

The regular monthly meeting of the Retirement Board of Allegheny County was held on Thursday, September 19, 2013, in the Gold Room, 4th Floor, Courthouse, Pittsburgh, Pennsylvania at 12:00 p.m.

An executive session was held prior to the meeting.

When the roll call of the Board Members was made, Board members Fitzgerald, Liptak, Puzak, Szymanski and Weinstein were recorded as being present. Amy Griser attended for Board member Wagner. Board member Gallagher was absent.

Also present were Tim Johnson, Executive Director; Felicia Bennett, Chris Shelby and David Lindberg of Wilshire Associates; Ed Boyer of Asset Strategy and Brian Gabriel of Campbell, Durant, Beatty, Palombo & Miller.

PUBLIC COMMENT

Frankie DeCristafaro, Union Representative for Probation Officers, said his Union supports all efforts of the Retirement Bill currently in the State legislature.

APPROVAL OF BOARD MINUTES

The Board unanimously approved a motion by Mr. Fitzgerald, duly seconded by Mr. Szymanski, to approve the minutes of the July 18, 2013, Board Meeting.

APPROVAL OF MONTHLY FINANCIAL STATEMENTS

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Mr. Szymanski, to receive and file the monthly financial statements from June 20, 2013.

APPROVAL OF MONTHLY FINANCIAL STATEMENTS

The Board unanimously approved a motion by Ms. Griser, duly seconded by Mr. Szymanski, to receive and file the monthly financial statements from July 31, 2013.

APPROVAL OF INVOICES

The Board unanimously approved a motion by Ms. Griser, duly seconded by Mr. Szymanski, to approve the following invoices:

APEX CAPITAL MANAGEMENT	\$7,620.69	4/1/13 to 6/30/13
APEX CAPITAL MANAGEMENT	\$6,760.95	10/1/12 to 12/31/12
APEX CAPITAL MANAGEMENT	\$7,305.79	1/1/13 to 3/31/13
CAMPBELL DURRANT	\$10,936.93	JULY, 2013
CIM INVESTMENT MANAGEMENT	\$10,390.39	4/1/13 to 6/30/13
CLEVELAND CAPITAL	\$9,021.78	4/1/13 to 6/30/13
CS MCKEE INVESTMENT MANAGERS	\$14,615.40	4/1/13 to 6/30/13
EARNEST PARTNERS	\$26,308.36	4/1/13 to 6/30/13
ECKERT SEAMANS	\$5,000.00	JUNE, 2013
ECKERT SEAMANS	\$5,000.00	JULY, 2013

EMERALD ADVISERS	\$25,661.88	4/1/13 to 6/30/13
FEDERATED	\$14,447.49	4/1/13 to 6/30/13
FRAGASSO FINANCIAL ADVISORS	\$8,840.00	4/1/13 to 6/30/13
MELLON CAPITAL	\$20,008.93	4/1/13 to 6/30/13
PENN CAPITAL	\$73,685.82	10/1/12 to 12/31/12
PENN CAPITAL	\$67,871.87	4/1/13 to 6/30/13
PFM GROUP	\$8,333.33	JULY, 2013
PHILADELPHIA INTERNATIONAL	\$40,111.76	3/31/13 to 6/30/13
PHILADELPHIA TRUST CO.	\$7,965.84	4/1/13 to 6/30/13
PYRAMIS GLOBAL	\$8,259.26	4/1/13 to 6/30/13
SCHNEIDER DOWNS	\$4,000.00	JULY, 2013
SCHNEIDER DOWNS	\$4,000.00	AUGUST, 2013
SSgA	\$3,597.27	4/1/13 to 6/30/13
SWARTHMORE GROUP	\$4,352.89	4/1/13 to 6/30/13
TWIN CAPITAL MANAGEMENT	\$16,803.00	4/1/13 to 6/30/13

APPROVAL OF APPLICATIONS AS PRESENTED

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Ms. Liptak, to ratify 24 Retirement applications from August 2013.

APPROVAL OF APPLICATIONS AS PRESENTED

The Board unanimously approved a motion by Mr. Szymanski, duly seconded by Ms. Liptak, to approve 16 Retirement applications from September 2013.

