The Berks County Retirement Fund Board met in a specially advertised   meeting on Friday, August 5, 2016, at 3:00 P.M. in the Boardroom on the 13th floor of the Berks County Services Center.

Chairman Christian Leinbach called the meeting to order at 3:05 AM.

Attending were Sandra Graffius, Secretary, Dennis Adams, Treasurer, member Kevin Barnhardt and member Mark Scott. The following County staff attended: Christine Sadler, Solicitor; Robert Patrizio, Chief Financial Officer, Arnel Wetzel, Director of Human Resources, Ronald Rutkowski, Deputy Controller, Matthew Kloiber, First Assistant County Solicitor, Jack Linton, Solicitor for the County Controller, Tony Distasio, Assistant Solicitor for the Controller. Also in attendance was special outside counsel Sarah K Ivy of McNees, Wallace and Nurick.

Mr. Adams motioned, second by Mr. Scott to hire special outside counsel, Sarah Ivy of McNees, Wallace and Nurick, LLC regarding the review of pension records. Motion carried. (1R-2016)

EXECUTIVE SESSION
The Board moved to Executive Session at 3:07 P.M.

NOTE: No record documentation

Executive Session adjourned at 4:03 P.M.

Returned to regular session

Mr. Linton requested that the Engagement letter from special counsel be changed from "The Board is a sponsor..." to "The County is a sponsor…" Ms. Ivy agreed to make the change.

Mr. Scott motioned, second by Mr. Barnhardt to agree to adopt and authorize action on the recommendations of special counsel to be transcribed to the satisfaction to the Solicitor. The motion was adopted after discussion. (2R-2016)

Mr. Scott requested written documentation of the recommendations to the Board for the purpose of recordkeeping.

The Board discussed the role of the County staff person assigned to complete pension calculations and which department the position should be assigned. It was noted a motion was passed several years ago transferring the position from the Controller's Office to the HR department. The Board discussed potential options but did not make any final decision.

The Board discussed the audit frequency of the pension; Mr. Leinbach questioned whether an audit should be completed on the process of the pension calculation and how often. Ms. Ivy

responded that the pension should be part of the annual State and County audit. Ms. Graffius confirmed that the Berks County annual audit included an audit on the pension. Ms. Sadler added that the audit from the State does not include auditing the actual calculations of the final average salary.

Mr. Adams suggested if a defined calculation worksheet and charter is in place, an audit should be completed every three years on the County portion of the calculations. Ms. Ivy mentioned the County can request to supplement the audit to focus on the pension every third year or do a separate option every third year. Ms. Ivy stated that she will have to research if the Pension Board or the Commissioners have the authority to make the request.

Mr. Kloiber read CCAP's Pension best practices on the topic Administration, Accounts and Auditors:

> There is nothing the law requiring an audit of the County Pension Fund but an annual audit is highly recommended. Some counties have this done by their elected auditors, often the independent auditors who perform the counties financial statements and single audit, also audit the pension fund. This is usually sufficient if the auditors hired by the County are qualified to audit pension plans. Particular emphasis should be placed on prior experience with public pension plans. An independent audit of the fund should probably not be done by the County Controller due to the apparent conflict of interest when the County Controller and Pension Board Secretary positions are held by the same person. In any case, a contractual letter of agreement including fees for the services to be rendered should be executed.

There being no further business, the meeting adjourned at 4:16 P.M.

Respectfully Submitted,

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Sandy Graffius, Secretary Retirement Fund Board