

**South Dakota Department of Labor  
Employees' Retirement Board Meeting  
December 16, 2010**

The South Dakota Department of Labor Employees' Retirement Board (ERB) met on December 16, 2010, with DDN locations in Pierre, Aberdeen, Custer, Rapid City, and Sioux Falls.

**Members Present**

Bob Riter, Jr., Chair  
Jim Fansler (DDN)  
Art Lanham (DDN)  
Pam Roberts

**Absent**

Jason Dilges

**Others Present**

Dick Flemmer  
Lyle Harter  
Monica Harding  
Dawn Dovre

Chairman Riter called the meeting to order, and roll call was taken by secretary Monica Harding. Pam Roberts MOVED approval of the minutes from the September 28, 2010, ERB meeting as prepared. SECONDED by Jim Fansler. MOTION CARRIED.

Chairman Riter opened the public hearing on the proposed Plan Amendment.

**Plan Amendment:** Effective July 1, any disallowed increase in the amount of monthly retirement benefit payments may be reinstated during the following two program years (July 1 to June 30) incrementally if on April 30 the current fair market value of the Plan's assets exceeds the Plan's actuarial accrued liability as stated in the Plan's most recent actuarial valuation report. If the assets exceed the accrued liability by \$5 million but are less than \$10 million, then one-half the disallowed increase may be reinstated during that year. The remaining disallowed increase will be eligible for reinstatement the following year if the assets exceed the accrued liability by \$5 million for that following year. If, during either year, the assets exceed the accrued liability by \$10 million, then the complete disallowed increase may be reinstated during that year. All increases are subject to a majority vote of the Retirement Board.

Consensus was that Plan participants were in favor of adopting the amendment as presented. Chairman Riter closed the public hearing and opened committee discussion.

The Board noted that should the Plan Amendment be approved, COLA benefit restorations would NOT be retroactive, any approved reinstatement of benefits would become effective the following July 1 and only be for future benefit payments.

Art Lanham MOVED the Board approve the proposed Plan Amendment and authorize Secretary of Labor, Pam Roberts to sign and execute the Plan Amendment. SECONDED by Jim Fansler. MOTION CARRIED on roll call vote.  
4 yeas, 0 nays.

Pam Roberts MOVED to adjourn the meeting. SECONDED by Jim Fansler. MOTION CARRIED.