

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
FEBRUARY 16, 2005

Commissioner Thomas W. Gajewski, Sr., acted as Chairman of behalf of Judith L. Schwank, who was absent, and called the meeting to order at 9:17 am. Attending were Sandy Graffius, Secretary and Nelson H. Long, CPA, Treasurer and member Mark Scott. The following County staff attended: Alan Miller, County Solicitor. Also attending were Dianne M. Lutz, CIMA, Vice President, of Consulting Group, Smith Barney, Inc. and Glenn Dever, Director of Institutional Distribution and Eric Kleppe, CFA, Client Service Manager of Turner Investment partners, and Michael Kemp, citizen.

The minutes of the December 15, 2004 and January 19, 2005 meetings were approved on motion by Mr. Long and second by Ms Graffius.

The Board received the following communications:

Presentations:

Mr. Dever said that Turner currently has approximately \$7.7 billion in large cap growth equities under management and employs 15 analysts. Mr. Kleppe, who is the lead client service professional for the Fund's portfolio, has been with Turner Investments for six months and was previously with Vanguard for six years.

Mr. Kleppe said the Fund's portfolio had strong performance in the fourth quarter of last year. Mr. Dever reviewed Turner's pure growth style and pointed out that their investment discipline has historically performed very well in up growth markets.

Mr. Gajewski asked if the portfolio could be adjusted to come closer to the actuarial assumed rate of return of 7.5% annually even if it meant forfeiting on the upside by reducing the volatility of the portfolio

Mr. Kleppe said Turner has another large cap equity portfolio with a similar rate of return but reduced volatility. Ms. Lutz said she would work with Turner and review the historical performance of the other portfolio and she would report back to the Board.

Correspondence:

1. Memorandum from Hay Group dated January 17, 2005 with copy of Employees Retirement System Pension Benefit Statement as of January 1, 2005
2. Memorandums from Hay Group dated January 17, 2005 regarding information requests for actuarial valuation holdings as of December 31, 2004 and Quarterly Review dated January 13, 2005
3. MTB'S President's Message and Semi Annual Report – October 13, 2004

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4. McDonnell Investment Management, LLC 's Investment Report for period ending December 31, 2004
5. Schneider Capital Management Fourth Quarter 2004 Review
6. Templeton Portfolio Advisors Portfolio Quarterly Report as of December 31, 2004
7. SEI Investments 2004 Commission Statements as of trade date December 31, 2004 & January 31, 2005
8. Lynch, Jones, & Ryan, Inc.'s trading summary January 1, 2004 through December 31, 2004
9. Pzena Investment Management, LLC Portfolio Review – December 31, 2004
10. BNY Brokerage Statement for December 2004
11. Monthly Newsletter from Lynch, Jones & Ryan, Inc.
12. Bank statements
 - a) January, 2005, statement from M & T Trust Company for accounts 77062 (cash); 9554168005 (McGlenn equities); 77065 (McGlenn fixed); 1551134028 (Emerald); 75518 (Cohen, Klingenstein); 75119 (Turner); 76982 (Templeton); 79316 (Vanguard) and 1003440 (Pzena)
 - (1) January 2005, statement from Wachovia for checking account 210000020087.
13. Solicitations:
 - a) General
 - (1) C. S. McKee
 - b) Conferences
 - (1) Opal Financial Group, Second Annual Emerging Managers Summit, May 18-20, 2005, Renaissance, Chicago, IL.
 - (2) Pension Management Conference, May 3-6, 2005, Boston, Mass.

Old business: Nothing reported.

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New business:

Mr. Long moved and seconded by Ms. Graffius to purchase 2005 Employee Pension Benefits Statements from Hay Group at \$1.75 per statement. Motion passed.

Mr. Long moved and seconded by Ms. Graffius to approve the request of James P. Troutman to buy back nearly 2 years of military time at \$16,851.64. Motion passed.

The Board authorized disbursements on motion by Mr. Long and second by Ms. Graffius.

Annuities and refunds for February, 2005

Annuities	\$414,546.49
Refunds	250,939.86
Total	\$665,486.35

\$2,513 to Hay Group for actuarial services and expenses for the month of January 2005

\$23,171.20 to Cohen, Klingenstein & Marks Inc for investment counseling, Fourth Quarter, 2004

\$18,028.74 to Emerald Advisors, Inc. for investment counseling fees October 1 thru December 2004

\$36,456.08 to Franklin Templeton Investments for Investment Advisory Fees for Quarter ended December 31, 2004

\$260.00 to M&T Investment Group for Vanguard Account for period ending January 15, 2005

\$22,043.13 to M&T Investment Group for custodial fees for period ending January 15, 2005

\$27,015.11 to McDonnell Investment for management of assets from October 1 thru December 31, 2004

\$29,942.06 to Pzena Investment Management, LLC for management of assets from October 1 through December 31, 2004

\$14,428.53 to Turner Investment Partners for management fee for quarter ended December 31, 2004.

Citizen comment from the floor

Mr. Michael Kemp addressed Board regarding a cost of living adjustment (COLA) for retirees. Mr. Kemp stated he was satisfied with his pension; however; retirees have not received a COLA since January 2000. Mr. Gajewski said that at this time there is no money available to grant retirees a COLA.

The meeting was adjourned at 12:00 p.m.