

**SPECIAL MEETING
ERIE COUNTY EMPLOYEES' RETIREMENT BOARD
AND
PLEASANT RIDGE MANOR EMPLOYEES' RETIREMENT COMMITTEE**

**JUNE 22, 2015
9:00 A.M.**

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

Also Present: Mark Orlop, Controller's Office
 Frank Burnette, Morrison Associates
 Doug Smith, County Clerk
 Jean Langer, Controller's Office
 Greg Ferrick, Pleasant Ridge Manor
 Deedra Pfeffer, Pleasant Ridge Manor
 Peter Wycech, Controller's Office

The Special Meeting of the Erie County Employees' Retirement Board and Pleasant Ridge Manor Employees' Retirement Committee was called to order at 9:01 A.M., in Room #114A, Erie County Courthouse. All members were present.

Chairman Leone called for the explanation of Morrison Associates for the termination of money manager, Manning & Napier, of the Pleasant Ridge Pension Fund. Frank Burnette gave the following reasons for termination:

1. Performance has trailed benchmark, for an extended period of time and significantly in the last year.
2. In an organizational change, Manning & Napier moved to a publically traded stock ownership vs. the employee owned partnership
3. Chief Investment Officer change occurred and an outside gentleman was brought in which resulted in continued underperformance.

Frank Burnette referenced the attached spreadsheet that shows the reinvestment into indexing.

Motion for termination including the spreadsheet as recommended by the Consultant made by Mr. Sparber, seconded by Mr. Fatica and carried unanimously.

Adjournment at 9:05 A.M.

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

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Pleasant Ridge Manor - Asset Re-Allocation to terminate Manning & Napier

PNC Custody Account #	Investment Manager	Benchmark	Estimated 6/15/2015 Value	Estimated 6/15/2015 %	Target Allocation	Proposed Re-Allocation	Updated 6/15/2015 Value	Updated 6/15/2015 %	Target Allocation	Target Range	versus Target	Within Policy?
<i>Equity (60%)</i>												
<i>US Large Cap Equity (40%)</i>												
4482749	Manning & Napier	Russell 1000	\$10,405,671	20.2%	20.0%	(\$10,405,671)	(\$0)	0.0%	0.0%	+/- 10%	0.0%	n/a
	Vanguard R1000 Growth Index (VRGWX)	Russell 1000 Growth	\$0	0.0%	0.0%	\$5,000,000	\$5,000,000	9.7%	10.0%	+/- 10%	-0.3%	yes
	Vanguard R1000 Value Index (VRVIX)	Russell 1000 Value	\$0	0.0%	0.0%	\$5,000,000	\$5,000,000	9.7%	10.0%	+/- 10%	-0.3%	yes
4482773	DFA Advisors Index (DFUSX)	S&P 500	\$10,593,744	20.5%	20.0%		\$10,593,744	20.5%	20.0%	+/- 10%	0.5%	yes
			\$20,999,415	40.7%	40.0%		\$20,593,744	39.9%	40.0%	+/- 10%	-0.1%	yes
<i>US Small Cap Equity (10%)</i>												
4482773	DFA Advisors (DFSTX)	Russell 2000	\$5,856,996	11.3%	10.0%		\$5,856,996	11.3%	10.0%	+/- 10%	1.3%	yes
<i>International Equity (10%)</i>												
4482773	DFA Advisors (DFIEX)	MSCI World ex.US (net)	\$5,377,192	10.4%	10.0%		\$5,377,192	10.4%	10.0%	+/- 10%	0.4%	yes
	Total Equity		\$32,233,603	62.4%	60.0%		\$31,827,932	61.6%	60.0%	+/- 10%	1.6%	yes
<i>Fixed (40%)</i>												
4482765	FNB	Barclays Int. Gov't Credit	\$18,940,391	36.7%	40.0%	\$405,671	\$19,346,062	37.5%	40.0%	+/- 10%	-2.5%	yes
4482757	PNC Cash	91-day Treasury Bill	\$463,889	0.9%	0.0%		\$463,889	0.9%	0.0%	+/- 3%	0.9%	yes
	Total Fixed		\$19,404,280	37.6%	40.0%		\$19,809,951	38.4%	40.0%	+/- 10%	-1.6%	yes
	Total Account		\$51,637,883	100.0%	100%	\$0	\$51,637,883	100.0%	100%			