

NORTHAMPTON COUNTY OTHER POST EMPLOYMENT BENEFITS FUND (OPEB)
BOARD MINUTES

July 25, 2019

4:00 PM

1. **Call to order:** Mr. Lamont McClure called the meeting to order at 4:00 PM.

2. **Call of the Roll:** The following members of the Board were present: Mr. Lamont McClure, Mr. Ronald Heckman, Ms. Lori Vargo-Heffner, Mr. William McGee, Mr. Thomas Guth and Mr. Stephen Barron. **Absent:** Mr. Gerald Seyfried.

Others present: Mr. Marc Ammaturo, PFM; Mr. Hank Stiehl, Korn Ferry; Mr. Brandon Dunstane, Fiscal Affairs; Ms. Danielle Mutarelli, Human Resources; and Ms. Elizabeth Kelly, Board Secretary.

3. **Courtesy of the Floor** – none.

4. **Approval of the April 25, 2019 OPEB Fund minutes:** A Motion was made to approve the April 25, 2019 Board minutes by Mr. McGee. The Motion was seconded by Ms. Vargo-Heffner. The minutes were approved by a unanimous vote.

5. **Performance Updates – Mr. Ammaturo, PFM:**

OPEB Fund market value as of June 30, 2019: \$42,440,468.

Q2 gain:	3.40 percent
YTD gain:	13.88 percent
1 Year gain:	6.13 percent
3 year gain:	10.46 percent
5 year gain:	7.09 percent

Mr. Ammaturo reported that the OPEB Fund is now cash flow positive, which is an improvement because twelve months ago it was cash flow negative. The reason for the improvement is that investments enabled growth of the Fund to cover its obligations.

Mr. Ammaturo next reported that PFM is recommending that the Board approve an Addendum to the OPEB Fund’s investment policy, to change the allocations as follows:

Current Allocations:	Recommended Allocations:
Equity – 75%	Equity – 65%
Fixed Income – 25%	Fixed Income – 35%

A **Motion** to approve an Addendum to the OPEB Fund’s Investment policy to change the allocations to Equity – 65% and Fixed Income – 35% was made by Mr. McGee. The Motion was seconded by Mr. Guth. A Roll Call Vote was taken, and the vote was unanimous among the six Members present. The Motion passed.

Mr. Ammaturo presented a copy of the signed Addendum and the six Board Members present signed it.

Mr. McClure raised the subject that Studies and Commentators are predicting that the market will not continue to generate the high returns that have enabled the OPEB Fund to become Cash Flow positive this year.

- 6. Adjournment:** Ms. Vargo-Heffner made a Motion to adjourn the meeting. The Motion was seconded by Mr. Barron. All in favor, by acclamation. The meeting was adjourned at 5:42 PM.