

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
September 27, 2011**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, September 27, 2011, 8:00 a.m. in Room 102 of City Hall, 410 Ludington, Escanaba, MI.

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

Board Members Absent: Darin Hunter

Others Present: None

Approval of Minutes – August 23, 2011

A motion was made by Board Member Cowen and supported by Board Member Schaaf , to approve the meeting minutes of August 23, 2011. 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 calculations:

	07/31/2011	08/31/2011	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Bond Index	4,862,268	4,877,807	26.5%
Eaton Vance Bonds	<u>1,987,561</u>	<u>1,908,907</u>	<u>10.4%</u>
Total Bonds	6,849,829	6,786,714	36.9%
STOCKS			
Vanguard Stock Index	4,931,116	4,663,120	25.3%
Vanguard Sm Cap Gro Idx	2,077,226	1,900,689	10.3%
JP Morgan Mid Val	4,186,618	3,953,741	21.5%
DFA Int'l Value	<u>1,233,752</u>	<u>1,101,468</u>	<u>6.0%</u>
Total Stocks	12,428,712	11,619,018	63.1%

CASH

Money Market Accounts	0	0	0.0%
Total	<u>19,278,541</u>	<u>18,405,732</u>	<u>100.00%</u>

	Aug-11	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year
Vanguard Bonds VBTSX	1.5%	5.8%	2.7%	4.3%	14.1%	23.6%
Eaton Vance Bond Fund EVIBX	-4.0%	1.6%	-3.7%	9.2%	29.9%	31.6%
Escanaba Bond Composite	-0.1%	4.6%	0.8%	5.8%	18.2%	26.5%
Merrill HY Master Index J0A0	-3.9%	2.0%	-3.7%	8.2%	31.7%	39.1%
Merrill BOA01 Index	1.8%	6.4%	3.2%	4.4%	14.9%	22.9%
Vanguard S&P 500 Index VIFSX	-5.4%	-1.9%	-8.9%	18.4%	23.9%	1.4%
Vanguard Sm Cap gro Idx VISGX	-8.5%	-3.4%	-13.8%	28.6%	41.2%	12.7%
JP Morgan Mid Value FLMVX	-5.6%	-2.4%	-10.8%	19.5%	32.6%	11.1%
DFA Int'l Value DFIVX	-10.7%	-9.5%	-14.8%	7.7%	5.2%	-6.8%
Escanaba Equity Composite	-6.5%	-3.1%	-11.0%	19.2%	27.2%	5.4%
S&P 500 Index	-5.7%	-3.1%	-9.4%	16.2%	19.4%	-4.1%
EAFA Int'l Index	-9.3%	-8.1%	-12.1%	6.9%	1.6%	-15.2%
Russell 1000 : Mid Cap Index	-6.0%	-3.2%	-9.9%	16.8%	20.9%	-3.9%
Russell 2000: Small Cap Index	-8.8%	-7.3%	-14.3%	20.7%	27.0%	-1.7%
Russell 3000: Broad Mkt Index	-6.2%	-3.5%	-10.3%	17.1%	21.4%	-3.7%
Escanaba Portfolio Composite	-4.2%	-0.2%	-6.9%	14.6%	24.4%	13.6%
Combined Passive Index	-3.7%	-0.3%	-5.8%	12.5%	20.0%	10.1%

The board considered a draft records retention policy which was suggested by Secretary Valentine after having been given a proposed policy from MAPERS. Secretary Valentine advised that his draft was the same as the proposed MAPERS policy except that custodial bank statements had been moved into the 7 year category instead of the permanent category as proposed by MAPERS. After further discussion, the following resolution was moved for by Board Member Schaaf and supported by Board Member Cowen:

**CITY OF ESCANABA
PUBLIC SAFETY RETIREMENT SYSTEM**

POLICY RESOLUTION

Adopted: September 27, 2011

RE: Record Retention Policy and Disposal Schedule

WHEREAS, the Board of Trustees of the Retirement System is vested with the responsibility to manage and maintain the records of the Retirement System, and

