

**MINUTES  
PUBLIC SAFETY RETIREMENT BOARD MEETING  
SEPTEMBER 23, 2014**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, September 23, 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, Brad Nault

**Board Members Absent:** Tony LaPlant

**Others Present:** Council Liaison, Michael Sattem

**Approval/Adjustments to Agenda**

None

**Conflict of Interest Declaration** – None

**Approval of Minutes**

Board member Cowen moved for approval of the August 26, 2014 Minutes. Board member Schaaf 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  
08/31/2014**

	07/31/2014	08/31/2014	
	\$ Value	\$ Value	% Total
<b>BONDS</b>			
Vanguard Total Bond Mkt Idx	3,027,156	2,945,881	11.5%
Vanguard Short Term Bond Idx	3,214,803	3,223,216	12.5%
Eaton Vance Bonds	2,469,094	2,510,169	9.8%
<b>Total Bonds</b>	<b>8,711,053</b>	<b>8,679,266</b>	<b>33.8%</b>
<b>STOCKS</b>			
Vanguard Stock Index	6,189,060	6,436,522	25.1%
Vanguard Sm Cap Gro Idx	2,850,195	2,986,279	11.6%
JP Morgan Mid Val	4,635,133	4,854,712	18.9%
Vanguard REIT Index	1,207,141	1,242,483	4.8%
DFA Int'l Value	1,493,006	1,493,006	5.8%
<b>Total Stocks</b>	<b>16,374,535</b>	<b>17,013,002</b>	<b>66.2%</b>
<b>CASH</b>			
Money Market Accounts	0	0	0.0%
<b>Total</b>	<b>25,085,588</b>	<b>25,692,268</b>	<b>100.00%</b>

**TOTAL RETURNS**

	Aug-14	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
<b>BONDS</b>							
Vanguard Totl Bond Mkt Fnd VBTSX	1.2%	4.9%	1.0%	5.7%	2.9%	8.9%	24.2%
Vanguard S.T. Inv Grade Fnd VFSUX	0.3%	1.9%	0.2%	n/a	n/a	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	1.7%	4.8%	1.0%	9.5%	17.2%	31.5%	70.8%
<b>Escanaba Bond Composite</b>	<b>1.0%</b>	<b>3.7%</b>	<b>0.7%</b>	<b>5.9%</b>	<b>6.1%</b>	<b>14.3%</b>	<b>35.1%</b>
Merrill HY Master Index J0A0	1.5%	5.7%	1.0%	10.5%	18.7%	34.2%	76.8%
Merrill Bond Market Index BOA01	1.2%	5.4%	1.1%	6.1%	3.1%	10.0%	26.3%
<b>STOCKS</b>							
Vanguard S&P 500 Index Fnd VIFSX	4.0%	9.9%	4.7%	25.2%	48.6%	75.5%	117.3%
Vanguard Sm Cap gro Idx VISGX	4.8%	3.4%	5.1%	18.0%	49.2%	70.5%	140.8%
JP Morgan Mid Value FLMVX	4.7%	9.5%	4.1%	23.7%	52.7%	83.6%	143.4%
DFA Int'l Value DFIVX	0.0%	2.8%	-1.0%	17.3%	41.4%	35.5%	42.6%
Vanguard Reit Fund VGRSX	2.9%	21.2%	4.2%	24.4%	n/a	n/a	n/a
<b>Escanaba Equity Composite</b>	<b>3.9%</b>	<b>8.7%</b>	<b>4.0%</b>	<b>22.7%</b>	<b>47.3%</b>	<b>71.0%</b>	<b>117.6%</b>
S&P 500 Index	4.0%	9.9%	4.7%	25.2%	47.5%	70.2%	103.3%
EAFA Int'l Index	-0.4%	0.5%	-1.6%	13.4%	30.7%	26.3%	28.4%
MSCI REIT Index	1.7%	19.7%	2.9%	22.8%	23.5%	n/a	n/a
Russell 1000 : Mid Cap Index	3.9%	8.5%	4.3%	22.9%	44.2%	65.6%	100.2%
Russell 2000: Small Cap Index	4.8%	0.9%	3.5%	16.2%	44.6%	61.6%	105.3%
Russell 3000: Broad Mkt Index	4.0%	7.9%	4.2%	22.4%	44.2%	65.3%	100.6%
<b>OVERALL</b>							
<b>Escanaba Portfolio Composite</b>	<b>2.9%</b>	<b>6.9%</b>	<b>2.9%</b>	<b>16.4%</b>	<b>31.4%</b>	<b>48.7%</b>	<b>84.9%</b>
Combined Passive Index	2.7%	8.3%	3.0%	17.9%	30.6%	47.1%	76.4%
MERS TOTAL MARKET FUND	2.2%	6.0%	2.7%	13.8%	n/a	n/a	63.4%

Notes:

- Equity policy limitation is 65% of total portfolio
- The MERS Total Market Fund invests in a broad selection of diverse investments and securities. Some securities (approximately 25% of the total portfolio) are not able to provide prices on a daily basis or prices are determined on a delayed basis. Due to the characteristics of these investments, the NAVs provided by Northern Trust Company may not reflect the current market value of the Fund. The returns provided for periods prior to October 3, 2006 are based upon data provided by Northern Trust Company and do not incorporate the additional fees for record-keeping (ICMA-RC) and investment management (MERS).
- Two, three and five year returns above are gross (not annualized) returns.

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**Disbursements**

The board reviewed the check register for 8/31/2014.

**Vandrese Retirement Application**

Item tabled because application was not received prior to meeting

**Adjournment**

The meeting was adjourned at 8:40 a.m.

PPROVED:



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ROBERT VALENTINE,  
SECRETARY

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TONY LAPLANT  
BOARD CHAIRMAN