

Retirement Board Meeting
March 27, 2014

Present:	Commissioner	Douglas Lengenfelder Mark Wissinger Thomas Chernisky
	Controller	Ed Cernic, Jr. Kristine Segear Dana Descavish
	Treasurer	Lisa Kozorosky

Commissioner Lengenfelder called the meeting to order at 10:00 a.m.

Motion was made by Lisa Kozorosky to approve the minutes from the Special Retirement Board meeting held on February 17, 2014. Motion was seconded by Mark Wissinger. Motion carried. Vote unanimous 4-0.

Tom Chernisky arrived at 10:01 a.m.

Old Business:

1. The board discussed Private Equity. Ed Cernic spoke with the consultant Frank Burnette about private equity several times since the last meeting. Ed Cernic stated that he still does not have a comfort level and according to Frank Burnette that no surrounding counties are invested yet in Private Equity. Lisa Kozorosky feels that private equity is relatively new and that there are a lot of fees involved. Doug Lengenfelder advised that the investors he has spoken to about private equity are in favor of investing, stating that Private Equity is definitely a way to diversify. The length of investing in Private Equity is a concern as well as the unknown for the first several years of investing. Ed Cernic stated what we have has proved to work and has worked in good and bad times. Tom Chernisky reiterated the same. The board will continue to become more educated about Private Equity.

New Business:

1. Motion was made by Ed Cernic to approve the buyback request received from Nancy Fox to purchase per diem time from October 19, 1987 through November 26, 1989 in the amount of \$667.22 via a payroll deduction. Motion was seconded by Lisa Kozorosky. Motion carried. Vote unanimous 5-0.
2. Motion was made by Ed Cernic to ratify the action taken by the Commissioner's office at the recommendation of the Controller's office on the following March retirees: Helen Whiteford and Sherry P. Wills. Motion was seconded by Lisa Kozorosky. Motion carried. Vote unanimous 5-0.
3. Ed provided a report that is created by Mike Geiser from Ameriserv. The report is a breakdown of the value of the portfolio. The report is received on a weekly or bi weekly basis and is reviewed by Ed and Kris Segear. Integrity is fully on board and there is a lot of trading occurring right now. The trading is being watched carefully.
4. Dana Descavish had her first retirement board presentation March 18, 2014 at the CPC Auditorium. There were 75 people who attended. Ed commended Dana for a job well done on the presentation. Future presentations are scheduled for April 22, 2014 at the Courthouse and May 20, 2014 at the Human Services Building. The presentation will then be available on the website.
5. Doug Lengenfelder brought up GASB45 and inquired if we do the report. The report is done every two years by the Controller's office. Doug stated that the health care reform will affect the GASB45. He also stated that there is nothing that statutorily commits us to doing the reports, but it is a truer look at where you stand financially. Kris Segear advised that by not doing the reports it could adversely affect the financial statements that the auditors review. Doug also stated that in 2016 the Cadillac Tax will start. The tax will affect those high cost employer sponsored health care coverage plans, which Cambria County offers. These taxes can almost double what we would pay in hospital premiums by 2018. Ed stated that Health Care comes under the office of Commissioners and is Commissioner's policy. Doug was concerned that it will affect all funds. Doug stated he thought the Retirement Fund paid for a portion of retirement health care. Ed stated that it will not affect the Retirement Fund because all health care costs are entirely paid out of the General Fund. Doug stated that the Commissioners discussed the policy of the two person health care cap of \$200.00 for individuals who retire. This policy was put in place by the former

Board of Commissioners and needs to be looked into. Doug asked that the Controller's office provide to the Board of Commissioners a report on the impact of the cap on healthcare. Ed Cernic advised again that the health care is a Commissioner's policy.

6. Information for the board that there is PAPERS Conference on May 28-29, 2014 in Harrisburg at the Hilton. Ed Cernic and Dana Descavish will be attending the conference. At the conference there will be a speaker on Private Equity. Also, Ed will be on a panel with others to present about fund allocation.

The next scheduled Monthly Retirement Board Meeting is Thursday, April 24, 2014 in the Commissioner's Meeting room, 3rd floor.

Motion was made to adjourn the meeting by Tom Chernisky. Motion seconded by Mark Wissinger. Motion carried. Vote unanimous 5-0. Meeting adjourned at 10:20 a.m.

Ed Cernic, Jr.