

**THIRD QUARTERLY MEETING
PLEASANT RIDGE MANOR EMPLOYEES' RETIREMENT COMMITTEE**

AUGUST 16, 2012

Members present: Fiore Leone, Chairman
 Mary E. Schaaf, Secretary
 James Sparber, Member
 Joseph Giles, Vice-Chairman
 Ronald "Whitey" Cleaver, Member

Also present: John Coates, Templeton
 Brad Hanson, Franklin Templeton
 Cindi Marzka, Boetger & Associates
 Jack Walburn, Pleasant Ridge Manor
 Deanna Holtz, Pleasant Ridge Manor
 Tom Gardner, Pleasant Ridge Manor
 Kevin J. Plymyer, First National Bank
 Michael Keim, RBC Wealth Management
 Tony Keim, PNC
 Glenn Kemp, Dimensional
 Joe Conroy, Wells Capital Management
 Karen Dorich, Finance Department
 Deedra Pfeffer, Pleasant Ridge Manor
 Brian Forth, WHV
 Greg Orlando, Wells Fargo
 Frank Burnette, Morrison Fiduciary
 Carol Musiek, Library
 Sally Wingerter, Clerk of Courts
 Phil Fatica, County Council
 William F. Amick, County Controller's
 Marie Lewis, County Controller's

Chairman Leone called the Pleasant Ridge Manor Employees' Retirement Committee to order at 12:01 PM in Room 114A, Erie County Courthouse.

Chairman Leone called for the hearing of the public. Ms. Schaaf issued a disclosure statement that she now has a referral agreement for her former Merrill Lynch clients with an individual broker at RBC Wealth Management. Mr. Leone stated he would refer this disclosure to the Pension Solicitor for his opinion.

Motion to approve the minutes of the Second Quarterly Meeting of the Pleasant Ridge Manor Employees' Retirement Committee held on May 17, 2012 and the Special Meeting held on June 22, 2012 made by Mr. Giles, seconded by Mr. Cleaver and carried by unanimous voice vote.

Frank Burnette of Morrison Fiduciary Advisors, Inc. presented the restructuring Plan from Balanced Managers to Style Specific Managers. He referenced page 8 of his Quarterly Report listing the FNB as the Fixed Income Manager, DFA as the International Manager, DFA as the Small Cap U.S. Equity Manager, DFA and Manning & Napier as the Large Cap U.S. Core Equity Managers. There will be a fee reduction of the overall

Plan from 52 basis points to 46 basis points. After the restructuring is completed, he will go back to Manning & Napier and suggest that their fee at 65 basis points is relatively high & request a reduction.

Ms. Schaaf asked if the increase in Equity weighting of the Plan to 64.6% was due to rebalancing or market appreciation. Mr. Burnette explained that in order to mirror the Erie County Plan which has allocations to Real Estate and High Yield Bond sectors, he increased the Pleasant Ridge Plan equity allocation from 55% to 60% with a current overweight to 64.6% Equity.

Motion to approve the restructuring of the Pleasant Ridge Manor Retirement Plan made by Mr. Giles, seconded by Mr. Sparber and carried by unanimous vote.

Glenn Kemp presented the report of Dimensional Fund Advisors Global Balanced Fund. The 12 month return was -1.76% versus their Policy Index of 3.36%. Since Inception 9/30/07, DFA Global returned 1.38% versus the Policy Index of 2.14%

Mr. Burnette stated the Plan had reached \$36,725,000 in value as of 8/15/12. The total Fund return has averaged 10.46% per year for the past 3 years versus a Policy Index of 11.76% per year.

Adjournment at 12:22 P.M.

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

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