

BERKS COUNTY EMPLOYEES' RETIREMENT FUND BOARD MINUTES
APRIL 25, 2022

The Berks County Retirement Fund Board met in a regular session on Monday, April 25, 2022, at 10:00 A.M. via Microsoft Teams Live, pursuant to due notice to Board members and the public.

Chairman Christian Y. Leinbach called the meeting to order with Vice Chairman Michael Rivera; Secretary Sandra Graffius and Treasurer Dennis Adams in attendance. Member Commissioner Kevin Barnhardt was absent. The following County staff attended: Cody Kauffman, First Assistant County Solicitor; Robert Patrizio, Chief Financial Officer; Jessica Weaknecht, Director of Human Resources; Pamela Shupp, Deputy CAO; Wendy Pennington, Benefits Manager; Grazyna Nykiel, Deputy Controller; Stephanie Weaver, Public Relations Officer; David Peris, Assistant County Solicitor; Jonnelle Keller, Benefits/Pension Coordinator.

APPROVAL OF MINUTES

The minutes of the March 28, 2022 meeting were approved as presented.

PUBLIC COMMENT FROM THE FLOOR

None.

PRESENTATION

Mike Burke started off his review that we have seen quite a bit of volatility in the marketplace; we are kind of retesting some of the lows that we experienced during the first quarter. As we closed the books on the first quarter; our asset values land at approximately \$552.6 million. But one step further as we closed Friday evening, April 22nd, we are at 527. Million. This represents about a 4% to 4 ½% decline as well. There has been a very strong, broad based approaching double digit sell off in the marketplace. The portfolio has been very well diversified across all major asset classes. And Mike points out that it is important to know there were very few areas that protected the portfolio during this window. We saw alternative strategies really did help during this quarter. After a long period of time of not seeing commodities adding to value; we are seeing that come back to the portfolio.

Mr. Burke reports U.S. equity markets saw quite a bit of volatility throughout the entire quarter. January saw a steep sell off and we retested those lows through March; and we are retesting those lows once again. It has really been driven around the broader implications that we see both from international and geopolitical tension standpoint. The first half of the quarter, international markets were much more muted, a source of stability until the second half of the quarter where we really started to see geopolitical tensions. The broader implications across Europe and developed an emerging market; a sort of geopolitical effect took course internationally. Mike stated by the end of March everything having sold off fairly strongly; we feel there was a bit of timing as the markets were digesting not just one major event impacting all primary asset classes, but really the confluence of a number of risks and tensions being presented across the globe came into play.

Commissioner Leinbach points out we have not seen this type of downward pressure, bullish market since 2008-2009. He does not believe we are seeing the percentage drop as greatly as we did in our fund back then. This does not feel the same; we knew what it was, a great recession and it had a worldwide impact. Now there seems to be so many different factors; we were already in tough territory before the Ukraine Russian crisis. The inflationary pressures we saw end of last year, beginning of this year, believe to have been created by extensive federal spending at the end of the Trump administration, begin of Biden administration. The CARES Act, the ARP money, China has become a a much bigger factor. Commissioner Leinbach feels is seems dramatically more complex than what he recalls from 2008-2009.

Mr. Burke states we have come a long way since those lows as well the marketplace has certainly been forced to react to a much broader and more complicated set of circumstances today because there are some conflicting notions in the market. We had moments of volatility in 2011; a nice example what started as an earthquake in Japan trickled through and caused a European debit crisis. The US was downgraded, we saw a huge wave of volatility. We didn't see much again until 2016; that was one of the worst markets in the month of January that we ever have seen. Fast forward to today; we are experiencing a similar kind of marketplace where the S & P on a year basis is down 11 to 12%.

Secretary Graffius questioned what reaction are we seeing from the bigger companies closing their Russian markets? Mr. Burke shares we are seeing a very fast and comprehensive response there. He reports our exposure with our portfolio represents 0.04%; approximately \$200,000 within our \$552M portfolio.

Mike finished with we will see SEI's formal asset allocation study at our next meeting. How we can look at the proceeds of this strategy; and what we can do within the rest of the portfolio to benefit from those proceeds.

OLD BUSINESS

None.

NEW BUSINESS

1. A motion was made by Vice Chairman Michael Rivera and second by Secretary Sandra Graffius to authorize the following. Motion carried.

- 08R.2022 A. Adopt a resolution authorizing employee buyback request's as follows:
- a. Jason Fernandez purchasing 2 years of military service time in the amount of \$17,377.70.
 - b. Teresa A. Koller purchasing a total of 3 months and 10 days of leave of absence time totaling \$1,632.60
 - c. Antonio Torres purchasing 8 months and 24 days of workers comp time totaling \$3,930.43.

AUTHORIZE DISBURSEMENTS

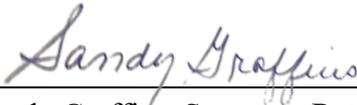
1. A motion was made by Vice Chairman Michael Rivera and second by Secretary Sandra Graffius to authorize the following. Motion carried.

09R.2022 A. Adopt a resolution authorizing and approving annuities and refunds for April 2022 as follows:

Annuities	\$2,125,966.34
Refund	\$ 167,037.26
Total	\$2,293,003.60

There being no further business, on motion made by Secretary Sandra Graffius and second by Vice Chairman Michael Rivera, the meeting adjourned at 10:30 A.M.

Respectfully Submitted,



Sandy Graffius, Secretary Retirement Fund Board