

**PENSION INVESTMENT ADVISORY BOARD**  
**MEETING MINUTES**

A meeting of the Mt. Lebanon, PA Pension Investment Advisory Board (PIAB) was held May 3, 2017 at 9:00 am in room D of the municipal building at 710 Washington Road, Pittsburgh, PA 15228.

The meeting was called to order at 9:00 am. In attendance were Board members Drew Kicinski, Kevin Renne, Chris McMahan, Michael Evan, Advisor Perry Giovannelli (PFM), Commission Liaison Steve McLean and Staff member Andrew McCreery.

New board member Michael Evan was welcomed to the PIAB.

Chris McMahan moved to nominate Kevin Renne as board chairperson. Drew Kicinski seconded the motion. The motion carried unanimously.

Drew Kicinski moved to approve the minutes from February 7, 2017. Kevin Renne seconded the motion. The motion carried 3-0-1.

Mr. Giovannelli updated the Board on the results of the 1<sup>st</sup> Quarter 2017 and year-to-date results.

- Market conditions
  - Strong first quarter 2017. All indices on the domestic and international equity side performed well in the quarter and over the past 12 months.
  - REIT and fixed income indices have slowed over the past 12 months, with minimal gains in the quarter. This keeps the growth in our portfolios modest.
  - GDP ended 2016 at 2.1%.
  - The Federal Reserve chose to raise the Federal Funds rate by 0.25% in March.
  - Internationally, valuations for companies are lowering and PFM is comfortable with target allocations.
- Plan Returns
  - Total plan returns for the quarter were 4.51% and 9.83% for the prior 12 months
  - Overweight domestic equity helped to get us over the benchmark
  - Fixed income – all active managers
  - Cash flow negative
  - As of March 31, 2017, plans were approximately 68.5% in equity and 31.5% in fixed income.

Discussion ensued concerning the January 1, 2017 actuarial reports for all three defined benefit pension plans.

Meeting Adjourned 10:00 am.