



John Strate, Chairman  
Tammie Gaff, Secretary

Members:  
Anthony Shea  
Pat Fabian  
Amanda C. Hiles

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## *Retirement Board*

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# COUNTY OF ARMSTRONG

### ARMSTRONG COUNTY RETIREMENT BOARD Meeting Minutes March 13, 2024, 10:30 AM

The meeting of the Armstrong County Retirement Board (The Board) was called to order by Commissioner Strate in the Commissioners' Conference Room on Wednesday, March 13, 2024 at 10:40 AM. The following attended, unless marked absent:

**Board Members:**

Commissioners John Strate (Chairman), Anthony Shea (Member), Pat Fabian (Member)-ABSENT, Controller Tammie Gaff (Secretary), Treasurer Amanda Hiles (Member)

**Guests:**

Mr. Pat Wing, Consultant/VP, Marquette Associates  
Mr. Aaron Poole, Financial Management Director  
Mrs. Amanda Rybarik, Retirement Specialist

Commissioner Strate announced that the meeting was being electronically recorded.

Commissioner Strate led the Pledge of Allegiance.

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to approve the Minutes of the January 5, 2024 Retirement Board Meeting.

There were no amendments made to the ACRB Meeting Agenda for March 13, 2024.

It was motioned by Treasurer Hiles, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge the Peirce Park Group/Marquette Associates Cash Flow Summary Reports for 11/30/23 – 01/31/24. It was noted that during the same time period there was a net increase in the Combined Asset Market Value of \$2,214,902 (11/30/2023 - \$77,529,758 to 01/31/2024 - \$79,744,660).

It was motioned by Commissioner Shea, seconded by Controller Gaff, and carried unanimously to discuss and acknowledge the Trade Transactions for **DECEMBER 2023 - JANUARY 2024**.

It was motioned by Controller Gaff, seconded by Commissioner Shea, and carried unanimously to discuss and acknowledge the Retirement Summary for **JANUARY - FEBRUARY 2024**.

It was motioned by Commissioner Shea, seconded by Treasurer Hiles, and carried unanimously to discuss and acknowledge Retirement A/P Bills for **JANUARY 2024 - \$3,098.97** and **FEBRUARY 2024 - \$16,740.80**.

Mr. Wing presented an investment review, discussing the global economic environment, capital markets and performance of the Retirement Fund in Q4 2023. Notably, the market environment was strong given better-than-expected economic data and a decline in interest rates, leaving the Retirement Fund's investment return for 2023 well ahead of the 7.0% Actuarial Assumed Rate of Return. During the review, he also discussed the importance of a more conservative approach given the Fund's negative cash flows.

He then reviewed year-to-date performance through February. Markets continued to be strong in the new year, with global equity markets gaining ground amid investor beliefs that inflation would continue to moderate and the Federal Reserve would soon cut short-term interest rates.

He then presented a document titled 2024 Considerations, reviewing consensus economic expectations for the new year and contrasting them with expectations at this time last year. More specifically, the economic base-case scenario in January 2023 was that a recession would likely occur in 2023. Given that expectation, asset markets (equities, below investment-grade debt, interest rates, etc.) had priced in a poor economic environment and were reasonably valued. As the year progressed, economic data beat expectations rather handily, providing a powerful tailwind for market returns.

Currently, the economic base-case scenario calls for a "soft-landing" (i.e., an economic slowdown but no recession). Amid these more optimistic expectations, markets are now pricing in little probability of a recession and are mildly overvalued. Mr. Wing explained that this is a key difference compared to last year when expectations were pessimistic, leaving a low bar to clear for economic data and, therefore, market returns. Now, on the other hand, the bar is higher and, with markets somewhat overvalued, if the data do not meet or exceed more optimistic expectations, markets may be vulnerable.

Amid the current environment, Mr. Wing stated that a disciplined rebalancing approach, holding additional cash, and/or overweights to non-traditional assets (e.g., private credit and infrastructure) make sense to Marquette.

It was motioned by Commissioner Shea, seconded by Treasurer Hiles, and carried unanimously to adjourn the March 13, 2024 Retirement Board Meeting at 11:36 AM.

Respectfully submitted,



Tammie Gaff  
Secretary/Controller