WHEREAS, as custodian of the records, the Board recognizes its duty to ensure that Retirement System records are retained in a secure manner which allows for relative ease of retrieval/accessibility, as well as protects

the confidentiality of Retirement System member and beneficiary information, and

WHEREAS, the Board has determined that it is in the best interest of the Retirement System to establish a formal Record Retention Policy and Disposal Schedule to properly balance the foregoing considerations with the need to efficiently and cost effectively manage the records of the Retirement System, therefore be it

RESOLVED, that the Board hereby adopts the following Record Retention Policy and Disposal Schedule with regard to public records of the Retirement System:

MIN RETENTION PERIOD	RECORD SERIES
Permanent	Retirement Plan documentation (i.e., Charter, Ordinance, collective bargaining agreements, etc.); Board meeting minutes; Board meeting agendas; Board Resolutions; Retirement System/Board policies; Annual audits; Annual actuarial valuations;; Legal opinions; Correspondence establishing policy;
Fiscal Year + 7 Years	General Ledger; Payment Records; Invoices; Investment Performance Reports and Analysis prepared by the Retirement System's Investment Consultant and/or Investment Managers; Annual Custodial Bank statements; Summary Annual Reports; Trustee Conference/Seminar registration materials; Trustee Expense reports;
Termination/Expiration/Death + 6 Years	Service Provider contracts; Bids, quotes and proposals awarded; Employee/Retiree pension files; All other Contracts, Leases and Agreements;
3 Years	General correspondence; Bids, quotes and proposals not awarded;
1 Year + 1 Day	Closed Session meeting minutes; Board meeting notices; Freedom of Information Act Requests and Responses;
Upon approval of written minutes	Audio recording(s) of Board meetings;

and be it further

RESOLVED, that this Policy is applicable to public records which are defined as a writing prepared, owned, used, in the possession of, or retained by, the Retirement System in the performance of an official function from the time it is created, and be it further

RESOLVED, that "writing" shall include handwriting, typewriting, printing, photostating, photographing, photocopying, and every other means of recording

including, but not limited to: letters, words, pictures, sounds, symbols, papers, maps, magnetic or paper tapes, photographic films or prints, microfilm, microfiche, magnetic or punched cards, discs, drums, or other means of recording or retaining meaningful content, and be it further

RESOLVED, that this Policy and Disposal Schedule shall be administered in accordance with the Michigan Freedom of Information Act [MCL § 15.231 *et seq.*] and other applicable laws, and be it further

RESOLVED, in administering this Policy the Board of Trustees and its representatives recognize that certain Retirement System records (i.e., closed session minutes, disability retirement applications, disability retirement and medical records, legal opinions, and employee/retiree/beneficiary personal information) are to be kept in a locked/secure location, and be it further

RESOLVED, that copies of this Policy shall be made available to all interested parties.

MAPERS Conference Report

Secretary Valentine gave a report of the events of the Fall MAPERS Conference held in Grand Rapids September 17th – 19th. Secretary Valentine advised among other things that the new GASB regs are scheduled to be finalized in 2012 and implemented in 2013. In addition, he advised that PA 314 will soon be amended to offer broader investment choices for public plans.

MAPERS Plan Survey

The board reviewed the results of a recent MAPERS plan survey. Secretary Valentine summarized Escanaba's results against the MAPERS membership. Finders were such that Escanaba's plan is under-funded relative to similar MAPERS, due largely to the fact that our assumptions are more aggressive than other plans. Investment performance was found to be slightly better than the median MAPERS plan performance. And our expenses were the lowest of all plans surveyed. The board agreed to review assumptions with the plan's actuary and make changes to bring those assumptions in line with the middle of the survey results.

MAPERS Expense Approval

Secretary Valentine presented an expense report for travel and lodging associated with the MAPERS conference. Board member Cowen moved for approval to pay MAPERS expenses in the amount of \$791.13. Board Member Schaaf supported the motion. There being no further discussion, the board voted unanimously in favor of approval.

General Public Comment

None was heard.

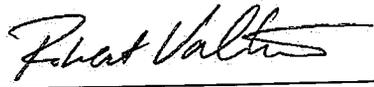
Announcements

None were heard.

Adjournment

The meeting was adjourned at 9:10 a.m.

APPROVED:



ROBERT VALENTINE,
SECRETARY



#125

TODD CHOUINARD
BOARD CHAIRMAN