

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
JULY 22, 2014**

Pursuant to public notice, a rescheduled meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, July 22, 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, Dave Schaaf, Blake Cowen, Tony LaPlant

Board Members Absent: Brad Nault

Others Present: Council Liaison Michael Sattem

Approval/Adjustments to Agenda

Secretary Valentine added a review of a recent MAPERS survey to the Agenda.

Conflict of Interest Declaration – None

Approval of Minutes

Board member Schaaf moved for approval of the May 1, 2014 Minutes. Board member Cowen supported the motion. Upon a vote, minutes were unanimously approved.

Unfinished Business – None

New Business

Investment Performance

Secretary Valentine presented the following investment return data:

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City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
06/30/2014

	05/31/2014	06/30/2014	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Total Bond Mkt Idx	3,078,130	3,081,832	12.0%
Vanguard Short Term Bond Idx	3,215,986	3,218,304	12.6%
Eaton Vance Bonds	<u>2,485,912</u>	<u>2,502,185</u>	<u>9.8%</u>
Total Bonds	8,780,028	8,802,321	34.4%
STOCKS			
Vanguard Stock Index	6,148,821	6,275,609	24.5%
Vanguard Sm Cap Gro Idx	2,841,795	3,006,439	11.7%
JP Morgan Mid Val	4,665,420	4,794,139	18.7%
Vanguard REIT Index	1,192,252	1,205,864	4.7%
DFA Int'l Value	<u>1,508,839</u>	<u>1,527,024</u>	<u>6.0%</u>
Total Stocks	16,357,127	16,809,075	65.6%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>25,137,155</u>	<u>25,611,396</u>	<u>100.00%</u>

TOTAL RETURNS

	Jun-14	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
BONDS							
Vanguard Totl Bond Mkt Fnd VBTSX	0.1%	3.9%	2.0%	4.3%	3.4%	11.2%	26.1%
Vanguard S.T. Inv Grade Fnd VFSUX	0.1%	1.7%	0.9%	n/a	n/a	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	0.7%	4.5%	2.0%	10.6%	19.8%	27.1%	85.0%
Escanaba Bond Composite	0.3%	3.3%	1.6%	5.6%	7.5%	15.2%	39.7%
Merrill HY Master Index JOA0	0.8%	5.6%	2.5%	11.8%	22.3%	30.3%	90.9%
Merrill Bond Market Index BOA01	0.0%	4.2%	2.1%	4.4%	3.7%	12.7%	28.6%
STOCKS							
Vanguard S&P 500 Index Fnd VIFSX	2.1%	7.1%	5.2%	24.5%	50.2%	58.5%	136.2%
Vanguard Sm Cap gro Idx VISGX	5.8%	4.1%	2.5%	24.3%	54.2%	50.9%	170.8%
JP Morgan Mid Value FLMVX	2.8%	8.2%	4.8%	24.6%	56.5%	65.0%	172.7%
DFA Int'l Value DFIVX	1.2%	5.1%	4.0%	27.2%	49.9%	19.8%	72.4%
Vanguard Reit Fund VGRSX	1.1%	17.7%	7.0%	13.4%	n/a	n/a	n/a
Escanaba Equity Composite	2.8%	7.4%	4.6%	23.8%	50.7%	53.2%	142.5%
S&P 500 Index	2.1%	7.1%	5.2%	24.6%	48.5%	53.2%	120.0%
EAFA Int'l Index	1.9%	4.1%	4.0%	21.6%	40.0%	16.7%	52.5%
MSCI REIT Index	1.2%	17.7%	7.0%	13.4%	23.6%	n/a	n/a
Russell 1000 : Mid Cap Index	2.1%	6.2%	4.6%	22.9%	45.8%	49.0%	117.9%
Russell 2000: Small Cap Index	5.2%	2.5%	1.7%	22.0%	49.4%	44.2%	134.7%
Russell 3000: Broad Mkt Index	2.3%	5.9%	4.4%	22.8%	46.1%	48.6%	119.2%
OVERALL							
Escanaba Portfolio Composite	1.9%	5.9%	3.6%	17.0%	33.9%	38.9%	100.0%
Combined Passive Index	1.4%	6.6%	4.2%	17.4%	32.1%	38.3%	88.6%
MERS TOTAL MARKET FUND	1.7%	4.8%	3.0%	14.4%	n/a	n/a	72.3%

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Fall MAPERS Conference

The board reviewed registration materials for the fall 2014 MAPERS Conference to be held in Acme, MI September 14 – 16. No board members have committed to attend.

Disbursements

The board reviewed the check register for July 2014. Secretary Valentine explained the circumstances behind a late Federal tax remittance and resulting IRS penalty in the amount of \$623.99. Secretary Valentine advised that payment of the penalty was a Fund expenditure and required board approval. Board member LaPlant moved to authorize the payment with the stipulation that the issue be addressed with the responsible party. Board member Cowen supported the motion. There being no further discussion, the motion carried unanimously.

MAPERS Survey

The board reviewed results of a survey by MAPERS regarding the use of plan consultants.

Adjournment

The meeting was adjourned at 8:30 a.m.

PPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
BOARD CHAIRMAN