

Lehigh County Retirement Board Meeting

PUBLIC MEETING MINUTES August 8, 2023

1. **CALL TO ORDER: 9:30 AM**

**ATTENDEES:**

Lehigh County Executive Phillips Armstrong **(Chairman)**

Director of Administration, Ed Hozza **(Executive Appointee) absent**

Commissioner, Geoff Brace **(President Board of Commissioners)**

Commissioner, Bob Elbich **(Commissioner Appointee)** absent

Lehigh County Controller Mark Pinsley **(Secretary)**

Joseph Reichard **(Retiree Representative)**

Chief Fiscal Officer, Tim Reeves (Employee Representative)

Kevin Karpuk, Chief Investment Officer, Cornerstone

1. **OLD BUSINESS**

**Approval of Old Minutes**

Lehigh County Executive Phillips Armstrong asked for a motion to approve the meeting minutes from May 9, 2023. Motion was made and seconded. Minutes approved unanimously.

1. **NEW BUSINESS**

**Proposed Amendment to Policies and Procedures Document, New Section 5.12.**

**Retiree representative Joseph Reichard introduced the proposed amendment. Motion made by Chief Fiscal Officer Tim Reeves to approve this policy. Motion was seconded by Board of Commissioners President Geoff Brace. All those in attendance voted to approve this amendment unanimously as follows:**

**5.12 The Board shall consider seeking lead plaintiff status in a potential class action lawsuit only if (1) the fund’s estimated losses are $5 million or more or (2) the defendant in the class action lawsuit is local to the Lehigh Valley (i.e. PPL, Mack Trucks.) In all lawsuits where the fund’s estimated losses are less than $5 million and the dependent is not local to the Lehigh Valley, the Board solicitor may decline to seek lead plaintiff status without consulting with the Board, in which case the Board would remain a passive class member.**

**Pension Fund Update**

Kevin Karpuk provided an update on the pension fund. The market is strong in both stocks and bonds, which makes our pension fund in good shape at this time. The market gains are primarily driven by technology stocks. Our portfolio is up by 3.05% as of July 31st, resulting in an ending market value of $564,160,873.

**Asset Allocation**

Our portfolio is well diversified and designed to take a moderate amount of risk to obtain the actuarial rates of return necessary. Returns are relatively consistent over time, making our investment policy statement targets in line with the goals of the fund as established by the Board.

**Historical Cashflow**

The change in market value since inception is $273,513,000.

**Manager Performance**

We are diversified between U.S. and international stocks, bonds, and alternative investments. We are in good shape as of the end of July, 2023.

**July Performance**

Our portfolio is up 10.24%. We are cautiously optimistic, while paying attention so as not to take on too much risk.

1. **Citizen’s Input**

A member of the public asked if/when there would be a cost-of-living increase. Chief Fiscal Officer, Tim Reeves, indicated that the Board will be voting on any COLA at the upcoming November 2023 meeting.

1. **Adjourn**

Motion was made and seconded to adjourn the meeting. Meeting adjourned.