

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
JUNE 15, 2006

Commissioner Judith Schwank called the meeting to order at 11:15 a.m. Attending were Sandy Graffius, Secretary, Nelson Long, Treasurer and members Thomas Gajewski and Mark Scott. The following County staff attended: Alan Miller, Solicitor; Suzanne Baer and Judith Lumis, Office of the Controller.

The minutes of the May 17, 2006 meeting were approved on motion by Mr. Scott and second by Mr. Long.

The Board received the following communications:

Correspondence:

Dresdner Bank transaction confirmations and Allianz Dresdner Daily fund
Cohen Klingenstein & Marks Inc. Market Conditions

Lynch, Jones & Ryan, Inc. Trading Summary January 1, 2006 through
April 30, 2006, New Update dated April, 2006, Letter dated May 30, 2006
attaching paper "New Frontiers of Risk-The 306 degree Rick Manager"

Pzena Investment Management Commissions Report for May, 2006

SEI Investments 2006 Commission Statement as of trade date May 31,
2006 and Statement of Account, period April 29-May 31, 2006; Trade
Confirmations, Trade Dates May 26, May 30, and June 1, 2006

Turner Investment Partners "Perform"

Faxed letter received from Dianne Lutz, Richard Gleason and H. Jeffrey
Herb of Smith Barney Consulting Group giving formal notification of
termination of their consulting services effective Wednesday, May 31,
2006.

Letter received from Smith Barney Consulting Group rescinding letter of
formal notification of termination of consulting services effective May 31,
2006.

Bank statements

May, 2006, statement from M & T Trust Company for accounts
77062 (cash); 1551134028 (Emerald); 75518 (Cohen,
Klingenstein); 75519 (Turner); 76982 (Templeton); 79316
(Vanguard) 77065 (McDonnell-fixed), 9554168005 (Scheider) and
1003440 (Pzena)

May, 2006, statement from Wachovia for checking account
210000020087.

Solicitations:

General

Mastholm Asset Management, LLC, Deerfield, Illinois
JP Morgan, Dallas, TX.

Conferences

New England Public Employee Retirement Systems
Summit and Newport Cup of Indexing and Related
Products, July 19-20, 2006, Newport, Rhode Island

Old Business:

Ms. Graffius said the signing and distribution of the investment advisory contracts for the three new U.S. Large Cap Growth Equity Managers (Chase, Rigel and Westfield) has been completed. Mr. Long commented that approximately 51% of the securities held by the two terminated US Large Cap Growth Equity Managers (Cohen, Turner) were retained in the portfolios of the three new investment managers.

Ms. Baer said the application for the Fiduciary Liability insurance had been completed and forwarded to Mike Malinowski of Engle, Hambright and Davies along with the most recent actuarial report.

Following a discussion, Mr. Miller agreed to review case law provided by Mr. Long and Ms. Graffius regarding releasing retiree addresses. Mr. Miller will provide his opinion at the next Board meeting.

New Business:

Mr. Long suggested the Board consider hiring a part-time solicitor on an as needed basis. Following a discussion, the Board asked Mr. Miller to make inquiries with other attorneys and report back to the Board at the next meeting.

Mr. Gajewski moved, seconded by Ms. Graffius to pay the remainder of the 2006 Annual Required Contribution (ARC) (up to the amount of \$2,979,390) in equal monthly payments over the next several months. Motion carried.

Ms. Baer said the Reading Eagle recently changed its policy and no longer lists employment history in obituaries unless an additional fee is paid to include the information. Ms. Baer said she previously read through the obituaries daily to research retiree deaths. Ms. Baer said no free sources are available to obtain this type of information.

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

Annuities and refunds for June, 2006

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|-----------|--------------|
| Annuities | \$560,914.51 |
| Refunds | \$151,662.59 |
| Total | \$712,577.10 |

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\$11,303.53 to Turner Investment Partners for management fee for quarter ending May 31, 2006

\$6, 750. to Hay Group for Actuarial Services and expenses January through March 2006

Ms. Lumis spoke with Amy Roe of M&T Bank regarding the income received from Securities Borrowing. Ms. Roe said the income had been deposited into one of the managed accounts by mistake. These transactions have been reversed and deposited into the cash account.

Mr. Long questioned an invoice received from Hay Group in April, 2006. Ms Lumis said the invoice covered expenses incurred in 2005.

Ms. Graffius told the Board that the \$55,968.02 taken from the General Fund to reimburse the Retirement Fund for expenses associated with generating yearend 2005 realized capital gains, has been transferred to the M&T cash account portion of the Retirement Fund. The Board agreed the consultant should guide the allocation of this reimbursement to the individual managed accounts of the Retirement Fund.

Citizen comment from the floor.

Meeting adjourned at 11:44 p.m.