

Minutes of the Lehigh County Retirement Board Meeting

Lehigh County Government Center Public Hearing Room

Thursday, January 25, 2018

9:30 A.M.

A meeting of the Lehigh County Employees' Retirement Board was held at 9:30 A.M. in Lehigh County Government Center Public Hearing Room. Members present were Phillips Armstrong, Percy Dougherty, Glenn Eckhart, Judith Johnston, Marty Nothstein and Tim Reeves.

Ed Sweeney was not present.

Kevin Karpuk from Cornerstone Advisors Asset Management also attended.

Glenn Eckhart, Secretary, called the meeting to order at 9:30 A.M.

This meeting is being taped for public record.

OLD BUSINESS

Meeting minutes for approval from November 9, 2017 meeting.

Glenn Eckhart asked if there were any questions or corrections to the November 9, 2017 meeting minutes.

Glenn Eckhart called for a motion for approval.

Tim Reeves made a motion to approve the November 9, 2017 Retirement Board minutes.

Percy Dougherty seconded the motion.

No corrections or questions.

Abstention from vote - Phillips Armstrong as he was not here in 2017.

Glenn Eckhart called for a voice vote.

All were in favor. 5-0 vote. Motion passed unanimously.

NEW BUSINESS

Oaths – Glenn Eckhart received a signed oath from Phillips Armstrong, County Executive. The Commissioners need to redo their oaths. A copy of the oath was sent via email. Please get the oaths back to Glenn as soon as possible so we can get them into the minutes.

Election of Chairman of the Retirement Board – Glenn Eckhart asked for motions.

Judy Johnston moved to submit Phillips Armstrong as Chairman of the Retirement Board

Tim Reeves seconded the motion.

No other motions were made.

Marty Nothstein made a motion to close nominations for Chairman.

Judy Johnston seconded the motion.

Abstention from vote - Phillips Armstrong

Glenn Eckhart called for a voice vote.

All were in favor. 5-0 vote. Motion passed unanimously.

Glenn Eckhart passed the gavel to Phillips Armstrong to finish conducting the meeting.

Election of Secretary of the Retirement Board – Phillips Armstrong asked for motions.

Tim Reeves made a motion to nominate Glenn Eckhart.

Percy Dougherty seconded the motion.

No other motions were made.

Judy Johnston made the motion to close nominations for Secretary.

Marty Nothstein seconded the motion.

Abstention from vote – Glenn Eckhart.

Phillips Armstrong called for a voice vote.

All were in favor. 5-0 vote. Motion passed unanimously.

Set the interest rate for 2018 on the employees' contribution to the Lehigh County pension fund

Phillips Armstrong – The rate process was set by policy agreed on August 4, 2015 to be set based on the 20-year rate of return.

Glenn Eckhart made the motion. We set this policy; by law, the rate can only be set between 4% and 5 ½% on employees' money that they contribute to the retirement fund. Currently, the County over the last 20 years is averaging 6.1%. 5.5% is the maximum allowed by law on employees' money contributed. Thus, we set the rate at 5.5% by law.

Kevin Karpuk from Cornerstone – The policy is extremely prudent. Don't react too much to what happens in short term in the market because the retirement plan is, in theory, a perpetual fund. Just because the market was up a lot last year don't think that means everything has changed overnight. We'll discuss this at the February 8 Retirement Board meeting. Looking forward, we wish we could say that last year would repeat itself over and over into the future but we do think it will be a little bit of a tougher slug. The maximum payout under State law seems prudent based on the formula.

Percy Dougherty seconded the motion.

Phillips Armstrong – A motion has been made and seconded. Do we have any discussion?

No discussion.

Phillips Armstrong called for a voice vote.

No abstentions.

All in favor. 6-0 vote. Motion passed unanimously.

No more motions.

No citizen/employee input.

No further business.

Next Retirement Board meeting is on February 8, 2018 at 9:30 A.M. in the Public Hearing Room.

Meeting adjourned at 9:38 A.M.



Glenn Eckhart, Secretary