



RETIREMENT BOARD MINUTES

Tuesday, November 9, 2021, 1:00PM

Willowbank Office Building, Room 146
420 Holmes Street, Room 146
Bellefonte, PA 16823

I. CALL TO ORDER

The Retirement Board met in Room 146 at the Willowbank Office Building. The meeting was called to order by Commissioner Pipe at 1:03PM. In attendance were Retirement Board members Commissioner Higgins, Commissioner Dershem, Treasurer Kennedy, and Controller Moser.

II. PUBLIC COMMENT

In accordance with the Sunshine Act, attendees will be given the opportunity to comment on matters of concern, official action, or deliberation before the Retirement Board. For items not on the agenda, the Retirement Board will accept public comment at the beginning of each meeting. For items that are on the agenda, the Board will accept public comment prior to each official action. Persons desiring to comment should raise their hand to be recognized by the Chair. Anyone addressing the Board will be given a five-minute time period in which to do so.

III. ADDITIONS TO THE AGENDA

In accordance with ACT 65 of 2021, no discussion or action will be allowed for any item not included on the published agenda unless the item is one of an emergency nature or is de minimus in scope and does not require funding authorization and/or a contract or agreement. A majority vote of the Board is required to add an item to the agenda. All provisions of Act 65 regarding requirements for updating a published agenda after the meeting are in effect.

IV. MEETING MINUTES

Minutes from the Thursday, October 28, 2021 Retirement Board Meeting.

On a motion from Controller Moser and seconded by Commissioner Higgins, the minutes from the October 28, 2021, Retirement Board meeting were approved 4-0, with Treasurer Kennedy arriving after the approval.

V. CORRESPONDENCE

None.

VI. OLD BUSINESS

None.

VII. NEW BUSINESS

- A. Centre County Employees Retirement Fund Investment Policy Statement (IPS) – Controller Moser reviewed the updated Investment Policy Statement for the Centre County Employees Retirement Fund. In particular, he reviewed the

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addition of the definition of “Advisor,” to the IPS; specification of the expected rate of return as equal or greater to the Fund’s actuarial discount rate rather than a specific number, which reduces the frequency of amending the IPS should the Board opt to revise its expectations. Additionally, he covered the expansion of the asset classes and the associated weightings to those classes; the procedure for the Selection of Investment Managers; the reporting structure of investment performance moving forward; and briefly defined what an exchange traded fund is now included in the IPS.

Treasurer Kennedy added that the updated IPS is not as limiting as the previous IPS but that language added refers to standards and practices in the field, including laws and regulations, and Fiduciary responsibilities that the Advisor will adhere to. She also noted that “hedging” appeared more in the IPS than she thought it would, though this was primarily to open up the investment opportunities.

Commissioner Dershem noted his hesitance to allow the Advisor complete discretion where hedge funds are involved and Commissioner Pipe concurred. After deliberations, it was agreed by the Board that hedge funds may only be used as an investment strategy at the expressed consent of the Board in each instance.

On a motion from Treasurer Kennedy and seconded by Commissioner Dershem, the Board unanimously approved the new IPS with the amended hedge fund language.

VIII. ADJOURNMENT

After no additional questions or commentary, a motion was made to adjourn at 1:22PM by Commissioner Higgins, seconded by Commissioner Dershem, and passed unanimously.

Jason Moser, Secretary of the Retirement Board
Controller