

# CENTRE COUNTY RETIREMENT BOARD

March 26, 2020

## MINUTES

**Call to Order:** The Centre County Retirement Board met Thursday, March 26, 2020, in Room 146 at the Willowbank Building. The meeting was called to order at 11:04 AM by Chairman Mike Pipe. Present were Retirement Board Members: Commissioner Mike Pipe, Commissioner Mark Higgins, Commissioner Steve Dershem, County Treasurer Colleen Kennedy, and County Controller Jason Moser. Margaret Gray, County Administrator, and Tom Martin, Director of Finance, were also in attendance.

**Approval of Minutes of Prior Meeting:** It was moved by Treasurer Kennedy and seconded by Commissioner Dershem Moser to approve the minutes from the previous meeting held on March 5, 2020. The motion passed unanimously.

### **Correspondence:**

None.

### **Old Business:**

The Actuarially Determined Contribution (ADC), the assumed long-term rate of return for the Retirement Fund's investments, and valuation method for the Retirement Fund's investments were discussed at length in regards to the December 5, 2019 meeting, and discussion.

In December, 2019, the recommendation and vote was taken on adjusting the assumed long-term rate of return from 7.5% to 7.25% and adopting the W-method for valuation over the 5-year smoothing method. After a discussion on those recommendations, the current state of the Retirement Fund in relationship to the COVID-19 pandemic, and that the Investment Plan Policy Statement, Section A, subsection 1, had not been amended to reflect those recommendations, a motion was made by Treasurer Kennedy, and seconded by Commissioner Dershem, to keep the assumed long-term rate of return at 7.5% and valuation at the 5-year smoothing method.

Controller Moser was tasked, on behalf of the Retirement Board, to engage Korn Ferry on a number of investment result scenarios for 2020, given the current market conditions, and what impacts the various rate of return assumptions and valuation methods would have on the County's ADC in 2021, over a variety of assumed losses.

### **New Business:**

A. Review of the Retirement Fund Investment Plan Policy Statement.

Controller Moser briefly outlined the Retirement Fund Investment Policy Statement.

With no questions or feedback, Commissioner Pipe made a call for a motion to adjourn. Commissioner Dershem made the motion to adjourn, seconded by Commissioner Higgins. The Retirement Board adjourned at 11:14AM

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Jason Moser, Controller and Secretary of the Retirement Board

**Next Meeting:** April 21, 2020; 1Q Results; CS McKee & Emerald Advisers.