

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
JANUARY 19, 2011

Co-Chairman Christian Leinbach called the meeting to order at 10:02 a.m. Attending were Sandy Graffius, Secretary; Nelson Long, Treasurer and members Co-Chairman Mark Scott and Kevin Barnhardt. The following County staff attended: Alan Miller, County Solicitor; Suzanne Baer, Pension Coordinator, and Robert Patrizio, Director of Budget and Finance. Donald Haverly and Terry Gerlich from SEI Global Institutional Group and Coreen Thomas, representative of UFCW also attended.

The minutes of the December 16, 2010 meeting were approved as presented.

The Board received the following communications:

Presentation:

Mr. Gerlich and Mr. Haverly from SEI gave their quarterly presentation covering the Capital Markets Overview, Plan Assets and Metrics, Asset Allocation Recommendations and Peer Universe Comparison.

Mr. Gerlich said 2010 was a good year. Value was added to the Fund due to the diversified asset allocation, the active asset allocation changes made and the relative performance generated by the managers.

Mr. Gerlich said looking forward there are components for growth; however, there are concerns with sovereign debt, employment growth and pressure from low home prices.

Mr. Gerlich said manager changes to the portfolio included additional fundamental security selectors under Small and Mid Cap growth and a restructure of the manager line up under World Equity.

Mr. Haverly said five of the six public funds outperformed their perspective indexes as noted below:

Year to Date ending December 31, 2010

FUND	SEI (%)	INDEX (%)
Discipline Equity	15.17	15.06
Small/Mid Cap	25.67	26.71
World Equity ex-US	13.40	11.15
Core Fixed Income	9.95	6.54
High Yield Bond	17.97	15.07
Emerging Market Debt	15.82	12.24

Fourth Quarter 2010:

SEI Special Situation Funds 3.80 % Index 0.04%.

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The asset allocations are well within the guidelines: 52% in Equity, 38% Bonds and 10% in alternatives. Mr. Haverly said at the end of December, 2010, the Fund was at \$257,548,000. Mr. Haverly said the Portfolio realized \$24.6 million in gains for 2010.

Recommendations were made by SEI to reduce the overweight in Emerging Market Debt by 4% and increase the equity allocations. Following a discussion, Mr. Scott moved, seconded by Ms. Graffius to accept the recommended portfolio allocations. Motion carried.

Correspondence:

Fiduciary Responsibility Insurance Policy Renewal

Check in the amount of \$264.83, Representing Telik Inc. Class Action Proceeds

Bank statements

December, 2010 statement from SEI Trust Company account 15963-C

December, 2010 statement from National Penn Bank for checking account 216784425

Solicitations

General: None

Conferences:

Mid-Sized Retirement & Pension Plan Management
March 27-30, 2011, San Francisco, CA.

Old Business: None

New Business:

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

Robin Faust, previous employment no pension refunded, and buying pension when it should have been deducted and was not. Total buyback amount \$11,381.41.

Mr. Barnhart moved, seconded by Mr. Scott to recommend to the Board of Commissioners payment of \$500 to Hay Group for Voluntary Correction Program fees from the general fund. Motion carried.

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

Annuities and refunds for Jan, 2011

Annuities	\$ 805,853.11
Refund	<u>\$ 51,931.69</u>
Total	\$ 857,784.80

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\$7,395.00 to Hay Group for Actuarial services and expenses during forth
quarter (Oct - Dec) of 2010

Meeting adjourned at 10:53 a.m.