

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
February 28, 2012**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, February 28, 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, Darin Hunter, David Schaaf

Board Members Absent: None

Others Present: Councilperson Pete Baker, Councilperson Ron Beauchamp

Approval of Minutes – January 24, 2012

A motion was made by Board Member Cowen and supported by Board Member Chouinard, to approve the meeting minutes of January 24, 2012. Ayes were unanimous.

Approval/Adjustments to the Agenda

No adjustments were made.

Conflict of Interest Declaration

No conflict of interest declarations were made.

Unfinished Business

None.

New Business

Investment Performance

Secretary Valentine presented the following investment performance summary. Board member Chouinard moved for acceptance of the investment report and board member Hunter supported the motion. A vote was taken and the board voted unanimously to accept the report.

Investment Performance Summary

	12/31/2011	01/31/2012	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Bond Index	4,766,392	4,788,428	24.8%
Eaton Vance Bonds	1,925,792	2,016,937	10.4%
Total Bonds	6,692,183	6,805,365	35.2%
STOCKS			
Vanguard Stock Index	4,847,215	5,064,111	26.2%

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Vanguard Sm Cap Gro Idx	1,933,201	2,070,837	10.7%
JP Morgan Mid Val	4,146,451	4,314,055	22.3%
DFA Int'l Value	<u>1,011,553</u>	<u>1,079,493</u>	5.6%
Total Stocks	11,938,420	12,528,496	64.8%

CASH

Money Market Accounts	0	0	0.0%
Total	<u>18,630,603</u>	<u>19,333,860</u>	<u>100.00%</u>

	Jan-12	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year
BONDS						
Vanguard Bonds VBTSX	0.9%	0.9%	1.7%	8.6%	13.9%	23.6%
Eaton Vance Bond Fund EVIBX	4.7%	4.7%	2.8%	5.2%	21.5%	84.7%
Escanaba Bond Composite	2.0%	2.0%	2.0%	7.7%	16.2%	35.9%
Merrill HY Master Index JOA0	2.8%	2.8%	3.1%	5.3%	22.0%	83.1%
Merrill BOA01 Index	1.0%	1.0%	2.1%	9.6%	15.4%	25.0%
STOCKS						
Vanguard S&P 500 Index VIFSX	4.5%	4.5%	5.3%	4.1%	26.8%	69.0%
Vanguard Sm Cap gro Idx VISGX	7.1%	7.1%	5.9%	4.2%	42.7%	110.9%
JP Morgan Mid Value FLMVX	4.0%	4.0%	5.7%	5.3%	34.1%	81.7%
DFA Int'l Value DFIVX	6.7%	6.7%	0.4%	-14.9%	4.2%	58.7%
Escanaba Equity Composite	4.9%	4.9%	5.1%	2.6%	29.2%	78.0%
S&P 500 Index	4.4%	4.4%	4.7%	2.0%	22.2%	58.9%
EAFA Int'l Index	5.3%	5.3%	-1.2%	-12.4%	-1.6%	33.3%
Vanguard Reit Index EFT VNO						
Russell 1000 Mid Cap Index	4.8%	4.8%	4.9%	1.9%	23.2%	62.4%
Russell 2000 Small Cap Index	7.0%	7.0%	7.0%	1.5%	31.7%	78.8%
Russell 3000 Broad Mkt Index	4.9%	4.9%	5.1%	1.8%	23.9%	63.6%
OVERALL						
Escanaba Portfolio Composite	3.9%	3.9%	4.0%	4.5%	24.9%	61.1%
Combined Passive Index	3.4%	3.4%	3.6%	3.9%	21.1%	52.4%

Kathleen Busbani Final Benefit Calculation

The Board reviewed Secretary Valentine's calculation of Kathleen Busbani's final benefit payable to her surviving husband. Mrs. Busbani passed away on 2/14/2012 and her final benefit, as presented, calculated to \$495.62. Board member Cowen moved for approval of the calculation and board member Hunter supported the motion. A vote was taken and the Board voted unanimously in favor of the motion.

General Public Comment

Councilperson Pete Baker addressed the board. Mr. Baker introduced himself and offered a brief summary of his professional background. Mr. Baker advised that he initiated his own independent review of the City's retirement plans, and as part of that process, he reviewed minutes of 14 previous meetings, along with PA 345 and other relevant legislation. Mr. Baker brought to the Board's attention that PA 345 requires

monthly board meetings, and that he was unable to obtain minutes from two such meetings during the prior 14 month period. Secretary Valentine advised that the meetings in question were cancelled because a quorum could not be obtained. Mr. Baker thanked board members for their service and acknowledged the tremendous responsibility in front of them.

Announcements

Secretary Valentine advised that he received a flier for the annual Spring MAPERS Conference. He advised that he would forward that information to the Board.

Adjournment

The meeting was unanimously adjourned at 8:35.

APPROVED:



ROBERT VALENTINE,
SECRETARY

TODD CHOUINARD
BOARD CHAIRMAN