



MEETING AGENDA

April 28, 2015

Board members: Tony LaPlant, Blake Cowen, David Schaaf, Brad Nault, Robert Valentine
Council Liaison: Michael Sattem

City Hall Room 102 - Escanaba, MI 49829

City of Escanaba Public Safety Retirement Board

April 28, 2015

8:00 a.m.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL/ADJUSTMENTS TO THE AGENDA
4. CONFLICT OF INTEREST DECLARATION
5. APPROVAL/CORRECTION(S) TO MARCH 24, 2015 MINUTES.
6. UNFINISHED BUSINESS
None
7. NEW BUSINESS
 1. Review 6/30/14 Actuarial Valuation With Gabriel Roeder
 2. Investment Performance Review
 3. Review of Disbursements
8. GENERAL PUBLIC COMMENT
9. ANNOUNCEMENTS
10. ADJOURNMENT

The City of Escanaba will provide all necessary, reasonable aids and services, such as signers for the hearing impaired and audiotapes of printed materials being considered at the meeting to individuals with disabilities at the meeting/hearing upon five days notice to the City of Escanaba. Individuals with disabilities requiring auxiliary aids or services should contact the City of Escanaba by writing or calling at (906) 786-9402.

Respectfully Submitted,

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

Robert Valentine
Treasurer, Board Secretary

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
MARCH 24, 2015**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, MARCH 24, 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, Tony LaPlant,

Board Members Absent: Brad Nault, Blake Cowen

Others Present: None

Approval/Adjustments to Agenda -- None.

Conflict of Interest Declaration – None

Approval of Minutes

Board member Schaaf moved for approval of the February 24, 2015 Minutes. Board member LaPlant supported the motion. Minutes were unanimously approved.

Unfinished Business – None

New Business

Disbursements

The board reviewed the disbursement register for March 2015. Board member Schaaf moved for approval of disbursements totaling \$11,6476.16. Board member LaPlant supported the motion. The motion carried unanimously.

Investment Performance

Secretary Valentine presented the following investment performance report:

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City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
02/28/2015

| | 01/31/2015 | 02/28/2015 | |
|------------------------------|-------------------|-------------------|----------------|
| | \$ Value | \$ Value | % Total |
| BONDS | | | |
| Vanguard Total Bond Mkt Idx | 2,967,130 | 3,869,898 | 14.5% |
| Vanguard Short Term Bond Idx | 3,249,633 | 3,245,342 | 12.2% |
| Eaton Vance Bonds | <u>2,476,361</u> | <u>2,527,145</u> | <u>9.5%</u> |
| Total Bonds | 8,693,124 | 9,642,385 | 36.1% |
| STOCKS | | | |
| Vanguard Stock Index | 6,458,772 | 5,827,256 | 21.8% |
| Vanguard Sm Cap Gro Idx | 2,973,417 | 3,150,466 | 11.8% |
| JP Morgan Mid Val | 5,000,115 | 5,244,626 | 19.7% |
| Vanguard REIT Index | 1,425,581 | 1,374,642 | 5.2% |
| DFA Int'l Value | <u>1,341,558</u> | <u>1,437,220</u> | <u>5.4%</u> |
| Total Stocks | 17,199,443 | 17,034,210 | 63.9% |
| CASH | | | |
| Money Market Accounts | 0 | 0 | 0.0% |
| Total | <u>25,892,567</u> | <u>26,676,595</u> | <u>100.00%</u> |

