

**BERKS COUNTY EMPLOYEES' RETIREMENT FUND MINUTES**  
**BERKS COUNTY SERVICES CENTER**  
**COMMISSIONERS' BOARD ROOM**  
**MAY 18, 2017**

The Berks County Retirement Fund Board met in a regular session on Wednesday, May 18, 2017, at 9:30 A.M. in the Boardroom on the 13<sup>th</sup> floor of the Berks County Services Center, pursuant to due notice to Board members and the public.

Chairman Christian Leinbach called the meeting to order at 9:29 A.M.; attending were Ronald Rutkowski, Deputy Controller, on behalf of Sandra Graffius, Secretary and A. Dennis Adams, Treasurer. The following County staff attended: Christine Sadler, Solicitor; Chadwick Schnee, First Assistant Solicitor; Ronald Seaman, Chief Administrative Officer; Robert Patrizio, Chief Financial Officer; Suzanne Baer, Pension Coordinator; and Grazyna Nykiel, Senior Governmental Accountant.

**APPROVAL OF MINUTES**

The minutes of the April 17, 2017 meeting were approved as presented.

**CORRESPONDENCE**

Deputy Controller Rutkowski read for the Board the email from retiree Barry L. Lease questioning why his pension payments had not increased and why members did not receive fund breakdowns periodically.

Chairman Leinbach requested that Solicitor Sadler send a response to Mr. Lease.

1. A motion was made by Treasurer Adams, second by Deputy Controller Rutkowski, to author a response to Mr. Lease. Motion carried.

**PUBLIC COMMENT FROM THE FLOOR**

None.

**OLD BUSINESS**

The Board discussed the progress of the AON Hewitt contract negotiations. Treasurer Adams discussed his concerns about the language of the contract and the cost versus the need for the online tool. Chairman Leinbach mentioned that Justin Loose, Chief Information Officer, confirmed that AON Hewitt's cost was standard compared to similar tools.

Treasurer Adams recommended issuing a new Request for Proposal (RFP) for the Fund's actuarial services. Solicitor Sadler reminded the Board that the contract was currently being negotiated but was not final.

Deputy Controller Rutkowski was concerned about the contract being in favor of the vendor, however, was in support of it with the assurance that the contract would be vetted by the Solicitor's office. Solicitor Sadler assured the members that a draft of the agreement would be circulated to the Board for feedback, prior to Commissioner approval.

1. A motion was made by Treasurer Adams, second by Deputy Controller Rutkowski, to recommend to the Board of Commissioners to approve the AON Hewitt contract for actuarial services for the Berks County Employees' Retirement Fund subject to final approval by the Solicitor's office. Motion carried with a 2 to 1 vote. (18R-2017)

**NEW BUSINESS**

None.

**AUTHORIZE DISBURSEMENTS**

1. A motion was made by Treasurer Adams, second by Deputy Controller Rutkowski, to authorize the disbursements of annuities and refunds for May, 2017. Motion carried. (19R-2017)

Annuities	\$1,460,525.19
Refund	<u>\$328,555.64</u>
Total	<u>\$1,789,080.83</u>

2. A motion was made by Deputy Controller Rutkowski, second by Treasurer Adams, to authorize payment to Korn Ferry for the 2017 Actuarial Services for the first quarter in the amount of \$8,568.00. Motion carried. (20R-2017)

**COMMENT FROM THE BOARD**

The market value of the fund as of May 18, 2017 was \$437,511,147.55.

**GOOD OF THE ORDER**

Chief Financial Officer Patrizio inquired about the fund allocation for the actuarial cost considering the contract will be co-source. Discussion took place. Chairman Leinbach requested that Solicitor Sadler verify that there is no legal prohibition against charging the actuarial cost to pension, while using a co-source model.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 9:53 A.M.

Respectfully Submitted,

  
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Sandy Graffius, Secretary Retirement Fund Board