

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

April 28, 2022

4:00 p.m.

1. **Call to Order:** Mr. Stephen Barron called the meeting to order at 5:11 p.m.
2. **Call of the Roll:** The following appointees to the Retirement Board were present: Ms. Lori Vargo Heffner, Council President; Mr. Kerry Myers, Council Vice President; Mr. Thomas Guth, active employee Member of Northampton County Retirement system; Mr. Gerald Seyfried, Retiree Member; and Mr. Stephen Barron, Director of Fiscal Affairs.

The following appointees to the Retirement Board were absent: Mr. Lamont McClure, County Executive; and Mr. Ronald Heckman, Council Member.

Others Present: Mr. John Spagnola, PFM; Mr. Bryce Meyers, Fiscal Affairs; Ms. Mary Lou Kaboly, Board Secretary; Mr. Robert Donchez, Human Resources; Ms. Stephanie Hann, Human Resources.

3. **Courtesy of the Floor** – None.
4. **Approval of the January 27, 2022 OPEB Fund Board minutes.** Ms. Vargo Heffner made a Motion to approve the minutes of the January 27, 2022 meeting. Mr. Myers seconded the Motion. The vote to approve was unanimous.
5. **Performance Updates – PFM, John Spagnola.** Mr. Spagnola gave the presentation of the fund’s performance in the 1st quarter of 2022.

OPEB Fund market value as of March 31, 2022 = \$53,001,456

As of March 31, 2022:

Q1 gain:	-5.84 percent
Gain since inception:	9.05 percent (inception date is 9/1/2017)
YTD gain:	-5.84 percent
1-year gain:	3.81 percent
3-year gain:	10.39 percent
5-year gain:	9.58 percent

Mr. Spagnola stated that we missed the benchmark for the quarter but are ahead for 1-year returns. We fell behind in international equities because of underperformance by underlying managers.

Fixed income did better for the quarter. Mr. Barron asked whether being underweight in fixed income helped the portfolio, since domestic equity has some overall volatility but is not as bad as fixed income. Mr. Spagnola replied that it did.

Ms. Vargo Heffner asked whether PFM recommends adding Blackstone and Golub to the OPEB fund. Mr. Spagnola replied that they do, because it will reduce volatility from the public market and provide a steady return that will beat our actuarial assumptions.

Mr. Meyers asked whether adding Blackstone and Golub is in line with the OPEB and Pension funds’ investment policy statements. Mr. Spagnola replied that they are.

6. **Adjournment** – Ms. Vargo Heffner made a Motion to adjourn the meeting. The OPEB meeting adjourned at 5:15 p.m.