TOTAL RETURNS

| | Gross Returns | | | | | | |
|-----------------------------------|---------------|------|---------------|-----------------|-----------------|-----------------|-----------------|
| | Feb-15 | YTD | Trailing 3 mo | Trailing 1 year | Trailing 2 year | Trailing 3 year | Trailing 5 year |
| BONDS | | | | | | | |
| Vanguard Totl Bond Mkt Fnd VBTX | -0.9% | 1.4% | 1.6% | 5.3% | 5.3% | 8.6% | 23.4% |
| Vanguard S.T. Inv Grade Fnd VFSUX | -0.1% | 0.7% | 0.3% | 1.6% | n/a | n/a | n/a |
| Eaton Vance H.Y. Bond Fund EVIBX | 2.1% | 2.9% | 1.7% | 3.1% | 11.3% | 22.8% | 52.3% |
| Escanaba Bond Composite | 0.2% | 1.6% | 1.1% | 3.3% | 5.5% | 11.0% | 29.6% |
| Merrill HY Master Index JOA0 | 2.3% | 3.0% | 1.5% | 2.7% | 11.3% | 24.4% | 55.1% |
| Merrill Bond Market Index BOA01 | -1.3% | 1.3% | 1.4% | 5.5% | 5.3% | 9.4% | 25.5% |
| STOCKS | | | | | | | |
| Vanguard S&P 500 Index Fnd VIAXX | 5.9% | 2.7% | 2.4% | 15.6% | 45.0% | 64.6% | 111.2% |
| Vanguard Sm Cap gro Idx VISGX | 6.0% | 5.1% | 5.8% | 5.0% | 40.5% | 59.0% | 125.1% |
| JP Morgan Mid Value FLMVX | 4.9% | 2.8% | 4.5% | 15.5% | 46.1% | 75.5% | 134.0% |
| DFA Int'l Value DFIVX | 7.1% | 6.4% | 2.4% | -2.8% | 20.0% | 26.6% | 38.3% |
| Vanguard Reit Fund VGSLX | -3.6% | 2.9% | 4.9% | 22.6% | 30.8% | n/a | n/a |
| Escanaba Equity Composite | 4.9% | 3.4% | 3.8% | 12.4% | 41.1% | 61.6% | 110.2% |
| S&P 500 Index | 5.7% | 2.6% | 2.3% | 15.5% | 44.8% | 61.2% | 99.3% |
| EAFE Int'l Index | 5.8% | 6.3% | 2.5% | -2.6% | 13.1% | 20.3% | 26.0% |
| MSCI REIT Index | -3.6% | 2.9% | 4.9% | 22.4% | 31.0% | n/a | n/a |
| Russell 1000 : Mid Cap Index | 5.5% | 2.5% | 2.1% | 12.7% | 39.5% | 55.1% | 93.2% |
| Russell 2000: Small Cap Index | 5.8% | 2.4% | 5.1% | 4.3% | 35.4% | 52.1% | 96.2% |
| Russell 3000: Broad Mkt Index | 5.6% | 2.5% | 2.4% | 12.0% | 39.2% | 54.9% | 93.4% |
| OVERALL | | | | | | | |
| Escanaba Portfolio Composite | 3.3% | 2.8% | 2.8% | 9.2% | 27.5% | 42.0% | 78.4% |
| Combined Passive Index | 3.1% | 2.5% | 2.1% | 11.0% | 28.4% | 40.6% | 72.3% |
| MERS TOTAL MARKET FUND | 2.5% | 1.5% | 1.6% | 6.0% | | | 57.6% |

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Spring MAPERS Conference

The Board reviewed information on the Spring MAPERS Conference to be held in Mount Pleasant May 17th-19th.

Adjournment

The meeting was adjourned at 8:55 a.m.

PPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
BOARD CHAIRMAN

Investment Performance Summary

03/31/2015

| | 02/28/2015 | 03/31/2015 | |
|------------------------------|-------------------|-------------------|----------------|
| | \$ Value | \$ Value | % Total |
| BONDS | | | |
| Vanguard Total Bond Mkt Idx | 3,869,898 | 3,886,005 | 14.6% |
| Vanguard Short Term Bond Idx | 3,245,342 | 3,256,686 | 12.2% |
| Eaton Vance Bonds | 2,527,145 | 2,517,410 | 9.4% |
| Total Bonds | 9,642,385 | 9,660,101 | 36.2% |
| STOCKS | | | |
| Vanguard Stock Index | 5,827,256 | 5,734,885 | 21.5% |
| Vanguard Sm Cap Gro Idx | 3,150,466 | 3,187,398 | 11.9% |
| JP Morgan Mid Val | 5,244,626 | 5,291,330 | 19.8% |
| Vanguard REIT Index | 1,374,642 | 1,398,531 | 5.2% |
| DFA Int'l Value | 1,437,220 | 1,406,608 | 5.3% |
| Total Stocks | 17,034,210 | 17,018,752 | 63.8% |
| CASH | | | |
| Money Market Accounts | 0 | 0 | 0.0% |
| Total | 26,676,595 | 26,678,853 | 100.00% |

