

Minutes of the Carbon County Retirement Board
Meeting of Thursday, November 18, 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 October 21, 2021 meeting.

Mr. Ahner made a motion to approve the minutes, of the October 21, 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 – None

Mr. Sheehan made a motion to ratify Warrant Check #40727 - #40741 and Direct Deposit #7014303 to #7014700 for October, 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: October Report:

Superannuation Retirements:	6
Refunds:	7

Mr. Sverchek recognized the recent retirees and thanked them for their many years of service to Carbon County. The combined service to the County exceeded 80 years!

October/2021

Monthly Benefits	\$466,587.91
Refunds	<u>15,488.20</u>
Total Disbursement	\$482,076.11

Portfolio Value: 10/31/2021 \$ 97,118,554

Portfolio Value update (11/12/2021) \$ 98,489,599 * (This balance denotes a new All-time high)

Correspondence: None

Solicitor's Report: None

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

-Mrs. Wilson gave an update on the third quarter and began by stating she feels the worst is over for Delta Variant, in the U.S. Economy activity decelerated sharply in the third quarter, with GDP growth of just 2.0%. The slowdown was largely driven by sluggish consumer spending, which increased at an annual rate of 1.6%-well below the 12.0% rate seen in the second quarter. Soft consumer spending was likely due in part to the expiration of expanded unemployment benefits in early September and supply bottlenecks. According to the ISM Manufacturers Survey, supplier deliveries slowed in the third quarter. Mrs. Wilson states clearly, the economy is still grappling with persistent supply chain disruptions amid the pandemic. Many industries are operating with extremely low inventory-to-sales ratio relative to history. Supply constraints also appear to be impacting the labor market. Supply-chain disruptions, a tight labor market, home price appreciation and recent commodity price gains will likely keep inflation elevated as the economy heads into 2022. Amid this backdrop, the Federal Reserve now anticipates raising rates at least once before the end of 2022 and multiple times in 2023 and 2024 to avoid the risk that recent price pressures lead to a meaningful increase in intermediate and long term inflation expectations.

Mrs. Wilson also gave a brief review of the Global Economy, Global Asset Class Performance, U.S Equity Markets, U.S. Fixed Income and Global Index Returns.

Observations on third quarter of the Carbon County Portfolio:

The Market Value as of September 30, 2021 was \$94 million. During the third quarter the portfolio gained \$58,000, with a return of 0.1%, vs the policy index of 0.2%. Year-to-Date the portfolio gained \$8.2 Million, and returned 9.4% vs the policy index of 9.1%. For the end of October the portfolio gained 3.7%, with a YTD gain was 13.2% at \$97.1 million.

Mrs. Wilson gave positive/negative attributes for the quarter. Positive attributes were: Active U.S. Equity, MFS Low-Volatility Global Equity and, High Yield Allocation, while Value Tilt being the negative attribute.

Mrs. Wilson noted the Custodian transition from Bank of New York Mellon to US Bank was completed in the third quarter, which she states resulted in some restructuring to the Portfolio.

Looking ahead: Marquette Associates will hold an informational meeting on Infrastructure Education and the PA Data Base Report with the Board on the Wednesday before the December Retirement Meeting.

Portfolio Summary for the trailing one year (Sept/20-Sept/21) returned 20.5%, while averaging 11% over three years.

Mrs. Wilson gave a brief overview of the Portfolio Managers returns Year-To-Date, noting that “all and all, the Portfolio is in fairly good shape”.

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: None

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


Wayne E. Nothstein, Chairman


Mark A. Sverchek, Secretary