

**MINUTES**  
**PUBLIC SAFETY RETIREMENT BOARD MEETING**  
**March 22, 2011**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, March 22, 2011 at 8:00 a.m. in Room 102 of City Hall, 410 Ludington, Escanaba, MI.

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

**Board Members Absent:** Darin Hunter

**Others Present:** None

**Approval of Minutes**

Board member Chouinard moved for approval of the February 22, 2011 minutes subject to adding Brady Nelson to the list of attendees. There being no discussion, the board voted unanimously in favor of the motion.

**Unfinished Business**

None

**New Business**

**Investment Performance**

Secretary Valentine presented the following statistics for the month of February.

|                         | <u>01/31/2011</u> | <u>02/28/2011</u> |                |
|-------------------------|-------------------|-------------------|----------------|
|                         | \$ Value          | \$ Value          | % Total        |
| <b>BONDS</b>            |                   |                   |                |
| Vanguard Bond Index     | 4,025,869         | 4,494,313         | 23.0%          |
| Eaton Vance Bonds       | <u>1,917,880</u>  | <u>1,940,208</u>  | <u>9.9%</u>    |
| <b>Total Bonds</b>      | 5,943,749         | 6,434,521         | 33.0%          |
| <b>STOCKS</b>           |                   |                   |                |
| Vanguard Stock Index    | 5,155,220         | 5,026,859         | 25.8%          |
| Vanguard Sm Cap Gro Idx | 2,178,796         | 2,104,824         | 10.8%          |
| JP Morgan Mid Val       | 4,486,185         | 4,241,818         | 21.7%          |
| DFA Int'l Value         | <u>1,268,134</u>  | <u>1,309,832</u>  | <u>6.7%</u>    |
| <b>Total Stocks</b>     | 13,088,336        | 12,683,333        | 65.0%          |
| <b>CASH</b>             |                   |                   |                |
| Money Market Accounts   | 0.00              | 400,000           | 2.0%           |
| <b>Total</b>            | <u>19,032,085</u> | <u>19,517,855</u> | <u>100.00%</u> |

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|                               | Feb-11 | YTD  | Trailing<br>3 mo | Trailing<br>1 year | Trailing<br>2 year | Trailing<br>3 year |
|-------------------------------|--------|------|------------------|--------------------|--------------------|--------------------|
| <b>BONDS</b>                  |        |      |                  |                    |                    |                    |
| Vanguard Bonds VBTSX          | 0.2%   | 0.3% | -0.9%            | 4.9%               | 14.5%              | 16.9%              |
| Eaton Vance Bond Fund EVIBX   | 1.2%   | 3.2% | 5.0%             | 16.9%              | 79.4%              | 35.2%              |
| Escanaba Bond Composite       | 0.5%   | 1.2% | 0.9%             | 8.3%               | 27.5%              | 22.4%              |
| Merrill HY Master Index JOA0  | 1.3%   | 3.4% | 5.2%             | 17.3%              | 83.2%              | 40.9%              |
| Merrill BOA01 Index           | 0.2%   | 0.3% | -1.1%            | 5.1%               | 15.2%              | 15.0%              |
| <b>STOCKS</b>                 |        |      |                  |                    |                    |                    |
| Vanguard S&P 500 Index VIFSX  | 3.4%   | 5.8% | 12.9%            | 22.1%              | 87.8%              | 5.6%               |
| Vanguard Sm Cap gro Idx VISGX | 5.9%   | 7.0% | 15.4%            | 38.6%              | 138.4%             | 33.2%              |
| JP Morgan Mid Value FLMVX     | 3.5%   | 4.7% | 11.2%            | 26.5%              | 100.4%             | 18.7%              |
| DFA Int'l Value DFIVX         | 3.3%   | 7.7% | 17.8%            | 26.0%              | 119.5%             | -1.8%              |
| Escanaba Equity Composite     | 3.8%   | 5.8% | 13.2%            | 26.5%              | 101.9%             | 12.9%              |
| S&P 500 Index                 | 3.2%   | 5.5% | 12.4%            | 20.2%              | 80.6%              | 1.8%               |
| EAFA Int'l Index              | 3.1%   | 5.5% | 13.9%            | 16.8%              | 75.3%              | -15.5%             |
| Russell 1000 : Mid Cap Index  | 3.3%   | 5.6% | 12.5%            | 21.2%              | 84.2%              | 1.4%               |
| Russell 2000: Small Cap Index | 5.4%   | 5.1% | 13.3%            | 31.0%              | 111.7%             | 20.0%              |
| Russell 3000: Broad Mkt Index | 3.4%   | 5.6% | 12.6%            | 22.0%              | 86.3%              | 2.7%               |
| <b>OVERALL</b>                |        |      |                  |                    |                    |                    |
| Escanaba Portfolio Composite  | 2.8%   | 4.3% | 9.0%             | 20.2%              | 69.1%              | 17.2%              |
| Combined Passive Index        | 2.3%   | 4.1% | 8.6%             | 17.1%              | 60.5%              | 12.1%              |

**MAPERS Conference**

The board discussed attendance of the Spring MAPERS conference. Board member Chouinard indicated that he might attend. He will follow up with Secretary Valentine.

**Other Business**

**Rebalancing**

Secretary Valentine confirmed for the board that portfolio rebalancing as discussed at the February meeting had taken place. He explained that the \$400,000 cash balance represented money out of the market due to timing of the transactions.

**Public Comment**

None

**Adjourn**

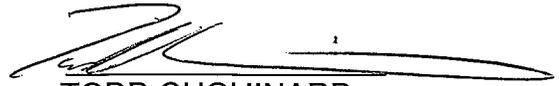
The meeting was unanimously adjourned at 8:35 a.m.

APPROVED:



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ROBERT VALENTINE,  
SECRETARY



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TODD CHOUINARD  
BOARD CHAIRMAN5