EXECUTIVE DIRECTOR'S REPORT

Mr. Johnson provided his monthly status report of the Retirement Board, highlighting the following:

- The charts on the first few pages of the report indicate the various benefits administered by the RBAC.
- The RBAC Office Budget is on target and they are strengthening their office systems.
- The 7th Annual PAPERS Fall Workshop was held in Pittsburgh on September 12th and 13th and was well attended.

REPORT OF THE SOLICITOR

Mr. Gabriel provided to the Board the Solicitor's Monthly Confidential Report.

APPROVAL TO ADOPT DISABILITY APPEAL POLICY

The Board unanimously approved a motion by Mr. Puzak, duly seconded by Ms. Liptak, to adopt the disability hearing appeals policy from Kevin Acklin, Saul Ewing LLP.

CONSULTANT'S REPORT

WILSHIRE ASSOCIATES

Ms. Bennett provided a summary of the Capital Market review.

The Federal Reserve announced on September 18th that they will continue their large-asset purchasing program known as QE3. The US Economy added 169,000 nonfarm, payroll jobs to the books, decreasing unemployment to 7.3% for the month of August. The ISM non-manufacturing index increased to 58.6% in August for the 43rd consecutive month of non-manufacturing sector expansion. Consumer numbers fell to its five month low in September due to fears of higher interest rates. Gold is trading around \$1,310 per ounce; Housing starts decreased by 0.9% in August, up 19.0% versus a year ago. Crude oil prices are trading near \$108 per barrel.

US Equity markets had very strong equity market performance YTD, with the Wilshire 5000 up 23.5% through yesterday's close. YTD, the Consumer Discretionary leads US large cap sectors, up 30.4%, while Telecommunications is the biggest laggard, up 5.7%. The Non-US Equity Markets are not as strong as US Equity Markets, with Emerging Markets having returned -5.1% YTD and Developed Markets having returned +12.8% YTD. The 10-year Treasury nominal yield is good, 2.69%. Overall, US Equity Managers performed strong in the month of August. Emerging markets are struggling and Commodities are down 7.3% YTD.

Mr. Shelby discussed the Monthly Performance Summary for periods ending August 31, 2013. Equity markets were strong and up 3.2% in the US for the month of August. For Asset Allocation, the total market value is \$775.8 million at the end of August. Fragasso and Apex Capital are behind and Twin Capital was the best this quarter at 2.52. The Non US Equity Composite, had a mixed performance. Pyramis added some value this month. Sound Point was added as a new manager as of August 1st, and had a good return of 0.22.

Mr. Shelby summarized the Recommended Cash Flows for the Fourth Quarter of 2013.

ASSET STRATEGY CONSULTANTS

Mr. Boyer stated that they will be working closely with Wilshire. Some of managers are doing well and are in line, but it is too early to predict ones that are underperforming.

NEW BUSINESS

APPROVAL TO AMEND CONTRACT AGREEMENT WITH BNY MELLON

The Board unanimously approved a motion by Mr. Fitzgerald, duly seconded by Mr. Szymanski, to extend the current contract, which expired in March 15, 2013, thru December 31, 2013.

APPROVAL TO AMEND CONTRACT AGREEMENT WITH SCHNEIDER DOWNS

The Board unanimously approved a motion by Mr. Fitzgerald, duly seconded by Ms. Liptak, to convert the current contract from a retainer based contract to a fee based contract.

APPROVAL OF SERVICE TIME BUY BACK PAYMENT REQUESTS

The Board unanimously approved a motion by Mr. Fitzgerald, duly seconded by Ms. Griser, to approved applications for payment plans.

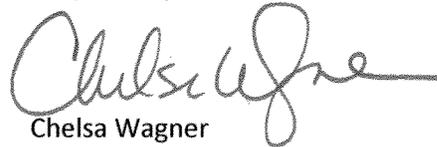
APPROVAL TO ACCEPT 2012 ACTUARIAL REPORT

The Board unanimously approved a motion by Ms. Liptak, duly seconded by Mr. Fitzgerald, to accept the 2012 Actuarial Report provided by Brad Rigby, Cowden Associates, Inc.

ADJOURNMENT

The Board unanimously approved a motion by Mr. Fitzgerald, duly seconded by Ms. Liptak, to adjourn the meeting.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Chelsa Wagner", written in black ink.

Chelsa Wagner
Secretary