

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

February 9, 2023

4:00 p.m.

1. **Call to Order:** Mr. Lamont McClure called the meeting to order at 4:29 p.m.
2. **Call of the Roll:** The following appointees to the Retirement Board were present: Mr. Lamont McClure, County Executive; Mr. Kerry Myers, Council President; Ms. Lori Vargo Heffner, Council Member; Mr. Gerald Seyfried, Retiree Member; Mr. Thomas Guth, active employee Member of Northampton County Retirement system; Mr. Stephen Barron, Director of Fiscal Affairs

The following appointees to the Retirement Board were absent: Mr. Ronald Heckman, Council Vice President

Others Present – Mr. John Spagnola, PFM; Mr. Bryce Meyers, Fiscal Affairs; Ms. Mary Lou Kaboly, Board Secretary; Ms. Danielle Mutarelli, Human Resources; Ms. Stephanie Hann, Human Resources.

3. **Courtesy of the Floor** – None.
4. **Approval of the October 27, 2022 OPEB Fund minutes.** Ms. Vargo Heffner made a Motion to approve the minutes of the October 27, 2022 board 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 4th quarter of 2022.

OPEB Fund market value as of December 31, 2022 = \$45,197,316

As of December 31, 2022:

Q4 gain:	6.45 percent
Gain since inception:	5.50 percent (inception date is 9/1/2017)
YTD gain:	-15.80 percent
1-year gain:	-15.80 percent
3-year gain:	3.02 percent
5-year gain:	4.56 percent

Mr. Spagnola stated that the underlying managers for the OPEB and Pension funds are the same and therefore their performance for the quarter was not materially different. The fund is off to a good start this year and its value through February 8 was approximately \$47,863,000. Mr. McClure noted that the funds have snapped back and inquired why 2023 is off to a good start, and whether the market is betting on the economy. Mr. Spagnola responded there are many factors. Institutions started buying equities last year when they were lower-priced, and now they are up seven to eight percent year-to-date and bonds are up two percent. Some stocks are still struggling and there are layoffs with Amazon and other big tech names. PFM believes the market is getting ahead of itself because the Federal Reserve's message is consistent that they will continue to fight inflation by raising rates until they see real signs of deflationary pressure, and at this time, we have only seen less inflation.

6. **Adjournment** – Mr. Myers made a Motion to adjourn the meeting. The OPEB Fund meeting adjourned at 4:37 p.m.