

BERKS COUNTY EMPLOYEES' RETIREMENT FUND BOARD MINUTES
July 30, 2018

The Berks County Retirement Fund Board met in regular session on Monday, July 30, 2018, at 10:00 A.M. in the Boardroom on the 13th floor of the Berks County Services Center, pursuant to due notice to Board members and the public.

Chairman Christian Y. Leinbach called the meeting to order with members Secretary Sandy Graffius, Treasurer A. Dennis Adams, Commissioner Kevin S. Barnhardt, and Commissioner Scott in attendance. The following County staff attended: J. Chadwick Schnee, First Assistant County Solicitor; Ronald Seaman, Chief Administrative Officer, Ronald Rutkowski, Deputy Controller, Jessica Weaknecht, Human Resources Director.

APPROVAL OF MINUTES

The minutes of the June 21, 2018 meeting were approved as presented.

PUBLIC COMMENT FROM THE FLOOR

None

PRESENTATION

Terry Gerlich, GFA, SEI Investments Management Corporation, provided a Quarterly Investment Review for the First Quarter 2018. Mr. Gerlich reported inflation is moving up, and the big focus is on trade policies in the market, which is currently a little volatile. Regarding a review of the equity markets, Mr. Gerlich pointed out the tech sector is currently dominating the market.

Mr. Gerlich reported there was some Manager changes, citing two firms were terminated because we wanted to get more value exposure and were unhappy with performance of one firm. Looking at the investment returns, Mr. Gerlich is comfortable with where we are, the market is generally up, and property investments continue to be a good performer.

Treasurer Adams requested if the Retirement Board could receive SEI's quarterly report at least two days before the meeting. Mr. Gerlich promised he will see the Board has the Report.

Commissioner Scott questioned if there are trade concerns arising from tariffs, and if tariffs go away as might happen, what does that do to emerging markets. Mr. Gerlich commented overall that would be good for the market, more trade equals faster growth.

The current value of the Berks County Employees' Retirement Fund as of July 27, 2018 is \$468,594,347.93.

CORRESPONDENCE

Correspondence was reviewed and recorded.

OLD BUSINESS

None

NEW BUSINESS

1. A motion was made by Commissioner Barnhardt, seconded by Commissioner Scott, and all voted unanimously to authorize the following items:

16R.2018 Adopt a resolution authorizing employee buyback requests as follows:

- a. Cathy L. (Schaffer) Mitchell purchasing previous service time of 2 years, 9 months and 27 days in the amount of \$1,935.38.
- b. Debra A. Koch purchasing Leave of Absence time (2017) of 26 days in the amount of \$257.50

17R.2018 Adopt a resolution authorizing Sandra M. Graffius, Secretary of the Berks County Employees' Retirement Fund Board, to execute the Terrorism Notice for the Employee Retirement Plan Fiduciary Liability policy.

The Chair recognized Chad Schnee, who presented three issues for Board consideration regarding inconsistencies in the Pension Plan document.

The first issue was whether to permit the Solicitor's Office to revise Section 6(e) of the Plan Document to clarify whether a County employee that has withdrawn their accumulated deductions that returns to County service may have the option of only buying back a portion of previous service. The Board asked that a proposed amendment be submitted along with the Agenda packet at the next Retirement Board meeting.

The second matter was whether the buyback time for leaves of absences (Section 9(d)) should be extended from 24 months to five years in order to be consistent with other buyback provisions of the Plan Document. The Board did not feel that a change was appropriate.

The final proposal was whether voluntary, after-tax contributions made by County employees (Section 7(b)(2)) should be permitted as a percentage of salary up to two decimal places. The Board asked that a proposed amendment be submitted along with the Agenda packet at the next Retirement Board meeting.

AUTHORIZE DISBURSEMENTS

1. A motion was made by Commissioner Scott, seconded by Commissioner Barnhardt, and all voted unanimously to authorize the following items:

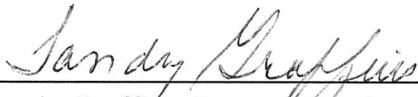
18R.2018 Adopt a resolution ratifying, confirming and approving annuities and refunds for June 2018 as follows:

Annuities	\$1,596,767.77
Refund	\$ 297,581.67
Total	<u>\$1,894,349.44</u>

19R.2018 Adopt a resolution authorizing payment of Invoice No. 195147773 in the amount of \$8,652.00 to Korn Ferry/Hay Group, Inc. for 2nd Quarter Actuarial Services.

There being no further business, on motion made by Commissioner Barnhardt, the meeting adjourned at 10:41 A.M.

Respectfully Submitted,



Sandy Graffius, Secretary Retirement Fund Board