

BERKS COUNTY EMPLOYEES' RETIREMENT FUND BOARD MINUTES
APRIL 27, 2020

The Berks County Retirement Fund Board met in a regular session on Monday, April 27, 2020, 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 Secretary Sandra Graffius, Treasurer Dennis Adams, Vice Chairman Michael Rivera and Member Commissioner Kevin Barnhardt in attendance. The following County staff attended: Christine Sadler, County Solicitor; Jessica Weaknecht, Human Resource Director; Ronald Seaman, Chief Administrative Officer; Robert Patrizio, Chief Financial Officer and Christie Bennett-Zellers, Benefits Manager.

APPROVAL OF MINUTES

The minutes of the March 19, 2020 meeting were approved as presented.

PUBLIC COMMENT FROM THE FLOOR

None.

PRESENTATION

Terry Gerlich started off assuring the County there should be no concern with the day to day in relation to our portfolios. They have been sharing information with their clients and hope we are finding it useful. There is a web portal we can access to keep updated, reach out to Terry if you're interested. He and Mike are available 24/7 for any of our concerns during this time. We already know the headlines, but this pandemic will end, and the market will come back. The market is a discounting mechanism; by that it is going to price in all the bad news before the news gets better. Mr. Gerlich said when we look back during the recession, the market seems to rebound when unemployment is at its worst, because the markets has already reacted to the bad news by looking ahead. Hopefully this is what we're seeing now, we have seen the numbers get better since the end of the quarter. The market had the best three day run at the end of March with the biggest increase since 1974, again because the market was looking ahead.

We saw a bear market in equities in the 1st quarter. While the pandemic is unrepresented, the market reaction is not. Over the long term, our equities will do well. Earnings are what drives the market, he reported; many companies will lose a couple of quarters but ultimately the earnings will come back and drive prices back up. Although value was out favored in the quarter, he feels good about how the equity portfolio is positioned as we come out of this economic situation.

The last few weeks have been helpful in terms of increasing confidence, but we are not out of the woods yet. We are looking at a three-legged stool to recover. The medical situation is what is going to ultimately drive this thing. In the interim it is the monetary fiscal policy that has been enormous in propping up the economy and market. The Feds have done everything to make monetary conditions as loose as possible and making sure there's liquidity in the market. The

Feds have put several programs in place since March to help calm the markets and keep the financial markets functioning on a day to day basis.

Mike Burke reported we continue to see asset values rise since March. Most of the 12.9% downslide we saw was driven by equities. We did see some positive returns in Core Fixed Income, which represents over 20% of the portfolio. A lot of the losses are starting to reverse, and we are chipping away at the volatility that we see in some of these areas. If you were not specifically in treasuries, it was a very bumpy experience, but as the market corrects and stabilizes itself, we see credit taking some of that back.

CORRESPONDENCE

None.

OLD BUSINESS

Jessica Weaknecht, Director of Human Resources, stated she didn't really have an update with everything going, we haven't had a chance to meet. Hoping since things seem to be quieting down, we can get together to discuss.

NEW BUSINESS

1. Authorize:

08R.2020 A motion was made by Secretary Sandra Graffius and second by Vice Chairman Michael Rivera to authorize the buyback as follows. Motion carried.

- a. William Clemmons buying 3 years of Military service in the amount of \$19,178.06.

AUTHORIZE DISBURSEMENTS

1. A motion was made by Treasurer Dennis Adams and second by Secretary Sandra Graffius to authorize the disbursements as follows. Motion carried.

- 09R.2020 A. Adopt a resolution authorizing payment of Invoice No. 19517460 in the amount of \$8,625.00 to Korn Ferry (US) for Actuarial Services to Agreement PC-227009-20, for 1st Quarter Actuarial Services (Jan, Feb, Mar 2020)

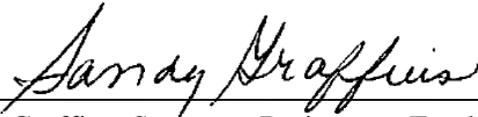
- 10R.2020 A. Adopt a resolution ratifying, confirming and approving annuities and refunds for March 2020 as follows:

Annuities	\$1,834,930.42
Refund	\$ 365,765.41
Total	\$2,200,726.83

Jonnelle Keller, Pension Coordinator mentioned due to the pandemic, all Pension Statements would be mailed to employee's homes this year.

There being no further business, on motion made by Treasurer Dennis Adams, the meeting adjourned at 10:35 A.M.

Respectfully Submitted,



Sandy Graffius, Secretary Retirement Fund Board