

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES  
OCTOBER 21, 2004

Chairman Judith L. Schwank called the meeting to order at 11:28 a.m. Attending were Sandy Graffius, Secretary, and member Mark C. Scott. The following County staff attended: Alan Miller, Esq., County Solicitor; William Dennis, County Administrator; Judith Lumis and Mark Hanson, Chief Deputy Controller; and Shane Keller of Human Resources.

The minutes of the September 16, 2004 meeting were approved on motion by Mr. Scott and second by Ms. Graffius.

The Board received the following communications:

Correspondence:

Letter from Franklin Templeton Private Client Group of its intent to change its name to Franklin Templeton Portfolio Advisors, Inc. effective October 1, 2004.

Notice of Joint Annual Meeting of Shareholders to be Held on October 18, 2004 from SIT Large Cap Growth Fund, Inc., et al

Request from Schneider Capital Management to include Berks County Employee's Retirement Fund on a list of Schneider Capital client's list. Signed and faxed October 12, 2004 by Secretary.

Portfolio Holdings and Quarterly Review as of September 30, 2004 from Cohen, Klingenstein & Marks, Inc.

Portfolio Review and Quarterly Report to Clients as of September 30, 2004, from Pzena Investment Management, LLC

Third Quarter 2004 Review as of September 30, 2004, from Schneider Capital Management

Broker Commission Reports for:

Cohen, Klingenstein & Marks, Inc.

Emerald Advisers, Inc.

Pzena Investment Management, Inc.

Schneider Capital Management

Templeton Franklin Private Client Group

Turner Investment Partners, Inc.

Bank statements

September, 2004, 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)

September, 2004, statement from Wachovia for checking account 210000020087.

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Commission recapture statement for August 2004 from BNY Brokerage, Inc., year to date, (\$5,380.72)

Commission recapture statement for September 2004 from BNY Brokerage, Inc., year to date, (\$7,407.65)

Commission recapture statement for January 1 through August 31, 2004 from Lynch, Jones & Ryan, Inc. (\$8,000)

Commission recapture statement for January 1 through September 30, 2004 from Lynch, Jones & Ryan, Inc. (\$42,816)

Commission recapture statement as of September 30, 2004 from SEI Investments (\$2,115)

Commissions report as of September 24, 2004 from SEI Investments for Franklin Templeton Investments

Commissions report for September 2004 from Pzena Investment Management

Solicitations:

General

Capital Management Associates

Conferences

Mid-sized Pension Management Conference, January 30 – February 2, 2005, Orlando, FL

New business:

The Board discussed reimbursing the Berks County General Fund of 2003 investment expenses for the Berks County Employee's Retirement Fund. Mr. Scott moved, seconded by Ms. Graffius, to reimburse the Berks County General Fund for 2003 investment expenses in the amount of \$627,827.13 by December 31, 2004. The motion passed.

The Board discussed reimbursing the Berks County General Fund of 2004 investment expenses through the second quarter for the Berks County Employee's Retirement Fund. Mr. Scott moved, seconded by Ms. Graffius, to reimburse the Berks County General Fund for 2004 investment expenses through the second quarter in the amount of \$574,992.78 by December 31, 2004. The motion passed.

18R-04

Mr. Scott moved, seconded by Ms. Graffius, to adopt resolution 18R-04 which becomes effective immediately and calls for all investment expenses of the Fund to be paid directly from Fund assets on a quarterly basis with all such payments to be made by the Fund's custodian, and remove items D and E from the agenda. The motion passed.

The Board approved the employee requests to buy-back years of service on motion by Mr. Scott, second by Ms. Graffius.

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Nolan Ponton, nearly six years of service, previously refunded, at \$15,144.55

Julie R. Yeich, over seven years of service, a portion of which was previously refunded, in the amount of \$9,843.28

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

Annuities and refunds for October, 2004:

Annuities	\$404,181.57
Refunds	179,843.76
Total	\$584,025.33

\$2,513 to Hay Group for actuarial services and expenses for the month of September, 2004

\$11,250 to Consulting Group, Smith Barney for consulting services July 1 through September 30, 2004

\$14,565.88 to Emerald Advisers, Inc. for investment fees July 1 through September 30, 2004

\$9,395.97 to McDonnell Investment Management, LLC for management of assets August 30 through September 30, 2004

\$27,766.88 to Pzena Investment Management, LLC for investment fees July 1 through September 30, 2004

\$16,244 to Schneider Capital Management for quarterly management fee September 1 through September 30, 2004.

The meeting adjourned at 11:55 a.m.