

**MINUTES  
PUBLIC SAFETY RETIREMENT BOARD MEETING  
JANUARY 27, 2015**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, January 27, 2015 at 8:00 a.m. in Room 102 of City Hall, 410 Ludington, Escanaba, MI.

**Call to Order**

Secretary Valentine called the meeting to order at 8:00 a.m.

**Roll Call**

**Board Members Present:** Robert Valentine, Dave Schaaf, Blake Cowen, Tony LaPlant, Brad Nault

**Board Members Absent:** None

**Others Present:** None

**Approval/Adjustments to Agenda**

Secretary Valentine requested to have the board consider a request to reimburse the City General Fund for expenses associated with auditing the plan.

**Conflict of Interest Declaration** – None

**Approval of Minutes**

Board member Schaaf moved for approval of the October 28, 2014 Minutes. Board member Cowen supported the motion. Minutes were unanimously approved.

**Unfinished Business** – None

**New Business**

**Officer Elections**

Secretary Valentine advised that the Board's Rules of Procedure require officer elections in January of each year. Secretary Valentine called for nominations from the Board. Board member Cowen moved to reappoint existing officers, those being Tony LaPlant, President, David Schaaf, President and Robert Valentine, Secretary. The motion was supported by Board member Nault. There being no further nominations, a vote was taken and the motion carried unanimously.

**Investment Performance Review**

Secretary Valentine presented the following statistics:

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**City of Escanaba Public Safety Retirement Plan  
Investment Performance Summary  
12/31/2014**

	11/30/2014	12/31/2014	
	\$ Value	\$ Value	% Total
<b>BONDS</b>			
Vanguard Total Bond Mkt Idx	2,911,538	2,914,450	11.2%
Vanguard Short Term Bond Idx	3,235,461	3,223,360	12.4%
Eaton Vance Bonds	2,485,041	2,455,309	9.4%
<b>Total Bonds</b>	<b>8,632,040</b>	<b>8,593,119</b>	<b>33.0%</b>
<b>STOCKS</b>			
Vanguard Stock Index	6,679,794	6,658,648	25.6%
Vanguard Sm Cap Gro Idx	2,977,038	2,998,831	11.5%
JP Morgan Mid Val	5,020,027	5,103,139	19.6%
Vanguard REIT Index	1,310,286	1,335,450	5.1%
DFA Int'l Value	1,403,348	1,350,742	5.2%
<b>Total Stocks</b>	<b>17,390,493</b>	<b>17,446,810</b>	<b>67.0%</b>
<b>CASH</b>			
Money Market Accounts	0	0	0.0%
<b>Total</b>	<b>26,022,533</b>	<b>26,039,929</b>	<b>100.00%</b>

**TOTAL RETURNS**

	Dec-14	YTD	Trailing 3 mo	Trailing 1 year	Gross Returns		
					Trailing 2 year	Trailing 3 year	Trailing 5 year
<b>BONDS</b>							
Vanguard Totl Bond Mkt Fnd VBTLX	0.1%	5.9%	1.7%	5.9%	3.6%	7.9%	23.8%
Vanguard S.T. Inv Grade Fnd VFSUX	-0.4%	1.9%	0.2%	1.9%	n/a	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	-1.2%	2.5%	-0.4%	2.5%	10.0%	27.5%	50.2%
Escanaba Bond Composite	-0.5%	3.4%	0.5%	3.4%	4.3%	12.1%	29.8%
Merrill HY Master Index JOA0	-1.4%	2.4%	-1.1%	2.4%	10.0%	27.0%	52.9%
Merrill Bond Market Index BOA01	0.1%	6.5%	1.9%	6.5%	3.6%	8.9%	26.4%
<b>STOCKS</b>							
Vanguard S&P 500 Index Fnd VIAXX	-0.3%	13.6%	4.9%	13.6%	50.5%	74.6%	104.3%
Vanguard Sm Cap gro Idx VISGX	0.7%	3.9%	5.6%	3.9%	43.2%	68.3%	116.2%
JP Morgan Mid Value FLMVX	1.7%	15.1%	8.3%	15.1%	52.9%	84.1%	132.3%
DFA Int'l Value DFIVX	-3.7%	-7.0%	-5.4%	-7.0%	14.5%	33.5%	22.8%
Vanguard Reit Fund VGSLX	1.9%	30.3%	14.3%	30.3%	33.5%	n/a	n/a
Escanaba Equity Composite	0.3%	11.4%	5.8%	11.4%	45.1%	70.7%	103.2%
S&P 500 Index	-0.3%	13.7%	4.9%	13.7%	50.5%	70.7%	92.5%
EAFE Int'l Index	-3.5%	-7.3%	-3.9%	-7.3%	10.7%	25.7%	12.3%
MSCI REIT Index	1.9%	30.4%	14.3%	30.4%	33.6%	n/a	n/a
Russell 1000 : Mid Cap Index	-0.4%	11.1%	4.4%	11.1%	44.9%	65.0%	87.0%
Russell 2000: Small Cap Index	2.7%	3.5%	9.4%	3.5%	41.8%	62.6%	92.6%
Russell 3000: Broad Mkt Index	-0.2%	10.5%	4.7%	10.5%	44.6%	64.8%	87.4%
<b>OVERALL</b>							
Escanaba Portfolio Composite	0.1%	8.6%	4.0%	8.6%	29.4%	47.6%	74.6%
Combined Passive Index	-0.3%	10.4%	3.6%	10.4%	30.7%	46.1%	67.9%
MERS TOTAL MARKET FUND	-0.5%	6.1%	1.6%	6.1%	n/a	n/a	54.9%

**Portfolio Rebalancing**

Secretary Valentine advised the Board that the December 31<sup>st</sup> asset allocation was out of conformance with the investment policy. It was consensus among Board members that Mr. Valentine should rebalance the portfolio using his best discretion.

**Annual MAPERS Membership Dues**

Secretary Valentine presented the Board with an invoice for its annual MAPERS membership in the amount of \$100. Board member Schaaf moved for approval. The motion was supported by Board member LaPlant. The motion carried unanimously.

**Review of Receipts and Disbursements**

The Board reviewed disbursement registers for November December and January.

**Audit Fee**

A copy of the annual Audit Report was distributed to Board members. Secretary Valentine asked for a motion to reimburse the City General Fund in the amount of \$1,600 for the cost of the audit. Board member Cowen moved for approval and Board member Nault supported the motion. The motion carried unanimously.

**Adjournment**

The meeting was adjourned at 8:50 a.m.

PPROVED:



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ROBERT VALENTINE,  
SECRETARY

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TONY LAPLANT  
BOARD CHAIRMAN