the three retired County workers who served the County for a combined total of 71 years.

November/2021

Monthly Benefits	\$458,130.45
Refunds	<u>40,726.29</u>
Total Disbursement	\$498,856.74

Portfolio Value: 11/30/2021 \$ 95,290,175

Portfolio Value update (12/10/2021) \$ 97,223,670

Set the 2022 Interest Rate on Members Account

Mr. Ahner made a motion to maintain the 5.5% Interest Rate on Members Account

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

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

Reimburse 2021 Retirement Administration Expense to General Fund

Mr. Ahner made a motion to reimburse 2021 Retirement Administration Expense to the General Fund.

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

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

Correspondence: None

Solicitor's Report: None

Investment Manager's/Other Reports: Marquette Associates- Sarah Wilson

Mrs. Wilson gave a review of the 2021 PA County Pension Plan Report

- Carbon County is a 6th Class County (population-based)
- Assumed Rate of Return is 7.50%, noting other Counties have started to lower this number
- Cost of Living adjustment addressed every three years was given in 2021
- 5 year return was at 9-10%, 10 year return was at 8-9% with the median being 8.3%
- 2020 Returns were lower due to OCIO, but noted this change brings better downside protection
- Adjusted Funded Ratio is at 90-95%, with Carbon at 93.50% & is considered "well-funded"!

Mrs. Wilson also addressed an Asset Allocation Proposal in the workshop how to diversify the Portfolio, and find Asset classes that would fit into the Portfolio, lower volatility and stay at Assumed Rate of 7.5%.

Mrs. Wilson presented and reviewed the new Asset Allocation Option C Proposal of 42% U.S. Equities, 22% Non-U.S. Equities, 10% Core Real Estate, 5% Infrastructure, 20% U.S. Fixed Income, 1% Cash. Average Annualized 10 Yr Return of 6.70%, Average Annualized 10 Yr. Volatility of 12.47%, and Average Return/Average Volatility of 0.54.

Mr. Nothstein made a motion to amend the agenda to include the consideration of Carbon County Asset Allocation proposal.

Mr. Lukasevich seconded the motion.

Mr. Sverchek called the roll:

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

Mr. Sheehan made a motion to amend the Investment Policy to include an Infrastructure Class and for the Retirement Board to allow the OCIO (Marquette Associates) to allot up to 5% of the Portfolio in Infrastructure Class with the allocation consistent with the proposed Portfolio C

Mr. Sverchek seconded the motion.

Mr. Sverchek called the roll:


Mr. Sverchek	Yes
Mr. Sheehan	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

New Business/Old Business: None

Further Business: Secretary Sverchek wished All Retirees and their families a Merry Christmas/Happy Holidays and publicly recognized retiring Treasurer Ronald Sheehan for his almost 30 yrs. of service to Carbon County, 20 of those years as Treasurer, and a member of the Retirement Board wishing him a long, happy & healthy Retirement.

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


Wayne E. Nothstein, Chairman


Mark A. Sverchek, Secretary