Retirement Board Meeting June 15, 2023

Present:

Commissioner

Thomas Chernisky

William Smith Scott Hunt

Controller

Ed Cernic Kristine Segear

Absent:

Treasurer

Dana Descavish Lisa Kozorosky

Pledge of Allegiance

Commissioner Chernisky called the meeting to order at 10:02 a.m.

Motion was made by William Smith to approve the minutes from the Retirement Board meeting held on May 2, 2023. Motion was seconded by Scott Hunt. Motion carried. Vote unanimous 4-0.

Public Comments: None

Notice of Executive Session:

1. June 6, 2023, meeting with Retirement Board Members from 11:49 a.m. to 12:14 p.m. for personnel.

Old Business:

1. Voluntary Contributions – No action taken.

New Business:

1. Dave Reid, CBIZ attended via Zoom. Dave reviewed the estimated schedule of County contribution increases necessary, as a percentage of payroll, to eliminate the asset depletion projected to occur in thirty (30) years. It is important to remember that these projections, which GASB requires, are heavily dependent on the assumptions that are made in the valuation. The adjustments are as follows:

Contribution Rate	Effective Date
12.50%	7/1/2023
12.75%	1/1/2024
13.00%	7/1/2024
13.25%	1/1/2025
13.50%	7/1/2025
13.70%	1/1/2026

- Motion was made by Ed Cernic, at the recommendation of CBIZ, to approve the County contribution rates increases per the effective dates with the Board reevaluating before each increase. Motion was seconded by Scott Hunt. Motion carried. Vote unanimous 4-0.
- 2. Pat Wing, Marquette, attended via Zoom. Pat is recommending an asset rebalancing as follows: sell \$2 million from Vanguard Growth and buy \$1.145 million of Baird Intermediate Bond Fund. Move the remaining cash from the sell and the balance in the cash fund account in the amount of \$1.6 million to C.S. McKee. Motion carried. Vote unanimous 4-0.
 - Motion was made by Ed Cernic to approve the rebalancing at Marquette's recommendation.
 Motion was seconded by Scott Hunt.
- 3. Motion was made by Ed Cernic to pay the Smith & Downey invoice in the amount of \$3,357.50 and the CBIZ invoice in the amount of \$400.00. Costs were incurred for the finalization of Michael Gelles' death benefits. Motion was seconded by Scott Hunt. Motion carried. Vote unanimous 4-0.
- 4. Grant & Eisenhofer, one of our Security Litigation Firms, recommended that Cambria County Employees Retirement System serve a demand upon Cutera seeking to inspect certain books and records of the Company pursuant to Section 220 of the Delaware General Corporation Law. The purpose of the inspection would be to evaluate whether the Company's Board of Directors and certain officers breached their fiduciary duties. The investment manager Emerald held shares in Cutera and needed to currently be holding the shares. The demand was initiated only to discover the shares were sold. Since the shares were sold Cambria County no longer has standing to pursue the matter and no complaint will be filed.
- 5. Request was received from a member of the Plan if they could borrow some of their retirement monies. The Summary Plan Description states that there are no provisions in the law that would allow you to receive a partial refund or a loan. This is not stated in the Plan Document. Dave Reid, CBIZ recommends that this being added to the Plan Document. The Board will reiterate this policy that they have been following in writing in the next update of the Plan Document.

6. Motion was made by Ed Cernic to accept the Second (2nd) Amendment to Pension Technology Group. Pension Technology group will be the new system to for active member processing, payroll file integration with Munis Payroll system for membership contribution tracking, interest tracking and positing, retiree payroll and 1099r functionality and buyback processing. Originally, PTG was only going to track the member's contribution. The original cost was a flat \$25,000.00 for ten (10) years and now will be a flat \$37,000.00 for ten (10) years. Motion was seconded by Scott Hunt. Motion carried. Vote unanimous 4-0.

The next Retirement Board meeting will be held on Thursday, July 20, 2023 at 10:00 a.m. Jury room.

Motion was made to adjourn the meeting by William Smith. Meeting adjourned at 10:28 a.m.

Ed Cernic, Jr.