Present: Chairperson O'Connell; Vice-Chair Shock; Members: Fisher, Koss, Mercer

Absent: None

Also Present: Village Manager, Wilson
Finance Director, Wiszowaty
Public Safety Director, Woodard
Asset Strategies, George Vitta and Katherine Ghannam

Chairperson O'Connell called the meeting to order at 9:58 p.m. in the Public Safety Department conference room at 18600 W. Thirteen Mile Road.

REVIEW AND APPROVE MINUTES OF A REGULAR RETIREE HEALTH CARE FUND MEETING HELD AUGUST 23, 2011

Motion by Koss, second by Shock, that the minutes of a Regular Retiree Health Care Fund meeting held on August 23, 2011 be approved as submitted.

Motion passed (5 – 0).

ASSET ALLOCATION REPORT FOR THE RETIREE HEALTH CARE FUND

The Board is in receipt of an Investment and Manager Allocation Report for the Retiree Health Care Plan prepared by Asset Strategies. Vitta reported that 44% of the Retiree Health Care Fund is invested in two diversified US Equity Funds; 18.8% is invested in a diversified International Equity Fund; and 37.5% is in two different bond funds. As of the end of October, 2011, there is $1.7 million in assets in the Fund. This mix of investments conforms to Act 314. The policy allocation targets match what is in the draft investment policy document.

Wiszowaty related that, according to the audit report for the year ending June 30, 2011, Plante Moran was not aware of an Investment Policy for the Retiree Health Care Fund. The auditors recommended that a formal policy be adopted.

Vitta produced a draft copy of the Retiree Health Care Investment Policy dated August of 2010. It was determined that the Retirement Board had not formally adopted the Draft Statement of Investment Policies, Procedures and Objectives for the Retiree Health Care Plan. This will be an agenda item for review and adoption at the next Retirement Board meeting.

2011 THIRD QUARTER PERFORMANCE REPORT BY ASSET STRATEGIES

Vitta reviewed the Beverly Hills Retiree Health Care performance summary for the third quarter of 2011. The quarter return for the Vanguard STAR Fund was -9.75%.; the benchmark was down 9.52 percent. In comparison, the US Stock Market was down almost 14% for that three month period. The year-to-date results through nine months are -5.54%, close to the benchmark that was down 5.43. For the trailing 12 months, the fund earned 0.09% versus the benchmark of 0.26 percent. Vitta commented on the peer group rank bench mark.

The total fund market value from 9/30/2011 is $1.6 million. The value from 10/31/2011 is $1.79 million. The estimated return for the fund in October was +7.78 percent. Asset Strategies is

pleased with the improvement from where the fund was two years ago in the Munder Asset Allocation Fund.

Questions from members on Village contributions to the fund were addressed by Wiszowaty. There will be discussion at the February Board meeting about quarterly contributions to the fund.

PUBLIC COMMENTS
None

Motion by Shock, second by Fisher, to adjourn the meeting at 10:22 pm.

Motion passed.