

Retirement Board Meeting
October 12, 2017

Present:	Commissioner	Thomas Chernisky William Smith Mark Wissinger
	Controller	Ed Cernic Kristine Segear
	Treasurer	Lisa Kozorosky

Pledge of Allegiance

Commissioner Chernisky called the meeting to order at 10:24 a.m.

Motion was made by William Smith to approve the minutes from the Retirement Board meeting held on September 14, 2017. Motion was seconded by Lisa Kozorosky. Motion carried. Vote unanimous 5-0.

Frank Burnette, Morrison Fiduciary Advisors attended the meeting to follow up on a Private Debt Fund investment that was introduced to the Board members. Private debt funds serve the middle-market leveraged loan market as traditional bank lenders have moved away from this type of lending. Private Debt funds target senior secured debt instruments with significant levels of asset coverage and strong underwriting criteria structured to minimize impairment in downside scenarios. The Private Debt Fund that Frank is recommending to the Board is with Constitution Capital Partners. Constitution Capital Partners is currently raising \$300 million for the Ironsides Opportunities Fund, L.P. This fund is investing across the full capital structure of private companies located in North America mainly diversified across sectors including consumer staples, consumer discretionary, health care and industrials. The fund will invest in unitranche/senior loans, second lien loans, mezzanine debt, equity/warrants and opportunistic tail end secondaries. Targeted yields are approximately 8-10% which will be paid quarterly helping to mitigate the “j-curve” effect. Frank Burnette is recommending a \$10 million capital commitment with the funding being completed over a three (3) year commitment period.

The Board discussed Frank Burnette’s recommendation extensively.

- Motion was made by Ed Cernic to approve the investment of \$10 million in the Constitution Capital Partners Ironsides Opportunities Fund, L.P. on the recommendation of Frank Burnette. Further the Board authorizes the Board Chairman, Tom Chernisky and Board Secretary, Ed Cernic to jointly act as authorized signers on behalf of the Cambria County Retirement Board for any documentation or necessary paperwork in relation to the above investment in the Ironsides Opportunities Fund, L.P. Motion was seconded by William Smith. Motion carried. Vote unanimous 5-0.
- Motion was made by Ed Cernic to approve the Investment Policy changes recommended by Frank Burnette which “are attached hereto” to the Cambria County Retirement Board Investment Policy statement in relation to adding Private Debt guidelines. Motion was seconded by Mark Wissinger. Motion carried. Vote unanimous 5-0.

Old Business:

1. Motion was made by Ed Cernic to approve using Ebensburg Insurance for the Fiduciary Liability Insurance on a prorated basis at an annual cost of \$8,771.00 to be split between the General Fund and the Retirement Fund. Motion was seconded by William Smith. Motion carried.

New Business:

1. Motion was made by Ed Cernic to ratify the action taken by the Commissioner’s office at the recommendation of the Controller’s office on the following September retirees: Christine Hunter, Melissa Kiel, and Judith Younger. Motion was seconded by Mark Wissinger. Motion carried. Vote unanimous 5-0.

The next Retirement Board meeting will be held on Monday, November 6, 2017 at 10:00 a.m. Commissioner’s Meeting in the in the Commissioner’s Meeting room 3rd floor. Miller Howard and Emerald will be attending.

Motion was made to adjourn the meeting by Lisa Kozorosky. Meeting adjourned at 11:43 a.m.

Ed Cernic, Jr.