

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

A meeting of the Mt. Lebanon, PA Pension Investment Advisory Board (PIAB) was held May 15, 2019 at 9:00 am in Room D of the municipal building at 710 Washington Road, Pittsburgh, PA 15228.

In attendance were Board members Paul Kraus, Rich Marchione and Drew Kicinski, Advisor Perry Giovannelli (PFM) and Staff member Andrew McCreery.

Staff member Andrew McCreery called for a motion to elect a chairperson for the PIAB due to the expiration of former chairperson Kevin Renne's term. Rich Marchione moved to elect Drew Kicinski as chairperson. Paul Kraus seconded the motion. The motion carried 2-0.

The meeting was called to order by Chairperson Kicinski at 9:00 am.

Rich Marchione moved to approve the minutes with slight wording changes from Drew Kicinski from February 12, 2019. Paul Kraus seconded the motion. The motion carried 3-0.

Mr. Giovannelli updated the Board on the results of the 1<sup>st</sup> Quarter 2019 and year-to-date results.

- Market conditions
  - Solid numbers in the 1<sup>st</sup> quarter 2019 making up for 4<sup>th</sup> quarter 2018.
  - Equity investments have been a better place to be than fixed income in the last 5 years.
  - Starting to see some fixed income returns. 2015-2017 were barely returning 2% at times. 1 year return in certain indices over 4%. PFM doesn't see increases in fixed income from the current 2-4% returns in the next 5 years.
  - Domestic Equity key statistics (GDP, unemployment, etc.) are positive in the 1<sup>st</sup> quarter 2019.
  - PFM is watching the manufacturing index (Purchasing Managers Index) as it is showing signs of softer manufacturing output and new orders.
  - PFM is watching the volatility with trade talks with China, Brexit and a pending agreement with the European Union (EU).
  - PFM has backed off the over-weighting in domestic equity starting in the 3<sup>rd</sup> quarter 2018.
- Plan Returns
  - The quarterly return is slightly below the benchmark due to a pullback in domestic equity.
  - Returns on the plans are outpacing or slightly below the benchmarks over all time periods.

Meeting Adjourned at 9:46 am.