

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
JUNE 28, 2016**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, June 28, 2016 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, David Schaaf, Tony LaPlant

Board Members Absent: David Mlostek

Others Present: None

Approval/Adjustments to Agenda

None.

Conflict of Interest Declaration

None

Approval of Minutes

The Board unanimously approved minutes from the May 24, 2016 meeting

Unfinished Business

None

New Business

Investment Review

The board reviewed investment performance for the month of May. The following performance report was presented by Secretary Valentine

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City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
05/31/2016

	04/30/2016	05/31/2016	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Total Bond Mkt Idx	3,432,722	3,433,512	13.1%
Vanguard Short Term Bond Idx	3,332,290	3,332,525	12.7%
Eaton Vance Bonds	<u>2,537,592</u>	<u>2,550,320</u>	<u>9.7%</u>
Total Bonds	9,302,604	9,316,356	35.5%
STOCKS			
Vanguard Stock Index	5,858,421	5,963,168	22.7%
Vanguard Sm Cap Gro Idx	2,899,631	2,973,169	11.3%
JP Morgan Mid Val	5,207,649	5,264,859	20.1%
Vanguard REIT Index	1,418,151	1,451,806	5.5%
DFA Int'l Value	<u>1,272,805</u>	<u>1,249,015</u>	<u>4.8%</u>
Total Stocks	16,656,657	16,902,016	64.5%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>25,959,261</u>	<u>26,218,372</u>	<u>100.00%</u>

TOTAL RETURNS

	May-16	YTD	Trailing 3 mo	Trailing 1 year	-----Gross Returns-----			
					Trailing 2 year	Trailing 3 year	Trailing 5 year	
BONDS								
Vanguard Totl Bond Mkt Fnd VBTLX	0.0%	3.5%	1.4%	3.0%	6.2%	8.9%	17.6%	
Vanguard S.T. Inv Grade Fnd VFSUX	0.0%	2.2%	1.5%	2.7%	3.6%	n/a	n/a	
Eaton Vance H.Y. Bond Fund EVIBX	0.5%	6.1%	5.9%	-0.2%	2.6%	10.0%	28.6%	
Escanaba Bond Composite	0.1%	3.7%	2.6%	2.0%	4.2%	7.7%	19.2%	
Merrill HY Master Index JOA0	0.6%	8.0%	9.3%	-0.9%	0.9%	8.9%	29.2%	
Merrill Bond Market Index BOA01	0.2%	4.0%	1.5%	3.2%	6.5%	9.1%	19.6%	
STOCKS								
Vanguard S&P 500 Index Fnd VIAXX	1.8%	3.6%	9.1%	1.7%	13.8%	37.0%	73.8%	
Vanguard Sm Cap gro Idx VISGX	2.5%	1.8%	11.9%	-7.2%	4.6%	21.9%	46.3%	
JP Morgan Mid Value FLMVX	1.1%	5.7%	10.3%	-0.4%	12.8%	36.1%	77.7%	
DFA Int'l Value DFIVX	-1.9%	-1.3%	10.6%	-15.9%	-17.2%	0.4%	-3.4%	
Vanguard Reit Fund VGSLX	2.4%	6.2%	10.3%	10.6%	21.8%	33.8%	n/a	
Escanaba Equity Composite	1.5%	3.7%	10.2%	-1.5%	9.5%	30.3%	60.3%	
S&P 500 Index	1.8%	5.2%	9.1%	1.7%	13.7%	37.0%	67.6%	
EAFA Int'l Index	-1.5%	-2.8%	7.0%	-12.2%	-14.8%	-2.0%	-3.8%	
MSCI REIT Index	2.4%	6.2%	10.3%	10.8%	22.1%	34.1%	n/a	
Russell 1000 : Mid Cap Index	1.5%	2.6%	8.8%	-1.3%	8.3%	28.4%	55.1%	
Russell 2000: Small Cap Index	2.1%	1.7%	11.7%	-7.4%	1.8%	17.3%	36.1%	
Russell 3000: Broad Mkt Index	1.5%	2.5%	9.1%	-1.8%	7.8%	27.4%	53.4%	
OVERALL								
Escanaba Portfolio CAGR	1.0%	3.8%	7.3%	-0.2%	3.8%	6.8%	7.7%	
Escanaba Portfolio Composite Gross	1.0%	3.8%	7.3%	-0.2%	7.7%	22.0%	44.9%	
Combined Passive Index Gross	1.1%	5.0%	7.1%	2.0%	10.0%	25.1%	47.9%	
MERS Total Market Fund	0.8%	3.0%	5.8%	-0.5%			5.6%	

Benefit Cessation for Edsel Bedard

Having been duly advised of the passing of pensioner, Edsel Bedard on 6/6/16, and having reviewed benefits payable to Mr. Bedard, board member LaPlant moved to authorize a final prorated benefit in the amount of \$505.92 payable to the estate of Mr. Bedard. The motion was supported by board member Cowen and carried unanimously.

Retirement Application from Ken Vanderlinden

The board reviewed a retirement application from Ken Vanderlinden. Having been satisfied that Mr. Vanderlinden has met the plan's 25 year service requirement through a combination of 21 years service combined with the purchase of 4 years of military time, board member Cowen moved to approve the application. Board member Schaaf supported the motion. Upon a vote, the motion carried unanimously.

Benefit Calculation for Ken Vanderlinden

Secretary Valentine presented the board with a detailed calculation Ken Vanderlinden's retirement benefit in the amount of \$65,414.04 annually. Board member Cowen moved to authorize the commencement of said benefit subject to final review by the plan's actuary after commencement. Board member LaPlant supported the motion. The motion carried unanimously.

Authorization to Purchase Military Service Time for Ken Vanderlinden

Having reviewed Ken Vanderlinden's form DD214, Record of Military Service, and having reviewed Secretary Valentine's calculation of the cost to purchase 4 years of military service time, and having been satisfied that Mr. Vanderlinden meets requirements of the plan for purchase of such time, board member Cowen moved to authorize purchase of 4 years of military service time at a cost of \$15,930.48 (5% of annualized pay per year). Board member LaPlant supported the motion. Upon a vote, the motion carried unanimously.

Disbursements

The board reviewed disbursement registers for the months of April – June. Secretary Valentine will follow with the board with respect to two questions from the April register.

Other Business

None

Public Comment

None

Adjournment

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

APPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
BOARD CHAIRMAN