

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
AUGUST 15, 2007

Commissioner Judith Schwank called the meeting to order at 10:06 a.m. Attending were Sandy Graffius, Secretary, Nelson Long, Treasurer and members Thomas Gajewski and Mark Scott. The following County staff attended: Suzanne Baer, Pension Coordinator and Judi Lumis, Office of the Controller. Michael W. Shone, President, Peirce Park Group, David Scott, and Donald Broggi, Scott & Scott; John Kehoe and Kevin Cauley, Schiffrin Barroway Topaz & Kessler and Sidney Liebesman, Grant & Eisenhofer also attended.

The minutes of the June 13, 2007 meeting were approved on motion by Ms Graffius and second by Mr. Gajewski. Motion carried with Mr. Long abstaining.

The Board received the following communications:

Presentations:

Scott & Scott:

Mr. Scott said the firm of Scott & Scott is based in Connecticut and have offices in California, Ohio and New York. Mr. Scott said that Securities litigation has modified the fiduciary obligations giving trustees the obligation to monitor the portfolio for the impact of security fraud, the duty to investigate whether or not to become involved in action in a class action and duty to recover assets that available to the Fund.

Mr. Scott said it is important to have a securities monitoring system in place which Scott and Scott can offer as a portfolio monitoring counsel. They would first identify instances where there has been a significant loss. They then analyze the case to determine if there is a potential for recovery and then will counsel and advise on the level of participation. They would also make sure we received a Proof of Claim Form.

Scott & Scott also provide their clients with quarterly reports which include cases that were filed in the quarter and provide information on each case. Mr. Scott said they also provide a yearly report that would include any activity involving the Fund.

Mr. Scott there is no charge for any of these services and can be cancelled at any time.

Schiffrin Barroway Topaz & Kessler:

Schiffrin Barroway Topaz & Kessler is headquartered in Radnor, Pa. and has an office in Walnut Creek, Ca. The firm is comprised of 70 attorneys and has a support staff of 250. Mr. Kahoe said the firm actively litigates security fraud cases.

Mr. Cauley said Schiffrin would monitor the portfolio and provide accurate reporting of any cause for litigation occurring in the portfolio. Claim forms would be completed timely and accurately. They also provide quarterly reports. There would be no fee for these services.

Grant & Eisenhofer

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Grant & Eisenhofer is based in Delaware and New York employing 38 attorneys. Mr. Cauley said this firm is not based on volume as they are selective as to the cases they choose to litigate. The firm is very researched driven for cause prior to litigation. Grant & Eisenhofer does not file litigation. They represent some of the biggest pension funds in the world and only represent institutional investors.

Mr. Cauley said the firm performs securities monitoring and litigation counseling for their clients. They provide quarterly reports listing every case filed in the quarter and pertinent information regarding each case.

Mr. Cauley said the firm provides their clients with information and guidance at no cost.

Mr. Shone said it is his impression that it would be to the Fund's benefit hire one of these firms. The Board agreed to look over the information provided by each of the firms who presented and forward to Mr. Shone any questions they have. Mr. Shone would then send the list of questions to each firm for their response. The Board agreed to make a decision on which firm to hire at the November meeting.

Mr. Shone said the market did well during the second quarter. At the beginning of the quarter the Fund Value was at \$228 million and at the end of the quarter \$240.5 million. Mr. Shone said the Fund value was back down to \$229 million as of August 13, 2007. Total gross rate of return for the quarter was 5.44%. The managers cumulatively outperformed the bench mark.

Correspondence:

Dresdner Bank transaction confirmations

AskMeNow, Inc. Notice of Annual Meeting of Stockholders to be held on August 1, 2007

Letter from Franklin Templeton Investments and check for \$464.30 representing Fund's pro-rated share of the Net Settlement Fund from the Cable & Wireless PLC Securities Litigation

Letter from WorldCom Victim Trust re distribution funds of the SEC's enforcement action against WorldCom, Inc.

