

Retirement Board Quarterly Meeting
February 2, 2026

Present:	Commissioner	Scott Hunt Keith Rager Thomas Chernisky
	Controller	Ed Cernic Kristine Segear
	Treasurer	Lisa Kozorosky

Pledge of Allegiance

Commissioner Hunt called the meeting to order at 10:00 a.m.

Motion was made by Tom Chernisky to approve the minutes from the Retirement Board meeting held on January 8, 2026. Motion was seconded by Lisa Kozorosky. Motion carried. Vote unanimous 5-0.

Public Comments: None

Executive session was held January 30, 2026 for Personnel reasons.

Ed Cernic reviewed the retirement summary. There are currently 1,167 retirees as of January 30, 2026. January's payroll was \$1,504,679.32 the first time it has exceeded the \$1.5 million mark.

Michael Stem from AmeriServ attended the meeting. Michael Stem presented the Board with the market value of the investments as of January 31, 2026. The market value was \$286,723,803.61, which is a new high for the fund. Motion was made by Ed Cernic to accept the AmeriServ report. Motion was seconded by Lisa Kozorosky. Motion carried. Vote unanimous 5-0.

Pat Wing, Marquette Associates gave a quick overview of the market environment. The U.S. economic growth continued though slower as a result of the government shutdown at the first half of the fourth quarter. Consumer spending continues to grow even though growth is a little slower. On page 11 of his presentation, he went over changes happening with the Reconciliation Bill, which will result in a large number of Federal Tax Refunds for the average tax filer which should put more money in the hands of consumers in the late spring and early summer. He also talked about how the Labor Market has shown conflicting data recently with the jobless rate remaining low but job openings declining and monthly payroll totals being subdued. Pat spoke about the Fed's cutting interest rates in September, November and December 2025 with the Fed taking a measured approach for 2026. On page 13, he noted the different performances of the different asset classes. Ed Cernic brought up the subject of annuity investments which has been talked about in the past as being a type of investment that the Board might want to consider. Pat will look at these again, now could be a time for the Board to consider a smaller investment in them. Pat will bring information for discussion at the next quarterly meeting.

Commissioner Rager left the meeting at 10:25 AM.

Pat then reviewed the Retirement Fund. The ending market value was \$283.6 million as of December 31, 2025. The net investment change for the fourth quarter was \$5.6 million, the portfolio returned 2.0% net vs. policy index of 2.0%. Pat went on to discuss the individual managers and their most recent record of performance, and noted that Vanguard International Growth Fund is being reviewed by him and we might have a representative at our next quarterly meeting for discussion. His last report to the board was on FNB and stated that he is still reviewing them in the transition of management, and will provide an update at our next meeting. With that he introduced Jason Pomatto from Kayne Anderson Rudnick for his presentation to the Board.

KAR reviewed their investments and acknowledged their underperformance in some aspects, but he expressed how they believe that the industrial sector of the economy will benefit the fund in the future, Ed Cernic stated it has been a while since we have seen any positive signs from KAR and that when we review their standing in ranking, they continue to lag at the bottom of the 100 ranking. He told Jason that they have been on watch for a while, and the expectation of the Board is for them to do a turnaround soon or the Board will be considering options for them in respect to our Fund. Pat thanked Jason for the presentation to the Board and he will keep in contact with him. Further discussion in general continued after Jason's presentation was over. Pat suggested to continue to watch KAR. He will provide an update on their performance at the March and April meetings and if KAR continues to underperform the Board can consider lining up two managers to present at the May.

Pat Wing then went over the balance of his report speaking specifically about the Equity market. Pat presented this information for the Board to look at potentially shifting the asset allocation targets in the future between the U.S. Equity Market and the Non-U.S. Equity market. The Board agreed that Pat should present further on this matter at the May meeting.

Pat Wing reviewed a modest rebalancing proposal with the Board. Pat is recommending liquidating \$1 million from Vanguard International Growth Fund and \$115,000 from Goldman Sachs FS Government Money Market, which is residual of the Ironside distribution. Move the whole \$1,115,000 to Baird Intermediate Term Bond Fund in the U.S. Fixed Income portion of the portfolio.

- Motion was made by Ed Cernic at the recommendation of Marquette to rebalance the Fund as follows: liquidating \$1 million from Vanguard International Growth Fund and \$115,000 from Goldman Sachs FS Government Money Market, which is residual of the Ironside distribution. Move the whole \$1,115,000 to Baird Intermediate Term Bond Fund in the U.S. Fixed Income portion of the portfolio. Motion was seconded by Lisa Kozorosky. Motion carried. Vote unanimous 4-0.

- Motion was made by Ed Cernic to accept the Marquette report from Pat Wing. Motion was seconded by Lisa Kozorosky. Motion carried. Voted unanimous 4-0.

Old Business:

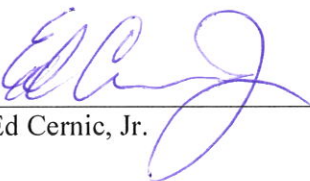
Ed Cernic brought up that we are waiting on information in reference to the cost of increasing the life insurance for those eligible as requested by Albert Penska a Retiree. We will report at the next meeting if the information is received.

New Business:

1. Motion was made by Ed Cernic to ratify invoices being paid out of the retirement fund in the amount of \$112,625.10. Motion was seconded by Tom Chernisky. Motion carried. Vote unanimous 4-0.
2. Ed Cernic made a motion to accept the distribution of funds from Ironsides Opportunity Fund in the amount of \$113,070.42 as of January 15, 2026. Motion was seconded by Lisa Kozorosky. Motion carried. Voted unanimous 4-0.
3. 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 retirees: Dana Descavish, Brain Lotoche, Lisa Fox. Motion was seconded by Tom Chernisky. Motion carried. Vote unanimous 4-0.
4. No Executive Session held.
5. Controller Cernic provided the Board with an update of the status of the daily Fund Administrative duties. GRS, the Board Actuary will be providing assistance in processing quotes in the short term. Currently they are not charging any additional fees to the Fund but indicated in an email that if the quotes got too voluminous, they would come back to us that they would need to start charging us for these extra quotes. At this time Kris Segear and the Controller are picking up that position's duties along with their regular duties to serve the employees and Retirees, however there may be times when the processing could be delayed. The Controller requested that the Commissioners give him the salary amount in order to properly advertise for the position.

Next meeting is scheduled for Thursday, March 12, 2026 immediately following the 10:00 a.m. Commissioner's meeting in the Jury Room.

Motion was made to adjourn the meeting by Thomas Chernisky. Meeting adjourned at 11:34 a.m.



Ed Cernic, Jr.