

The Minutes of the
Meeting of the
Lancaster County Retirement Board
August 12, 2022

The meeting was called to order by Commissioner Ray D'Agostino at 9:00 a.m. in Conference Room 703 at the Lancaster County Offices, 150 North Queen Street.

Members Present: Commissioner Ray D'Agostino, Commissioner Joshua Parsons, Commissioner John Trescot, and Controller Lisa Colón.

Not Present: Treasurer Amber Martin.

Others Present: Lee Martin (Marquette Associates) and Diana Rivera.

Commissioner Parsons moved to approve the May 13, 2022 Retirement Board minutes as circulated. Commissioner Trescot seconded. The motion carried unanimously.

Controller Lisa Colón presented the Qualified Domestic Relations Order (QDRO) for Richard DeFord Jr. vs. Holly DeFord dated as ordered May 17, 2022, by the Court of Common Pleas, Judge David R. Workman. Commissioner Parsons moved to approve. Commissioner Trescot seconded. The motion carried unanimously.

Lee Martin reviewed the current market environment, the U.S. economy and U.S. markets, and the global economy and global asset class performance.

Mr. Martin presented the Retirement Fund's Performance Update through June 30, 2022. As of June 30, 2022, the Fund was valued at approximately \$338.4 million and is up about approximately \$350 million today. The Fund was down approximately -9.2% (net) for the 2nd quarter of 2022. The positive attribution for the quarter was from higher quality / low volatility equities, value tilt, emerging markets, and defensive equity. The negative attribution for the quarter was from real estate, specifically, Morgan Stanley and listed infrastructure. Mr. Martin noted the portfolio return for 5 years: 6.8% (net) and 10 years: 7.9% (net). He noted some changes during the quarter: JPM Infrastructure funded April 1, 2022 (\$12M), Partners Group Private Equity II funded in full on April 21, 2022 (\$15M), JP Morgan Strategic Fund full redemption processed, and corresponding TA Realty capital call funded on April 1, 2022 (\$10.4M), and Lord Abbett High Yield Fund was added on June 30, 2022 (\$2.5M), due to spread expansion. Mr. Martin also noted the approved asset allocation implementation effective as of July 2022: Carlyle Direct Lending Fund IV (private credit) and Siguler Guff Small Buyout Opportunities Fund V (private equity).

Controller Colón reviewed the projected operating cash balance for the Retirement Fund. She stated that the final County's Actuarially Determined Contribution (ADC) payment was made for \$900,000. Controller Colón noted that a death benefit payout was issued for \$563,000 at the end of July.

Controller Colón discussed securities litigation / fraud monitoring. A Request for Interest (RFI) was issued by the Purchasing Department and nine firms responded. Controller Colón stated that her team is reviewing the firms that responded and she will make a recommendation at the next meeting in October.

Controller Colón discussed the Marquette Associates and Korn Ferry contract renewals. Controller Colón reported that the contracts with Marquette Associates and Korn Ferry end this year. She noted that there must be written agreement to extend the investment consultant contract for one year with Marquette Associates. In addition, Controller Colón stated that the actuarial services contract with Korn Ferry was a three-year contract with two one-year options. She noted however, that there is a caveat in the terms, that if we choose, we can continue the contract for another year by taking no action. The Board agreed to place this item on the agenda for the October meeting to discuss further.

Commissioner Trescot moved to adjourn the meeting at 10:01 a.m. Commissioner Parsons seconded. The motion carried unanimously. The next meeting is October 14, 2022, at 9:00 a.m.

Respectfully submitted,

Lisa K. Colón
Secretary