

**Minutes  
Employee's Retirement System Board of Trustees  
August 12, 2015  
Quarterly Meeting**

Call to Order: Chair Pro Tem Matt Burns called the meeting of the Employee's Retirement System Board of Trustees to order at 8:30 a.m. at the Main Library.

Board Members Present: Cathy Bianchi  
Matt Burns  
Amy Richardson  
Adam Schwab  
Lon Tiggelaar

Board Members Absent: Donn Hill  
Angeline Lavin

Staff Members Present: Tracy Turbak, Director of Finance  
Thomas Huber, Assistant Director of Finance  
Angie Uthe, Compensation & Benefits Manager  
Ann Boden, Business Analyst  
Kathy Pottebaum, Payroll/Benefits Specialist

Others present: Firefighters' Pension Fund Board of Trustees members: Randy Farland, Paul Livermore & Matt McAreavey  
Howard Pohl & Peter Brown, The Bogdahn Group

The Employee's Retirement System Board of Trustees and the Firefighter's Pension Fund Board of Trustees met in joint session.

**A motion was made by Richardson, seconded by Bianchi, to approve the May 6, 2015 meeting minutes. Motion carried unanimously.**

Howard Pohl and Peter Brown presented the Board with the 2015 second quarter performance report. The performance in the quarter of -0.6% ranked in the bottom quartile versus all plans within the Bogdahn Group plan universe and below the policy benchmark. The annual 3.8% return was top third and just below the policy bogey, while the five year 12.8% return ranked in the top decile and beat the policy. The market value of the Fund decreased from \$401.1 million to \$398.0 million in the quarter.

Tom Huber reviewed the Investment Allocations and Manager Structure including rebalancing actions that were completed within the quarter. After discussion of the members and the recommendation of The Bogdahn Group, a change will be made within the bond allocations.

**A motion was made by Burns, seconded by Schwab, to modify the management targets within the portfolio's fixed income asset allocation by increasing the Schroders intermediate duration bond allocation target from 10% to 12.5% and by reducing the Schroders long duration bond allocation target from 7.5% to 5%. The remaining fixed income allocation of 7.5% will continue to be indexed at Northern**

**Trust leaving the overall target allocation to fixed income at 25%. Motion carried unanimously.**

Tiggelaar shared information on public pension system trends and activities from his recent attendance at the National Association of State Retirement Administrators conference.

**A motion was made by Bianchi, seconded by Richardson, to enter into executive session pursuant to SDCL 1-25-2 and 1-27-1.5(2), for review of personal medical records for purposes of determining eligibility for ongoing disability benefits. Motion carried unanimously.**

**A motion was made by Bianchi, seconded by Richardson, to exit executive session. Motion carried unanimously.**

**A motion was made by Bianchi, seconded by Schwab, to continue disability benefits for Ronald Schwint. Motion carried unanimously.**

**A motion was made by Bianchi, seconded by Richardson, to adjourn the meeting. Motion passed unanimously.**

The Board adjourned at 10:15 a.m.

Respectfully submitted,

Angie Uthe  
Recording Officer