

**THIRD QUARTERLY MEETING  
ERIE COUNTY EMPLOYEES' RETIREMENT BOARD**

**AUGUST 21, 2014**

Members present:     Fiore Leone, Chairman  
                            Phil Fatica, Vice-Chairman  
                            Mary E. Schaaf, Secretary  
                            Dr. Kyle Foust, Member  
                            James Sparber, Member

Also present:           Tony Keim, PNC Bank  
                            Jack Walburn, Pleasant Ridge Manor  
                            Joe Conroy, Wells Capital Management  
                            Chris DeGaetan, SEIX Investment Advisors  
                            Jack Walburn, Pleasant Ridge Manor  
                            Melissa Grucza, PNC  
                            Doug Ebert, Erie County  
                            Greg Orlando  
                            Meredith Mertens, Wentworth  
                            Heather Waddell, Templeton  
                            Mark J. Orlop, Controller's Office  
                            Marie L. Lewis, Controller's Office  
                            Doug Smith, County Clerk  
                            Frank Burnette, Morrison Associates

Chairman Leone called the Erie County Employees' Retirement Board to order at 12:05 PM in Room 114A, Erie County Courthouse.

Chairman Leone called for hearing of the public. No one spoke.

Motion to approve the minutes for the Second Quarterly Meeting held on May 15, 2014 and the Special Meeting held on June 11, 2014 made by Mr. Fatica, seconded by Mr. Sparber and carried unanimously.

Chairman Leone called for the report of Morrison Fiduciary Advisors. Frank Burnette gave the market overview. He reported that the SEIX High Yield portion of the portfolio was liquidated in the second quarter and the equity weighting was reduced by \$8 million. Both C.S. McKee and Philadelphia Trust are still on watch. An equal weighting was achieved between the two International managers. Overall, the equities of the Fund were reduced by 3 ½%. The Fee Schedule reductions had been negotiated resulting in \$35,000 in annual savings.

Mr. Burnette asked Wells Capital Small Cap Equity representative, Joe Conroy to present. Mr. Conroy discussed their investment style and risk management.

Mr. Burnette called for the Templeton International Equity presentation. Heather Waddell gave the report via conference call. She described their value philosophy and outlook on global markets.

Mr. Burnette asked for the Wentworth International Equity presentation. Meredith Mertens reported that their Emerging Markets exposure is capped at 10% in this portfolio. Their largest China exposure is through materials holdings such as iron ore.

Mr. Burnette asked for the report of SEIX Advisors Floating Rate Fund. Chris DeGaetaan discussed credit quality and stated it was one of the more liquid bank loan portfolios. The return of 2.17% YTD had underperformed the index by 20 bp due to the 5% cash position.

Adjournment at 1:06 P.M.

Mary E. Schaaf, Secretary  
Erie County Employees' Retirement Board  
Pleasant Ridge Manor Employees' Retirement Committee

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