

**THIRD QUARTERLY MEETING
ERIE COUNTY EMPLOYEES' RETIREMENT BOARD**

AUGUST 16, 2023

Members present: Andre Horton
 Terry Scutella
 Paul Lichtenwalter

Members Absent: Dr. Kyle Foust
 Brian Shank

Also present: Christiaan Brokaw, AndCo Consulting
 Marie Lewis, Controller's Office
 Mark Orlop, Controller's Office
 Cindi Marzka, Definiti
 Mark Schlegel, Emerald Advisors
 John Thompson, Vesper Capital Management

Chairman Horton called the Erie County Employees' Retirement Board to order at 12:25 PM on August 16, 2023 in Room 114A at the Erie County Courthouse.

Roll call showed Dr. Kyle Foust and Brian Shank were absent; all other members present.

Chairman Horton called for the approval of the minutes of the Second Quarterly Meeting held on May 17, 2023 and the Special Meeting held on July 11, 2023.

Motion to approve made by Mr. Scutella, seconded by Mr. Lichtenwalter and carried by unanimous voice vote.

Chairman Horton called for the report of Morrison Fiduciary Advisors, Inc/AndCo Consulting. Christiaan Brokaw gave the report. Mr. Brokaw stated the fund's 2nd quarter 2023 return is 2.99% and it's trailing year to date return is 7.42%. As of 6-30-2023, the fund's 7-year return has averaged 7.35% annually.

Chairman Horton asked John Thompson to give the report of Vesper Capital Management (Large Cap Core Equity). Chairman Horton stated that Vesper Capital Management hasn't performed since their inception 3 about years ago and would like to revisit their underperformance at the fourth quarterly meeting. Mr. Brokaw asked Mr. Thompson to elaborate on which quarters were underperforming and what the outcome was. Mr. Thompson stated that the first quarter in 2020 underperformed and the second quarter outperformed and the volatility manifested itself in March and April 2020. Mr. Thompson stated in 2022 there was a modest underperformance and different strategies have different cycles and that is the reason for diversification. Mr. Thompson stated their strategy is based on investor over-reaction. Mr. Brokaw stated Vesper's process is to turn over the portfolio and it seems the process they are using is not working as in the past and for it to work the environment has to change. Chairman Horton agreed and thanked Mr. Thompson for his presentation.

Mr. Brokaw called for the report of Emerald Advisors. Mark Schlegel gave the report of Emerald Asset Management (Small Cap Growth).

Mr. Brokaw called for the report of Constitution Capital Partners (Private Debt and Private Equity). Rob Hatch, Dan Clare and Kaitlyn Lucia gave the report by Zoom.

Mr. Brokaw called for the presentation of Stoneridge Investment Partners, LLC. Steve Sanders, Joe Stocke and Philip Brown gave the presentation.

Chairman Horton asked the consultant to make any recommendations or comments he may have regarding hiring a new manager at the fourth quarterly meeting and the Board will entertain them at that time since Dr. Foust and Mr. Shank are absent and Chairman Horton would like to include them in the discussion and/or vote. Mr. Lichtenwalter asked for references from Stoneridge and they stated they will send them to him.

Chairman Horton called for the adjournment.

Adjournment at 1:31 PM



Dr. Kyle W. Foust, Secretary
Erie County Employees' Retirement Board
Pleasant Ridge Manor Employees' Retirement Committee

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