

BERKS COUNTY EMPLOYEE'S RETIREMENT FUND MINUTES
JANUARY 21, 2009

Co-Chairman Christian Leinbach called the meeting to order at 10:01 a.m. Attending were Mark Hanson for Sandy Graffius; Secretary, Nelson Long, Treasurer, Chairman Mark Scott and member Kevin Barnhardt. The following County staff attended: Alan Miller, County Solicitor and Suzanne Baer, Pension Coordinator. Chip Greenberg and Doug Salvati from SEI Global Institutional Group also attended.

The minutes of the December 18, 2008 meeting were approved on motion by Mr. Barnhardt and second by Mr. Scott.

The Board received the following communications:

Presentation:

Mr. Salvati said there had been a big market downturn across the board, both domestically and internationally affecting not just equities but also fixed income. Mr. Salvati said the market showed some improvement in December.

Mr. Salvati recommended moving away from equities in asset classes that are the most volatile and into other asset classes that might buffer the overall volatility of the portfolio.

Mr. Salvati reviewed the portfolio returns and noted the three month return was slightly below the index with the month of December showing some improvement. The portfolio on November 20, 2008 was \$147.7 million and on December 31, 2008 was \$170.7 million, a gain 15% which indicated how quickly things could turn around. Mr. Salvati said it was important to stay invested in equity and asset classes that have the opportunity to earn that type of return.

Following discussion, Mr. Salvati said he would provide historical data on the opportunity fund, emerging market fund and high yield fund for the Board's review.

The Board agreed to schedule a conference call with SEI at the earliest opportune date to discuss the flexibility of the Investment Policy and Asset Allocation.

Correspondence:

LJR Recapture Services, Trading Summary January 1, 2008 through November 30, 2008.

Bank statements

Yearly statements 1/1/08 – 12/31/08 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), 1012456 (GMO), and 1012457 (Vanguard Global)

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December, 2008 statements from Wachovia for checking account
210000020087.

December, 2008 statement from SEI Trust Company account 15963-C

Solicitations:

General: None

Conferences

Mid-Sized Retirement & Pension Plan Management
Conference, March 10-13, 2009, San Francisco, CA.

Vanguard CFO.com webinar, January 27, 2009, 2-3 PM

NCPERS 2009 Annual Conference and Exhibition, May 1-
7, 2009, Beverly Hills, CA.

Old Business:

The Board agreed that employees who had been employed at Berks Heim and were not participants in the Pension system should be notified that they are eligible to buy back that time.

Ms. Baer said Butler County was looking into state legislation that would allow new hires to enter into the Pension Fund at a higher class basis (lower pension benefit) than current employees. The Board requested that Ms. Graffius contact Butler County for additional information.

Mr. Leinbach requested Ms. Baer draft a policy for the next Board meeting that would set a five year limit on payroll deductions to buy-back service time, grandfathering in those payroll buy-backs that are already in process.

New Business:

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

Barbara Crossley, to buy-back 5 years of service time at \$5,301.42

The Board authorized the disbursements on motion by Mr. Long, second by Mr. Scott. Motion carried.

Annuities and refunds for January, 2009.

Annuities	\$ 677,078.24
Refund	<u>\$ 28499.90</u>
Total	\$ 705,578.14

Meeting adjourned at 11:27 a.m.