Letter from Citi Smith Barney re: Trade Confirmation Suppressions

Notice of Proposed Settlement of Class Action regarding Check Point Software Technologies LTD. Securities litigation (forwarded to M&T)

Peirce Park Group 2nd Quarter 2007 Market Review

Chase Investment Counsel Commission Recapture Broker Commissions from June 1, 2007 through June 30, 2007, Commission Recapture Broker Commissions from July 1, 2007 through July 31, 2007 and Quarterly review and performance update for period ended June 30, 2007

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LJR Recapture Services Trading Summary January 1, 2007 through June 30, 2007

McDonnell Investment Management, LLC Investment Report for period ending June 30, 2007

Pzena Investment Management, LLC, Portfolio Review for period March 30, 2007 through June 29, 2007 and Quarterly Report to Clients

Rigel Capital, LLC Portfolio Appraisal, June 30, 2007

SEI Investments Inc. Trade confirmation –Trade date August 8, 2007

Westfield Capital Management Portfolio Review ending June 30, 2007 with Commentary

Bank statements

June, 2007 and July, 2007, statements from M & T Trust Company for accounts 77062 (cash); 1551134028 (Emerald); 2002696 (Chase), 2002697 (Rigel), 2002698 (Westfield); 76982 (Templeton); 79316 (Vanguard-Short Term) 77065, (Vanguard Intermediate Term) 1011511, (Vanguard Value Index) 1011510, (McDonnell-fixed), 9554168005 (Scheider) and 1003440 (Pzena)

June, 2007 and July, 2007, statements from Wachovia for checking account 210000020087.

Solicitations:

General

View for the Mast, Mastholm Asset Management, LLC

Conferences

Pensions and Retirement Conference, November 8-9, 2007, New York, NY

Real Estate Investments Summit, September 11-12, 2006, Las Vegas, NE

Mid-Sized Retirement & Pension Plan Management Conference, October 7-10, 2007, Chicago, IL.

Green Mountain Summit on Investor Responsibility, July 19-20, 2007, Newport, RI

Super Bowl of Indexing, December 2-5, 2007, Phoenix, Arizona

Middle Atlantic Public Employee Retirement Systems Forum, September 17-18, 2007, Chantilly, VA.

Euro money Training, Fund Selection, October 15-17, 2007, New York City, NY

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Old Business: Mr. Shone suggested adding one International/Global manager to the portfolio and in the future eliminate one or two of the U.S. large cap growth managers.

Following the discussion, the Board agreed to decide which international/global managers would be brought in for an interview.

New Business:

Ms. Graffius moved, seconded by Mr. Gajewski, to ratify and confirm buy backs approved on July 19, 2007.

Hilary Notario, buy-back, service time at \$267.45.

Carl Aron, buy-back, service time at \$5,007.19

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

Brian D. Harting, buy-back, service time at \$8,642.93

Mary Elizabeth Wike, buy-back leave of absence time at \$4,222.35

Ms. Graffius moved, seconded by Mr. Gajewski, to ratify and confirm disbursement approved on July 19, 2007.

Annuities and refunds for July, 2007

Refunds	\$272,376.15
Annuities	<u>\$699,550.68</u>
Total	\$872,926.86

\$47.85 to Reading Eagle Company for the Legal Notice of Berks County Retirement Fund Board indicating the date and time of the June meeting

\$7,250.00 to Hay Group for Actuarial services and expenses for the second Quarter (April-June) of 2007

\$18,750.00 to Chase Investment Counsel for Management Fees April 1, 2007 through June 30, 2007

\$21,360.48 to Rigel Capital, LLC for Management Fees for second quarter fee as of June 30, 2007

\$23,933.75 to Emerald Advisers, Inc. for Investment Counseling Fees for period April 1, 2007 through June 30, 2007

\$19,516.07 to Westfield Capital Management for Management Fees for period April 1, 2007 through June 30, 2007

\$57,312.10 to Franklin Templeton Investment for Investment Advisory Fees for quarter ended June 30, 2007

Ms. Graffius moved, seconded by Mr. Gajewski, to authorize disbursements pending verification by Controller's office.

Annuities and refunds for August, 2007

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Refunds	\$ 73,167.48
Annuities	<u>\$594,026.57</u>
Total	\$667,194.05

\$17,472.00 to Hay Group for design and development of web-based Pension Estimator

\$26.92 to M&T Investment Group for Custodian Fees for Vanguard Intermediate Term Bond (pending verification by Controller's office)

\$24,591.25 to M&T Investment Group for Custodian Fees for Fund managed by Emerald Advisors, Inc.

\$270.00 to M&T Investment Group for Custodian Fees for Vanguard Institution Index Fund (pending verification by Controller's office)

\$28,479.66 to McDonnell Investment Management, LLC for Management of Assets April 1, 2007 through June 30, 2007

\$39,920.86 to Pzena Investment Management, LLC for Management fees for period April 1, 20007 through June 30, 2007

\$75,301.00 to Schneider Capital Management for Management fees for period April 1, 2007 through June 30, 2007.

Meeting adjourned at 11:50 p.m.