

BERKS COUNTY EMPLOYEES' RETIREMENT FUND MINUTES
BERKS COUNTY SERVICES CENTER
COMMISSIONERS' BOARD ROOM
MARCH 16, 2017

The Berks County Retirement Fund Board met in a regular session on Thursday, March 16, 2017, at 9:30 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 Leinbach called the meeting to order at 9:30 A.M. Attending were Sandra Graffius, Secretary; Dennis Adams, Treasurer; and members Kevin Barnhardt and Mark Scott. The following County staff attended: Christine Sadler, Solicitor; Chadwick Schnee, First Assistant Solicitor; Ronald Seaman, Chief Administrative Officer; Ronald Rutkowski, Deputy Controller; Suzanne Baer, Pension Coordinator; and Grazyna Nykiel, Senior Governmental Accountant.

APPROVAL OF MINUTES

The minutes of the February 13, 2017 meeting were approved as presented.

PUBLIC COMMENT FROM THE FLOOR

None.

OLD BUSINESS

1. A motion was made by Commissioner Barnhardt, second by Controller Graffius, to authorize adoption of the Plan Document as presented by Sarah Ivy, subject to final approval of the language by the Solicitor's office. Motion carried. (11R-2017)
2. A motion was made by Commissioner Barnhardt, second by Commissioner Scott, to authorize adoption of a resolution approving the Retirement Allowance calculation method. Motion carried. (12R-2017)
3. A motion was made by Controller Graffius, second by Commissioner Scott, to authorize adoption of a resolution approving an opt-out election form, subject to final approval of the language by the Solicitor's office. Motion carried. (13R-2017)
4. A motion was made by Commissioner Barnhardt, second by Treasurer Adams, to authorize adoption of a resolution approving a memorandum to members of the Berks County Employees' Retirement System subject to final approval of the language by the Solicitor's office. (14R-2017)

NEW BUSINESS

1. A motion was made by Commissioner Barnhardt, second by Treasurer Adams, to approve authorization of the employee pension credit request listed below. Motion carried. (8R-2017):
 - a. Ivan Martinez-Rosas buying back over 2 years of service time in the amount of \$7,583.00.

AUTHORIZE DISBURSEMENTS

1. A motion was made by Commissioner Barnhardt, second by Commissioner Scott, to authorize the disbursements of annuities and refunds for March, 2017. Motion carried. (9R-2017)

Annuities	1,441,827.65
Refund	<u>84,623.69</u>
Total	<u>1,526,451.34</u>

2. A motion was made by Commissioner Barnhardt, second by Commissioner Scott, to authorize the disbursement to Korn Ferry for 2016 Pension Benefit Statements in the amount of \$3,716.65 to cover 2,009 statements at a rate of \$1.85 each. Motion carried. (10R-2017)

RECESS

Meeting was recessed at 9:39 a.m.

Chairman Christian Leinbach called the meeting to order at 2:06 P.M. Attending were Sandra Graffius, Secretary; Dennis Adams, Treasurer; and members Kevin Barnhardt and Mark Scott. The following County staff attended: Christine Sadler, Solicitor; Chadwick Schnee, First Assistant Solicitor; Ronald Seaman, Chief Administrative Officer; Robert Patrizio, Chief Financial Officer; Arnel Wetzal, Human Resources Director; Susan Schucker, Human Resources Assistant Director

OLD BUSINESS CONTINUED

A discussion took place about the findings of the Special Committee concerning the proposals for actuary and pension calculations. The Special Committee recommended the following:

- The pension function should be housed in the Human Resources department.
- The co-source model should be the actuarial and administrative service adopted.
- Of the viable options presented from the Request for Proposals, Aon Hewitt was the preferred proposal.

1. A motion was made by Commissioner Barnhardt, second by Commissioner Scott, to move the pension responsibilities from the Controllers department to the Human Resources department. Motion carried.
2. A motion was made by Commissioner Barnhardt, second by Treasurer Adams, to support the co-source arrangement for the actuarial and administrative services. Discussion took place. Motion carried.

Treasurer Adams recommended that an audit for the pension actuarial services should be done on a regular basis. Commissioner Leinbach requested that this requirement be confirmed.

3. A motion was made by Commissioner Scott, second by Controller Graffius, to allow Korn Ferry to submit a proposal for the co-source model for the actuarial and administrative services RFP. Discussion took place. Motion failed.

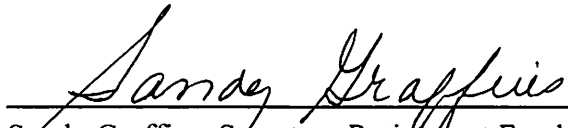
Mr. Patrizio suggested that the Information Systems department should evaluate AON Hewitt's programs and process information exchanged for security purposes before awarding a contract.

4. A motion was made by Commissioner Barnhardt, second by Commissioner Scott, to authorize the Solicitor in conjunction with Human Resources to review the AON proposal in detail including proposed contract terms and follow up at the next regular board meeting with a recommendation. A discussion took place. Motion carried.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:01 P.M.

Respectfully Submitted,



Sandy Graffius, Secretary Retirement Fund Board