

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
October 23, 2012**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, October 23, 2012 at 8:00 a.m. in Room 102 of City Hall, 410 Ludington, Escanaba, MI.

Board Members Present: Robert Valentine, Blake Cowen, Todd Chouinard, David Schaaf

Board Members Absent: Darin Hunter

Guests Present: Council Liaison Brady Nelson

Approval of Minutes – September 25, 2012

Board member Schaaf moved for approval of the September 25, 2012 minutes. Board member Cowen supported the motion. There being no further discussion, the motion was approved unanimously.

Approval/Adjustments to the Agenda

None

Conflict of Interest Declaration

None

Unfinished Business

None.

New Business

Investment Performance

Secretary Valentine presented the following summary of plan investment returns through September 30, 2012:

	08/31/2012	09/30/2012	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Bond Index	5,179,338	5,143,320	25.0%
Eaton Vance Bonds	<u>2,141,092</u>	<u>2,163,946</u>	<u>10.5%</u>
Total Bonds	7,320,431	7,307,266	35.6%
STOCKS			
Vanguard Stock Index	4,681,900	4,803,090	23.4%

Vanguard Sm Cap Gro Idx	2,172,579	2,229,255	10.8%
JP Morgan Mid Val	4,053,181	4,140,971	20.2%
Vanguard REIT Index	300,000	976,178	4.8%
DFA Int'l Value	1,055,749	1,093,264	5.3%
Total Stocks	12,263,409	13,242,758	64.4%

CASH

Money Market Accounts	700,000	0	0.0%
Total	20,283,840	20,550,024	100.00%

	Sep-12	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year
BONDS						
Vanguard Bonds VBTSX	0.1%	4.0%	1.5%	5.0%	10.6%	19.5%
Eaton Vance Bond Fund EVIBX	1.1%	12.4%	3.6%	16.5%	19.8%	40.5%
Escanaba Bond Composite	0.4%	6.4%	2.1%	8.2%	13.4%	25.2%
Merrill HY Master Index JOA0	1.4%	11.9%	4.6%	18.8%	20.4%	42.6%
Merrill BOA01 Index	0.1%	4.6%	1.8%	5.8%	11.2%	21.1%
STOCKS						
Vanguard S&P 500 Index Fnd VIFSX	2.6%	16.5%	6.3%	30.3%	31.6%	44.6%
Vanguard Sm Cap gro Idx VISGX	2.6%	15.3%	5.4%	32.4%	32.7%	54.6%
JP Morgan Mid Value FLMVX	2.2%	17.1%	6.0%	33.1%	34.2%	56.3%
DFA Int'l Value DFIVX	3.6%	8.1%	7.3%	11.5%	-3.4%	-0.7%
Vanguard Reit Index VGRSX	-2.6%	n/a	n/a	n/a	n/a	n/a
Escanaba Equity Composite	2.2%	15.4%	5.8%	29.4%	28.6%	44.4%
S&P 500 Index	2.4%	14.6%	5.8%	27.3%	26.2%	36.3%
EAFA Int'l Index	2.6%	7.0%	6.1%	10.0%	3.2%	-2.7%
MSCI REIT Index	-1.8%	14.9%	0.0%			
Russell 1000: Mid Cap Index	2.4%	14.5%	5.7%	27.3%	26.0%	36.9%
Russell 2000: Small Cap Index	3.1%	13.0%	4.9%	30.0%	23.9%	38.6%
Russell 3000: Broad Mkt Index	2.5%	14.4%	5.7%	27.5%	25.9%	37.0%
OVERALL						
Escanaba Portfolio Composite	1.5%	12.2%	4.4%	21.3%	23.5%	37.9%
Combined Passive Index	1.5%	11.4%	4.3%	19.9%	21.2%	33.0%
MERS			5.6%	16.09%		

Review of Draft Audit Report

Secretary Valentine presented a draft copy of the plan's audit for the fiscal year ending 6/30/2012. Secretary Valentine advised that the draft would mirror the final version unless changes were requested of the auditors in which case further discussion would be needed. No changes were recommended from the board.

General Public Comment

None

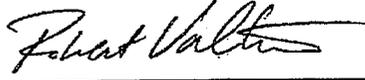
Announcements

None

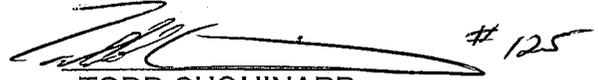
Adjournment

The meeting was unanimously adjourned at 8:35 a.m.

APPROVED:



ROBERT VALENTINE,
SECRETARY



TODD CHOUINARD
BOARD CHAIRMAN