

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
JULY 20, 2011

Co-Chairman Mark Scott called the meeting to order at 10:04 a.m. Attending were Sandy Graffius, Secretary, Nelson Long, Treasurer and member Kevin Barnhardt. The following County staff attended: Alan Miller, County Solicitor and Suzanne Baer, Pension Coordinator. Donald Haverly and Terry Gerlich from SEI Global Institutional Group and Coreen Thomas, representative of UFCW also attended.

The minutes of the June 16, 2011 meeting approved were on a motion by Mr. Barnhardt, seconded by Mr. Long. Motion carried.

The Board received the following communications:

Presentation:

Mr. Gerlich said it was a quarter of modest absolute and relative returns. Bonds outperformed stocks. Growth is expected to improve in the second half of the year.

Mr. Gerlich said the equity market was affected by volatility and is slowly working its way higher. Mid-quarter market selloff led to flat equity returns for the quarter.

Under fixed income the interest rates declined U. S. Treasuries was the best performing sector

Looking forward the economic positives outweigh negatives. Although the rate of economic growth had eased recently, global growth appears sustainable.

Mr. Gerlich said there was one equity manager added in the second quarter.

Mr. Haverly said the public funds performed their perspective indexes as noted below:

Year to Date ending June 30, 2011

FUND	SEI (%)	INDEX (%)
Discipline Equity	6.39	6.02
Small/Mid Cap	7.38	8.06
Large Cap Diversified Alpha	6.81	6.37
World Equity ex-US	4.65	3.80
Core Fixed Income	3.26	2.72
High Yield Bond	5.74	4.93
Emerging Market Debt	5.71	4.76
SEI Special Situation Funds	0.20	0.04

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The total portfolio returns year to date was at 4.7% with index at 4.1%, since inception portfolio 9.4%, index 7%.

Mr. Gerlich reviewed SEI's Core Property Fund. The board took no action. Special meeting was scheduled for Sept. 21, 2011 at 10:00 at which time SEI will provide additional information on this fund.

Correspondence:

Bank statements

June, 2011 statement from SEI Trust Company account 15963-C

June, 2011 statement from National Penn Bank for checking account 216784425

Solicitations:

General: None

Conferences: None

Old Business: None

New Business:

Ms. Graffius moved, seconded by Mr. Barnhardt, to approve the employee buy back request as listed. Motion carried.

M. Theresa Johnson, purchase pension service time previously refunded, over 4 years, in the amount of \$17,909.94

The Board authorized the disbursements on motion by Ms. Graffius and second by Mr. Barnhardt Motion carried.

Annuities and refunds for July, 2011

Annuities	\$ 846,569.09
Refund	<u>\$ 85,822.77</u>
Total	\$ 932,391.86

\$7,542.00 to Hay Group for actuarial services and expenses during the second quarter (April-June) of 2011

\$7,542.00 to Hay Group for actuarial services and expenses during the third quarter (July – September) of 2011

Meeting adjourned at 10:55 a.m.