

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES  
FEBRUARY 1, 2016

Chairman Christian Leinbach called the meeting to order at 10:06 AM. Attending were Sandy Graffius, Secretary, Dennis Adams, Treasurer and members Kevin Barnhardt and Mark Scott. The following County staff attended; Christine Sadler, Assistant Solicitor; Robert Patrizio, Chief Financial Officer; Suzanne Baer, Pension Coordinator and Grazyna Nykiel, Senior Governmental Accountant. Donald Haverly, CFA, Michael Burke, CFA and Jonathan Waite, FSA from SEI Global Institutional Group.

The minutes of the December 17, 2015 meeting were approved as presented.

Presentation:

SEI Investment Management Corporation:

Mr. Burke presented the Global Market review for the fourth quarter of 2015 stating that the quarter had a positive return and 2015 was a flat year across primary areas in the portfolio. He indicated that the fund is positioned well and recommends holding the course.

Mr. Haverly reviewed the Portfolio summary for the fourth quarter ended December 31 and recommended making a change to reallocate funds from the Special Situations account.

Mr. Waite reviewed the asset allocation and did not recommend any changes to Portfolio A.

- A. The Board authorized the liquidation of the Moderate Volatility Hedge fund, Special Situations account, on motion by Mr. Scott and second by Ms. Graffius. Motion carried.

SEI will provide an allocation presentation in April Board meeting. The assets are expected to be available in July, 2016.

The Board received the following communications:

Correspondence:

Bank statements

- A. December, 2015 statement from SEI Trust Company account 15963-C
- B. December, 2015 statement from National Penn Bank for checking Account 216784425

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Solicitations:

A. General: None

B. Conferences: None

Old Business: None

New Business:

A. Mr. Scott moved, second by Mr. Barnhardt, to approve the employees' requests to buy back previous service time. Motion carried.

a. Anthony J. DeFazio purchasing over one year of military service time in the amount of \$15,915.52

b. J. Michael Walsh buying back over 2 months of LOA time in the amount of \$3,041.14

B. Mr. Barnhardt moved, seconded by Mr. Scott, to affirm the action taken by Ms. Graffius to adopt and approve the amended and restated Plan Document effective January 1, 2016, to be submitted to the IRS for a Favorable Determination Letter.

C. The Board authorized the disbursements, on motion by Mr. Scott and second by Mr. Barnhardt. Motion carried.

a. Annuities and Refunds for January , 2016

Annuities	\$	1,298,603.97
Refund	\$	407,118.39
Total	\$	<u>1,705,722.36</u>

Market Value of fund as of February 1, 2016 was \$390,728,065.01.

Citizen Comment from the Floor:

Robert Logan directed a question to SEI regarding rising interest rate. In summary, Mr. Waite explained SEI does not expect the interest rates to have a strong movement but overall expect progress.

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The Board entered into Executive Session at 9:35 a.m. which adjourned at 10:20 a.m.

The Board authorized written revocation to withdrawal consent of the Disclosure Statement which will terminate further compensation to Elmer W. Heinel. The Board also accepted the proposal by correspondence from Donald Haverly, to reduce management fees by six (6) basis points, applicable to the assets of the County effective immediately on motion by Mr. Scott and second by Mr. Leinbach. Motion carried.

Meeting adjourned at 10:25 a.m.