

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

A meeting of the Mt. Lebanon, PA Pension Investment Advisory Board (PIAB) was held November 8, 2018 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 Kevin Renne, Paul Kraus, Rich Marchione, Mike Evan (via phone) and Drew Kicinski, Advisor Perry Giovannelli (PFM) and Staff member Andrew McCreery.

Paul Kraus moved to approve the minutes from August 9, 2018. Drew Kicinski seconded the motion. The motion carried 4-0.

Mr. Giovannelli updated the Board on the results of the 3rd Quarter 2018 and year-to-date results.

- Market conditions
  - 3<sup>rd</sup> quarter was the best quarter for domestic equity. Year-to-date returns have returned
  - International Equity quarter was mostly positive, but year-to-date is still showing negative for most indices.
  - Fixed Income quarter showed some positive returns, which is a good sign in a raising rate environment.
  - High yield is showing higher numbers.
  - The end of the year will be dependent on the political climate in the United States.
  - Earnings are up and PFM is over weighting in domestic equity with projections.
  - US GDP is projected to increase 4.1% in the 3<sup>rd</sup> Quarter 2018.
  - Increased the projections on small cap due to the insulation from political climates.
  - PFM sees good growth potential in emerging markets.
  - PFM backed off longer duration fixed income investments.
- Plan Returns
  - The quarterly return is outpacing the benchmarks by an average of 110 Bps.
  - Benchmarks are surpassed in all years.

Meeting Adjourned at 9:40 am.