

<b>Committee Name:</b>	INVESTMENT COMMITTEE	<b>Session #:</b>	<b>Report #:</b>	1 of 1
<b>Committee Chair:</b>	Dave Burgio	<b>Vice Chair:</b>	Elyce Dilworth	
<b>Minutes recorded by:</b>	Dave Burgio	<b>Date/time of meeting:</b>	Tuesday, April 23, 2013 @ 7:30p & 8:30p EST	

## Motions Passed:

1. To approve the minutes of the previous meeting on Thursday, January 17, 2013.
2. To adjust the USMS Portfolio Asset Allocation to 62% Equity / 38% Bonds/cash.

**Number of committee members present: 4**

**Absent: 1,  
Excused**

**Number of other delegates present:**

**Committee members present (list all, including chair and vice chair): Dave Burgio, Elyce Dilworth, Stan Benson and Homer Lane along with Ralph Davis and Susan Kuhlman. Jim Walker, NT Portfolio Manager, joined at 8:30p.**

## Minutes

The meeting was called to order at 7:35pm by Dave Burgio.

1. The minutes of the previous meeting on January 17, 2013 were approved as distributed.
2. The Portfolio balance on March 31, 2013 was noted to be \$1,900,406.27 compared with the beginning balance on January 1, 2013 at \$1,817,432.50 – an increase of 4.57% year to date, and 11.8% on our initial USMS Investment. The Committee then observed the increasing Portfolio balances at the end of each month of 2013 through March 31, 2013.
3. The Committee then discussed in detail the comprehensive performance report prepared by Northern Trust, noting Fund performance YTD with 1, 3 5 and 10 year (when applicable) performances, referenced to appropriate Benchmarks, Category Ranking, along with Morningstar and Lipper performance comparisons. The Committee observed questions of four Funds to discuss in detail with Jim Walker @ 8:30p. The Funds included Emerging Markets Index, Delaware Value, Harbor Appreciation and the Bond Index.
4. The Committee made note of the FOG requirement of an Annual Investment Review due at the Convention. It was pointed out that Elyce Dilworth had again volunteered to conduct this review for the Investment Committee. She was thanked by the Committee.
5. It was noted that the 3<sup>rd</sup> USMS Portfolio Value reference point would in place on June 30, 2013 for the 1<sup>st</sup> USMS Spending Policy Budget recommendation. The Committee agreed that at the upcoming IC meeting in July, 2013 the recommendation would be forwarded to Susan Kuhlman for inclusion in the USMS 2014 Budget.
6. The Committee agreed to reschedule the July, 2013 meeting to Tuesday, July 16 (from July 23<sup>rd</sup>) at 7:30p & 8:30p, EST to coincide with the USMS Board Meeting.

At 8:30pm Jim Walker, USMS Portfolio Manager, joined the meeting:

1. Jim made note of the Portfolio performance to date and covered two additional Performance Reports, pointing out the YTD Performance of each Fund and individual Asset Class Performance through March 31, 2013.
2. During the Portfolio Performance Report discussions, Jim satisfactorily addressed the concerns of the above referenced Funds and answered the questions brought up by the Committee.
3. Jim Walker and the Committee then discussed the overall USMS Asset Allocation, and after considerable dialogue, it was agreed by the Committee to adjust the USMS Asset Allocation to 62% Equity/38% Bonds/cash. The purpose, as recommended by Jim Walker, was to incrementally increase our allocation to Emerging Markets Equities.
4. Jim concluded the Meeting by providing an overview of the views of Northern Trust on the US Economy.

The meeting was adjourned at 9:20pm