

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
APRIL 19, 2006

Commissioner Judith Schwank called the meeting to order at 10:10 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 and Mark Hanson, Office of the Controller. Dianne M. Lutz, CIMA, First Vice President, and Richard Gleason, Sr. Vice President of Consulting Group Smith Barney, Inc. also attended.

The minutes of the March 16, 2006 meeting were approved on motion by Ms. Graffius and second by Ms. Schwank.

The Board received the following communications:

Presentations:

SMITH BARNEY, INC:

Ms. Lutz said, for the trailing 5 years, from March 2001 to March 2006, the Fund experienced an improved annualized rate of return of + 6.61 % vs the benchmark of +4.54 % annualized. The actual Fund allocation at the end of March, 2006 was seventy percent equity, twenty-seven percent fixed, and three percent cash. The dollar value of the Fund at the end of March was \$206,570,192.

FUND	BENCHMARK	PERFORMANCE SUMMARY TABLE QUARTER ENDING 3/31/2006
Total Fund	2.67%	4.06%
Turner Investments	3.10%	3.60%
Cohen, Klingenstein	3.10%	0.70%
Vanguard S&P500 Index	4.20%	4.21%
Emerald Account	14.37%	16.06%
Templeton Portfolio	9.39%	6.59%
Pzena	10.46%	6.99%
Schneider Capital	5.92%	6.35%
McDonnell Fixed Income	-0.39	-0.30%

Ms. Lutz said that additional information had been added to their report as a result of their ability to download the individual holdings from M&T Bank into their system.

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One example of the new reporting is the matrix of common holdings between each equity manager.

Also as requested by the Board at the April 7, 2006 large US growth equity manager interviews, Ms. Lutz distributed a performance analysis covering a ten year history of the current and prospective large US growth equity managers interviewed. She also distributed a comparative schedule of each of the interviewed manager's fees

The Board discussed the large cap growth manager interviews that were held on April 7, 2006. The Board asked for the opinion of the consultants regarding the interviews. Mr. Gleason said normally, as a consultant, he would not offer an opinion; however, he agreed with the Board members who attended the interviews that Rigel Capital, LLC and Westfield Capital Management would make a good combination.

It was agreed by Board to defer the final decision on the large cap growth managers until May's Board meeting.

Correspondence:

Dresdner Bank transaction confirmations and Allianz Dresdner Daily fund
Lynch, Jones & Ryan, Inc. Trading Summary January 1, 2006 through
February 28, 2006, Disclosure Statements and letter regarding Bundled
Brokerage and Soft Commission Arrangements from UK Financial
Services Authority. LJR Newsletter.

Pzena Investment Management Commissions Report for March, 2006
SEI Investments Commission Statement as of Trade Date March 31, 2006;
Trade Confirmation, Trade Date March 15, 2006 and Daily Brokerage
Activity for March, 2006

Vanguard Institutional Index Fund Annual Report dated December 31,
2005

Cohen Klingenstein & Marks Inc. report on Market Conditions

Bank statements

March, 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 (Schneider)
and 1003440 (Pzena)

March 2006, statement from Wachovia for checking account
210000020087.

Solicitations:

General

Beneco, Inc., Scottsdale, Arizona

Conferences

Eighth Annual Health and Welfare Plan, June 4-7, 2006,
Chicago, Illinois

Vanguard 2006 Institutional Asset Management Forum,
May 11, 2006, Philadelphia, Pa.

Newport Cub of Indexing and New England Public
Employee Retirement Systems, July 19-20, 2006, Newport,
Rhode Island

Old Business:

Ms. Graffius said that follow-up letters were sent to severed employees who failed to respond to previous requests for disbursement of pension assets. Approximately five responses were received from the latest mailing. Updated addresses have been obtained on some of the former employees and letters are being prepared to be sent out to them in the next week. These letters will give a thirty-day response period from date of mailing. The next step will be to place an ad in the local newspaper for those individuals who do not respond to the letters. After thirty days from the date of the ad, a decision will have to be made regarding who will be the custodian for the rollover accounts. Ms. Graffius said a proposal was received from M&T Bank indicating an administration fee of \$15.00 per year from each individual IRA account. The Board agreed to check the rates of other banks before making a decision on the custodian.

New Business:

Mr. Scott moved, seconded by Ms. Graffius to authorized Ms. Graffius, as secretary to the Berks County Employees Retirement Board, to execute an Affidavit and Indemnification Agreement and Owner Claim Form to the Commonwealth of Pennsylvania regarding unclaimed property of the County of Berks. Motion carried.

Scott moved, seconded by Ms. Graffius, to approve the employee buy back requests as listed. Motion carried.

Michael D. Kasper to buy back Worker's Compensation Leave of
Absence Time for a period of 8 months at \$2,362.22.

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

Annuities and refunds for April, 2006

Annuities	\$567,255.06
Refunds	\$400,710.99
Total	\$967,966.05

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\$47.28 to Reading Eagle Company for Legal Notice for Berks County Retirement Fund change of time for March Board meeting

\$51.52 to Reading Eagle Company for Legal Notice for Berks County Retirement Fund workshop for investment manager interviews

\$1,380.00 to Hay Group for Additional 2005 Retirement Quotations

\$11,250.00 to Smith Barney for Consulting Services January 1, 2006 thru March 31, 2006

Citizen comment from the floor.

Meeting adjourned at 11:28 p.m.