1. Meeting was called to order at 2:10 p.m.

2. Motion made to approve the minutes of the June 26, 2019 meeting. Councilman Culp made the motion and Treasurer Mangano seconded the motion. The motion passed. *(5-0 vote)*

3. The Treasurer’s Report was submitted and will be delivered to the County Clerk by Treasurer Mangano. Market value as of August 31, 2019 was $531,750,073. This includes the annuities. That is an increase of $14,279,596 since the last valuation reported at the June meeting as of May 31, 2019.

4. No public comments were received or submitted.

5. New Business:
   
   (a) RBC Report - Rick Courtney shared an Investment Performance Report on performance of the Retirement Fund through August 31, 2019. Please refer to the report for specific investment performances. He noted that the Fund had recovered from the losses incurred in December of 2018. However, the continued tariff talks have resulted in continued volatility; the investments held by our Fund that have focused on smaller domestic companies have done better. The Board reviewed the various investment performances, particularly Bryn Mawr and Cambiar. It was noted that Cambiar is affected by currency conversion. In response to questions about particular investments, RBC noted that it looks at the portfolio’s investments collectively and not individually, in part to balance performance over a longer period of time. The REIT market appears to be holding, despite the stress on retail brick and mortar stores. Philadelphia Trust was terminated in July 2019. The assets from the account were put into an existing Vanguard Fund Index fund held in the portfolio.

   (b) There was a discussion between the Board and RBC about how we should balance the investment policy to achieve the stated investment goals of the Fund.
The Fund investments are currently within the established ranges set forth in the investment policy. Fixed income investments will not produce returns as traditionally seen in the past. There was some discussion about whether to move money from the fixed income or the equity investments.

(c) As a follow up to previous discussions in meetings held this year, Bruce Besecker of RBC presented a possible investment to be made with a private equity company. The firm is known to RBC and RBC has worked with Siguler Guff before on behalf of other clients. The Board and RBC discussed the proposed investment and the background of this firm. We reviewed the performance of other Siguler Guff funds and its principals. Following a discussion on the benefits and general risks of private equity and a discussion of potential returns and fund fees, the Board discussed moving ahead with the investment. A proposed investment of $5 million with Siguler Guff would be taken from equity investments as recommended by RBC. The investment will be made over time as required by capital calls made by the fund. Councilwoman Morrone made a motion to invest $5 million dollars into a new small business opportunity fund offered by Siguler Guff and discussed by the Board, and Councilman Culp seconded this motion. The motion passed. **(5-0 vote)**

(d) Korn Ferry – Secretary Phillips reported on a meeting with actuaries from Korn Ferry, which included Hank Stiehl and Dave Richert. An actuarial report will be submitted to us in the near future. Korn Ferry will review the latest GASB rules and will also give us the actuarially determined contribution (ADC) required for 2020 to fulfill the retirement contributions. Korn Ferry offered to do a summary of the plan for $700. We agreed to hire them to do this since it has not been done for several years. They also offered to give each retiree a summary of their plan for $1.85 per person. Secretary Phillips will discuss this with Controller office staff for a future planning. Her office currently performs this work.

(e) Secretary Phillips also updated the Board on an estate beneficiary issue. Upon the death of an employee, attorneys for the estate requested to have the money directly invested from the Fund into Vanguard since the beneficiary had predeceased the employee. The Controller’s staff had concerns about making an assignment of the benefits. Our actuaries, Korn Ferry, advised against this. Mr. Maddren informed the Board that he had spoken to former Board solicitor Frank Catania and advised that the check will be issued payable to the estate and will not be invested into Vanguard. This approach is the course of action recommended by the Controller’s office.

6. **Old Business:**

(a) Wells Fargo - Secretary Phillips announced that a letter had gone out to the retirees who still receive checks to encourage them to use direct deposit.

(b) Litigation Report- There was no news concerning any ongoing litigation. Mike Maddren and the Board briefly discussed the attorneys handling the litigation.
Mike reported that the Chimicles firm had contacted Mr. Catania about updating the engagement. Secretary Phillips noted that the Robbins Geller firm has done most of this work for us since she joined the Board.

(c) No other correspondence was discussed.

7. Motion to adjourn the meeting was made by Councilman Culp and seconded by Treasurer Mangano. The motion passed. (5-0 vote)

8. The meeting adjourned at 3:37 p.m. The next meeting is scheduled for November 13, 2019 at 2:00 p.m.