

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
JANUARY 28, 2014**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, January 28, 2014 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, Blake Cowen, Brad Nault, David Schaaf, Tony LaPlant

Board Members Absent: None

Others Present: None

Adjustments to the Agenda - None

Approval/Adjustments to the Agenda - None

Conflict of Interest Declaration – None

Approval of Minutes – November 26, 2013

Secretary Valentine reminded board members that there are no December 2013 minutes because the meeting was cancelled. Board LaPlant moved for approval of the November 26, 2013 minutes. Board member Schaaf supported the motion. There being no further discussion, the motion carried unanimously.

Unfinished Business

New Business

Ruth Possi Benefit Termination

Secretary Valentine advised that survivor beneficiary, Ruth Possi, passed away on December 18, 2013, and because she is a survivor beneficiary, her pension terminates upon her death. Secretary Valentine asked the board to ratify her final payment of \$330.41 which represents 18/31 of her regular benefit of \$569.04. Secretary Valentine further advised that payment was made payable to the estate of Ruth Possi, because beneficiary information was incomplete. Board member Schaaf moved for approval of the benefit as presented. Board member Cowen supported the motion. There being no further discussion, the motion carried unanimously.

**RETIREMENT BOARD
JANUARY 28, 2014
PAGE TWO**

MAPERS Membership

Secretary Valentine recommended approval to renew annual MAPERS membership in the amount of \$100. Board member Cowen moved for approval of the expense. Board member LaPlant supported the motion. The motion carried unanimously.

Audit Expense

Secretary Valentine requested authorization to reimburse the City's General Fund in the amount of \$1,600 for the annual audit of the Pension Fund which performed in conjunction with the City's general audit. Board member Cowen moved for approval of the audit expense. Board member LaPlant supported the motion. There being no further discussion, the motion carried unanimously.

Investment Performance

Secretary Valentine presented the following investment returns:

**City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
12/31/2013**

	<u>11/30/2013</u>	<u>12/31/2013</u>	
	<u>\$ Value</u>	<u>\$ Value</u>	<u>% Total</u>
BONDS			
Vanguard Total Bond Mkt Idx	3,146,341	3,126,303	12.8%
Vanguard Short Term Bond Idx	3,170,967	3,164,355	13.0%
Eaton Vance Bonds	<u>2,382,906</u>	<u>2,394,700</u>	<u>9.8%</u>
Total Bonds	8,700,214	8,685,359	35.7%
STOCKS			
Vanguard Stock Index	5,714,962	5,859,018	24.1%
Vanguard Sm Cap Gro Idx	2,818,018	2,886,909	11.9%
JP Morgan Mid Val	4,323,465	4,431,960	18.2%
Vanguard REIT Index	1,021,898	1,024,834	4.2%
DFA Int'l Value	<u>1,421,380</u>	<u>1,452,239</u>	<u>6.0%</u>
Total Stocks	15,299,723	15,654,960	64.3%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>23,999,937</u>	<u>24,340,319</u>	<u>100.00%</u>
Total AAL as of 6/30/2012 trended forward to 12/31/2013		29,774,899	
Estimated Funded Ratio based on Market Value		81.7%	

**RETIREMENT BOARD
JANUARY 28, 2014
PAGE TWO**

TOTAL RETURNS

	Dec-13	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
BONDS							
Vanguard Totl Bond Mkt Fnd VBTSX	-0.6%	-2.1%	-0.1%	-2.1%	1.9%	9.8%	24.0%
Vanguard S.T. Inv Grade Fnd VFSUX	-0.2%	n/a	0.6%	n/a	n/a	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	0.5%	7.3%	3.4%	7.3%	24.3%	27.4%	130.8%
Escanaba Bond Composite	-0.2%	0.8%	1.1%	0.8%	8.4%	15.3%	45.0%
Merrill HY Master Index JOA0	0.6%	7.4%	3.5%	7.4%	24.0%	29.5%	133.3%
Merrill Bond Market Index BOA01	-0.7%	-2.7%	-0.2%	-2.7%	2.3%	11.1%	24.4%
STOCKS							
Vanguard S&P 500 Index Fnd VIFSX	2.5%	32.4%	10.5%	32.4%	53.6%	56.8%	127.7%
Vanguard Sm Cap gro Idx VISGX	2.4%	37.9%	7.5%	37.9%	62.1%	59.3%	195.2%
JP Morgan Mid Value FLMVX	2.5%	32.7%	8.7%	32.7%	59.9%	63.6%	155.7%
DFA Int'l Value DFIVX	2.2%	23.1%	6.1%	23.1%	43.6%	19.4%	84.1%
Vanguard Reit Fund VGRSX	0.3%	2.4%	-0.7%	2.4%	n/a	n/a	n/a
Escanaba Equity Composite	2.3%	30.2%	8.2%	30.2%	53.2%	52.5%	136.9%
S&P 500 Index	2.5%	32.4%	10.5%	32.4%	50.1%	50.1%	109.0%
EAFA Int'l Index	1.4%	19.4%	5.4%	19.4%	35.6%	15.5%	15.5%
MSCI REIT Index	0.3%	2.5%	-0.7%	2.5%	n/a	n/a	n/a
Russell 1000 : Mid Cap Index	2.5%	30.4%	9.7%	30.4%	48.6%	47.8%	111.2%
Russell 2000: Small Cap Index	1.8%	37.0%	8.4%	37.0%	57.1%	48.5%	133.0%
Russell 3000: Broad Mkt Index	2.5%	30.9%	9.6%	30.9%	49.2%	47.9%	112.9%
OVERALL							
Escanaba Portfolio Composite	1.4%	19.1%	5.6%	19.1%	35.8%	38.7%	100.0%
Combined Passive Index	1.3%	18.3%	6.2%	18.3%	32.3%	35.4%	85.1%
MERS TOTAL MARKET FUND	1.2%	14.4%	4.8%	14.4%	26.5%	n/a	69.3%

Announcements - None

Adjournment

The meeting was adjourned at 8:53 a.m.

PPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
BOARD CHAIRMAN