TOTAL RETURNS

| BONDS | Mar-15 | YTD | Trailing 3 mo | Trailing 1 year | -----Gross Returns----- | | |
|-----------------------------------|-------------|-------------|------------------|--------------------|-------------------------|--------------------|--------------------|
| | | | | | Trailing 2 year | Trailing 3 year | Trailing 5 year |
| Vanguard Totl Bond Mkt Fnd VBTLX | 0.4% | 1.9% | 1.9% | 5.9% | 5.6% | 9.6% | 24.0% |
| Vanguard S.T. Inv Grade Fnd VFSUX | 0.3% | 1.0% | 1.0% | 2.1% | n/a | n/a | n/a |
| Eaton Vance H.Y. Bond Fund EVIBX | -0.4% | 2.5% | 2.5% | 2.6% | 9.8% | 22.5% | 47.7% |
| Escanaba Bond Composite | 0.2% | 1.7% | 1.7% | 3.5% | 5.3% | 11.7% | 28.9% |
| Merrill HY Master Index J0A0 | -0.5% | 2.5% | 2.5% | 2.0% | 9.7% | 23.9% | 49.5% |
| Merrill Bond Market Index BOA01 | 0.6% | 1.9% | 1.9% | 6.3% | 5.8% | 10.8% | 26.6% |
| STOCKS | | | | | | | |
| Vanguard S&P 500 Index Fnd VIAXX | -1.6% | 1.1% | 1.1% | 12.9% | 37.5% | 56.8% | 96.0% |
| Vanguard Sm Cap gro Idx VISGX | 1.2% | 6.3% | 6.3% | 8.7% | 35.6% | 57.3% | 110.6% |
| JP Morgan Mid Value FLMVX | 0.9% | 3.7% | 3.7% | 15.7% | 40.7% | 71.8% | 122.6% |
| DFA Int'l Value DFIVX | -2.1% | 4.1% | 4.1% | -4.2% | 17.1% | 24.9% | 25.3% |
| Vanguard Reit Fund VGSLX | 1.7% | 4.7% | 4.7% | 24.1% | 29.4% | n/a | n/a |
| Escanaba Equity Composite | -0.1% | 3.3% | 3.3% | 12.2% | 35.6% | 57.3% | 97.1% |
| S&P 500 Index | -1.6% | 1.0% | 1.0% | 12.7% | 37.4% | 53.9% | 85.3% |
| EAFA Int'l Index | -2.0% | 4.2% | 4.2% | -3.5% | 10.4% | 19.0% | 16.7% |
| MSCI REIT Index | 1.7% | 4.7% | 4.7% | 24.2% | 29.5% | n/a | n/a |
| Russell 1000 : Mid Cap Index | -1.4% | 1.1% | 1.1% | 10.6% | 32.7% | 48.5% | 79.7% |
| Russell 2000: Small Cap Index | 1.6% | 4.0% | 4.0% | 6.8% | 31.7% | 50.9% | 84.6% |
| Russell 3000: Broad Mkt Index | -1.2% | 1.3% | 1.3% | 10.3% | 32.6% | 48.7% | 80.1% |
| OVERALL | | | | | | | |
| Escanaba Portfolio Composite | 0.0% | 2.8% | 2.8% | 9.2% | 24.2% | 39.7% | 70.7% |
| Combined Passive Index | -0.8% | 1.7% | 1.7% | 9.7% | 24.4% | 37.3% | 64.2% |
| MERS TOTAL MARKET FUND | 0.0% | 1.5% | 1.5% | 5.6% | | | 52.3% |

Notes:

1.) Equity policy limitation is 65% of total portfolio

2.) 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).

3.) Two, three and five year returns above are gross (not annualized) returns.