AGENDA
RETIREMENT BOARD

October 30, 2019

1. CALL MEETING TO ORDER

2. ANNOUNCEMENT

   • The Chester County Retirement Board met in Executive Session on
     Tuesday, October 29, 2019 for the purpose of educating Board
     members about Private Equity.

3. MINUTES OF PREVIOUS MEETING – August 14, 2019

4. PERFORMANCE UPDATE REPORT

5. VENTURE CHESCO

   • Therapeutics Articulations

6. INVESTMENT POLICY STATEMENT UPDATE

7. INVESTMENT MANAGERS

   • Vesper Capital Management
   • Taurus Private Markets Fund, LP
   • Siguler Guff Small Buyout Opportunities Fund

8. ADMINISTRATION UPDATE

   • Fiduciary Liability Insurance

9. PUBLIC COMMENT

10. NEXT MEETING – To be determined.

11. ADJOURNMENT
1. **CALL MEETING TO ORDER**
Chairman Kichline called to order the Retirement Board meeting on Wednesday, August 14, 2019 at 1:31 PM in the Commissioners’ Board Room, located at 313 West Market Street, West Chester, Pennsylvania.

In addition to Chairman Kichline, the following board members were in attendance: Commissioner Kathi Cozzone, Controller Margaret Reif, and Treasurer Patricia Maisano. Commissioner Terence Farrell was absent.

Also in attendance were: County Administrator Robert J. Kagel, Deputy County Administrator Kara C. Rahn, Chief Financial Officer Julie Bookheimer, Solicitor Tom Whiteman, Deputy Solicitor Kristen Mayock, Chris Burns of Finance, Consultant Rick Courtney and Bruce Besecker both of Courtney Investment Consulting Group, and Janet Werner of Wells Fargo.

2. **APPROVE MINUTES OF PREVIOUS MEETING**
   - **Motion**

Chairman Kichline asked if there was a motion to approve the minutes from the May 2, 2019 meeting. Commissioner Cozzone made the motion to approve the minutes. Controller Reif seconded the motion. Motion carried.

3. **PERFORMANCE UPDATE REPORT**
Rick Courtney of Courtney Investment Consulting Group stated that the market value at the end of June 2019 totaled $446,109,230. He remarked that there was a $47.5 million dollar increase in the first six months of the year. Mr. Courtney noted that the benchmark was adding some excess return, currently at 4.1 percent in the second quarter compared to 3.8 percent previously.

Mr. Courtney also stated that three managers were terminated (Emerald, Swarthmore, and Philadelphia Trust), and those monies were moved to the Vanguard Index Funds.

Bruce Besecker of Courtney Investment Consulting Group reviewed economic performance, employment, and the stock market. Mr. Besecker explained the Gross Domestic Product is performing at a rate that is supportive of the stock market and has been for the last several years. He noted that unemployment is the lowest it’s been since the late 60s at 3.6 percent. He also explained that although this strong economy has lasted and the stock market continues to grow, currently an inversion exists where short-term rates are higher than long-term rates, which is a strong indicator of a recession.
Mr. Courtney spoke about cash flow, stating that currently there is no need to re-allocate funds based on the previously mentioned inversion. He also noted the success of Metropolitan West and the reward for sticking with them, and that so far equities are having a good year. He noted that Eagle is matching their benchmarks and holding their own in the market.

4. **VENTURE CHESCO**
   There were no updates on Venture Chesco.

5. **ADJOURN TO EXECUTIVE SESSION**

   - **Motion**

   Chairman Kichline made a motion to adjourn the meeting for Executive Session. Treasurer Maisano seconded the motion. Motion carried. Meeting adjourned at 1:53 PM.

6. **READJOURN**

   - **Motion**

   Chairman Kichline made a motion to re-open the Retirement Board meeting. Treasurer Maisano seconded the motion. Motion carried.

7. **SECURITIES LITIGATION**

   - **Motion**

   Chairman Kichline asked if there was a motion to authorize Robin Gellers to file a complaint against Amilene in state court on behalf of the Chester County Employees Retirement Fund. Controller Reif made a motion to approve, which was seconded by Commissioner Cozzone. Motion carried.

8. **RATIFICATION**

   - **Motion**

   Commissioner Cozzone made a motion to ratify electronic vote for Vanguard Mid-Cap Growth Index Fund and Vanguard S&P 500 Index Fund. Treasurer Maisano seconded the motion. Motion carried to ratify vote electronically.

9. **CUSTODIAL UPDATE**

   Janet Werner of Wells Fargo reviewed that the sale of IRT Wells Fargo to Principal Financial was finalized on July 1, 2019. She then reviewed the three goals she has as the relationship manager for the county’s retirement plan, which include client retention,
team member talent retention, and product enhancement. Ms. Werner also explained that this sale will not result in any changes in fees or agreements.

10. **ADMIN UPDATE**
   Chief Financial Officer Julie Bookheimer reviewed that employees contributing six percent to their pension plans have slightly outweighed those that only contribute five percent, and that pension payments are increasing. Ms. Bookheimer noted that the Retirement Plan has been updated to reflect all current fund managers. She also explained the county received a State of California Franchise Tax Board notice for years 2012-2014 requesting payment just under $1,900, but that Solicitor Tom Whiteman is in contact with them to explain the county is tax exempt.

11. **PUBLIC COMMENT**
   Jim DiLuzio, an employee in the department of Children, Youth and Families asked the Board to consider offering an early retirement incentive for County employees as they have in the past.

   There was no further public comment.

12. **NEXT MEETING**
   Chairman Kichline announced that the next meeting will be on Thursday October 31, 2019 at 1:00 PM.

13. **READJOURNMENT**
   - **Motion**

   Chairman Kichline asked if there was a motion to adjourn the meeting. Commissioner Cozzone made a motion to adjourn this meeting. Controller Reif seconded the motion. Motion carried. Meeting adjourned at 2:30 PM.