

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
JUNE 23, 2015**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, June 23, 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, Blake Cowen, Tony LaPlant, Brad Nault, David Schaaf

Board Members Absent: None

Others Present: None

Approval/Adjustments to Agenda -- None.

Conflict of Interest Declaration – None

Approval of Minutes

Board member LaPlant moved for approval of the April 28, 2015 Minutes. Board member Cowen supported the motion. Minutes were unanimously approved.

Unfinished Business – None

New Business

Investment Performance

Secretary Valentine presented the following investment performance numbers for the month of May:

RETIREMENT BOARD
JUNE 23, 2015
PAGE TWO

City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
05/31/2015

	04/30/2015	05/31/2015	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Total Bond Mkt Idx	3,802,279	3,740,510	14.0%
Vanguard Short Term Bond Idx	3,264,924	3,246,252	12.2%
Eaton Vance Bonds	<u>2,543,047</u>	<u>2,555,516</u>	<u>9.6%</u>
Total Bonds	9,610,250	9,542,278	35.7%
STOCKS			
Vanguard Stock Index	5,789,615	5,863,891	22.0%
Vanguard Sm Cap Gro Idx	3,117,075	3,203,496	12.0%
JP Morgan Mid Val	5,196,548	5,287,209	19.8%
Vanguard REIT Index	1,315,934	1,312,541	4.9%
DFA Int'l Value	<u>1,483,904</u>	<u>1,484,668</u>	<u>5.6%</u>
Total Stocks	16,903,076	17,151,805	64.3%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>26,513,326</u>	<u>26,694,083</u>	<u>100.00%</u>

TOTAL RETURNS

	-----Gross Returns-----						
	May-15	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
BONDS							
Vanguard Totl Bond Mkt Fnd VBTLX	-0.4%	1.1%	-0.4%	3.1%	5.7%	6.5%	20.7%
Vanguard S.T. Inv Grade Fnd VFSUX	-0.6%	0.7%	0.0%	0.9%	n/a	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	0.5%	4.1%	1.1%	2.8%	10.2%	24.2%	51.3%
Escanaba Bond Composite	-0.2%	1.7%	0.2%	2.1%	5.5%	10.0%	27.5%
Merrill HY Master Index J0A0	0.3%	4.1%	1.0%	1.9%	9.8%	26.0%	53.8%
Merrill Bond Market Index BOA01	-0.2%	1.0%	-0.3%	3.2%	5.7%	7.0%	23.0%
STOCKS							
Vanguard S&P 500 Index Fnd VIAXX	1.3%	3.4%	0.6%	11.9%	34.8%	71.5%	115.1%
Vanguard Sm Cap gro Idx VISGX	2.8%	6.8%	1.7%	12.7%	31.4%	72.1%	118.3%
JP Morgan Mid Value FLMVX	1.7%	3.6%	0.8%	13.3%	36.7%	77.2%	128.7%
DFA Int'l Value DFIVX	0.1%	9.9%	3.3%	-1.6%	19.3%	56.0%	52.5%
Vanguard Reit Fund VGSLX	-0.3%	-1.7%	-4.5%	10.1%	20.9%	n/a	n/a
Escanaba Equity Composite	1.5%	4.1%	0.7%	11.1%	32.2%	69.3%	110.2%
S&P 500 Index	1.3%	3.2%	0.6%	11.8%	34.7%	69.1%	103.4%
EFAA Int'l Index	-1.0%	7.0%	0.7%	-2.9%	11.6%	42.5%	39.2%
MSCI REIT Index	-0.3%	-1.7%	-4.5%	10.2%	21.1%	n/a	n/a
Russell 1000 : Mid Cap Index	1.1%	2.8%	0.3%	9.8%	30.1%	62.5%	95.5%
Russell 2000: Small Cap Index	2.2%	3.5%	1.1%	9.9%	26.7%	63.6%	88.4%
Russell 3000: Broad Mkt Index	1.2%	2.9%	0.3%	9.8%	29.8%	62.6%	94.9%
OVERALL							
Escanaba Portfolio Composit CAGR	0.9%	3.3%	0.5%	7.9%	10.5%	13.3%	12.1%
Escanaba Portfolio Composite Gross	0.9%	3.3%	0.5%	7.9%	22.2%	45.5%	77.3%
Combined Passive Index Gross	0.6%	2.7%	0.2%	7.8%	22.6%	44.5%	73.4%
MERS Total Market Fund CAGR	0.4%	2.0%	0.5%	6.0%			9.5%

RETIREMENT BOARD
JUNE 23, 2015
PAGE THREE

Review of Pension Fund Universe Performance

Secretary Valentine reviewed the first quarter performance of the following pension fund universes: Wilshire TUCS, Northern Trust, BNY Mellon. The data from all three press releases suggest that Escanaba's plan outperformed the median returns of all three benchmarks over the first quarter of 2015.

Gabriel Roeder Invoice

Board member Cowen moved for approval of an invoice in the amount of \$8,300 payable to Gabriel Roeder Smith for 2014/2015 actuarial services including the 6/30/15 valuation. The motion carried unanimously.

Authorization to Hire Gabriel Roeder for 2014/2014

Board member Schaaf moved to authorize hiring Gabriel Roeder for 2015/2016 actuarial services at a price of \$8,600 for regular services plus \$3,500 for the mandatory GASB valuation. The motion was supported by board member Nault and carried unanimously.

Termination of James Stasewich Benefit

Secretary Valentine advised that Pensioner, James Stasewich passed away on 6/15/15 with a qualifying surviving spouse. Secretary Valentine advised that 15 days of benefit (\$1,231.35) had accrued to Mr. Stasewich at the time of his passing. Board member LaPlant moved with support from board member Cowen to pay said amount to Mr. Stasewich's beneficiary Janet Stasewich, thereby terminating his benefit. The motion carried unanimously.

Approval of Survivor Benefit to Janet Stasewich

Secretary Valentine advised that James Stasewich, upon passing, leaves a surviving spouse, Janet Stasewich, who is thereby entitled to receive a 60% spousal survivor benefit of \$1,477.61 per month under the terms of the plan. Board member Cowen moved to commence Janet's Stasewich's survivor benefits in accordance with Secretary Valentine's calculations effective 6/16/15. The motion was supported by board member Nault. The motion carried unanimously.

Disbursements

The board tabled review of disbursements until the July meeting.

Adjournment

The meeting was adjourned at 8:44 a.m.

**RETIREMENT BOARD
JUNE 23, 2015
PAGE FOUR**

APPROVED:

A handwritten signature in cursive script, appearing to read "Robert Valentine", written in black ink.

ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
BOARD CHAIRMAN