

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
JUNE 27, 2017**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, June 27, 2017 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 Mlostek, Tony LaPlant

Board Members Absent: David Schaaf

Others Present: None

Approval/Adjustments to Agenda

None.

Conflict of Interest Declaration

None

Approval and/or Corrections to April Minutes

The Board unanimously approved minutes from the May 23, 2017 meeting.

Unfinished Business

None

New Business

1. The board reviewed the May 2017 performance report. Secretary Valentine presented the following summary:

PUBLIC SAFETY RETIREMENT BOARD
JUNE 27, 2017
PAGE TWO

City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
05/31/2017

	04/30/2017	05/31/2017	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Total Bond Mkt Idx	2,943,030	2,832,221	10.0%
Vanguard Short Term Bond Idx	4,547,138	4,559,555	16.1%
Eaton Vance Bonds	<u>2,799,271</u>	<u>2,816,677</u>	<u>9.9%</u>
Total Bonds	10,289,439	10,208,453	36.0%
STOCKS			
Vanguard Stock Index	6,339,088	6,428,006	22.7%
Vanguard Sm Cap Gro Idx	3,469,866	3,481,107	12.3%
JP Morgan Mid Val	5,232,795	5,257,595	18.5%
Vanguard REIT Index	1,500,165	1,490,446	5.3%
DFA Int'l Value	<u>1,473,732</u>	<u>1,499,184</u>	<u>5.3%</u>
Total Stocks	18,015,646	18,156,338	64.0%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>28,305,085</u>	<u>28,364,791</u>	<u>100.00%</u>

TOTAL RETURNS

	May-17	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
BONDS							
Vanguard Totl Bond Mkt Fnd VBTLX	0.7%	2.3%	1.4%	1.4%	4.5%	7.8%	11.3%
Vanguard S.T. Inv Grade Fnd VFSUX	0.3%	1.5%	0.8%	2.0%	4.8%	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	0.6%	3.9%	3.9%	10.4%	10.2%	13.3%	36.8%
Escanaba Bond Composite	0.5%	2.4%	1.8%	4.1%	6.2%	8.4%	16.8%
Merrill HY Master Index J0A0	0.9%	4.8%	1.8%	13.8%	12.8%	14.9%	42.1%
Merrill Bond Market Index BOA01	0.9%	2.7%	1.6%	1.7%	4.9%	8.3%	12.3%
STOCKS							
Vanguard S&P 500 Index Fnd VIAXX	1.4%	8.6%	2.6%	17.4%	19.4%	33.7%	104.8%
Vanguard Sm Cap gro Idx VISGX	0.3%	7.8%	2.1%	17.1%	8.7%	22.5%	87.0%
JP Morgan Mid Value FLMVX	0.5%	4.8%	0.2%	13.7%	13.2%	28.3%	100.5%
DFA Int'l Value DFIVX	1.7%	9.3%	5.5%	20.0%	1.0%	-0.6%	57.5%
Vanguard Reit Fund VGSLX	-0.6%	0.5%	-2.9%	2.7%	13.6%	25.0%	n/a
Escanaba Equity Composite	0.8%	6.7%	1.5%	15.1%	13.4%	26.0%	92.0%
S&P 500 Index	1.4%	8.7%	2.6%	17.5%	19.5%	33.6%	102.1%
EAFE Int'l Index	3.1%	12.2%	7.8%	13.3%	-0.5%	-3.4%	41.8%
MSCI REIT Index	-0.6%	0.5%	-2.8%	2.8%	13.8%	25.4%	n/a
Russell 1000 : Mid Cap Index	1.0%	7.6%	1.9%	15.1%	13.6%	24.6%	84.5%
Russell 2000: Small Cap Index	-2.2%	1.0%	-1.2%	18.7%	9.9%	20.8%	79.9%
Russell 3000: Broad Mkt Index	0.8%	7.1%	1.7%	15.4%	13.2%	24.3%	84.1%
OVERALL							
Escanaba Portfolio CAGR	0.7%	5.1%	1.6%	10.8%	5.1%	6.1%	10.0%
Escanaba Portfolio Composite Gross	0.7%	5.1%	1.6%	10.8%	10.6%	19.3%	60.9%
Combined Passive Index Gross	1.2%	6.4%	2.2%	11.6%	13.8%	22.7%	64.5%
MERS Total Market Fund	0.5%	4.7%	2.0%	11.9%			8.3%

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.

2. Review of Summary Annual Report

Secretary Valentine reviewed with the board, the Summary Annual Report (SAR) dated 12/31/2016. Secretary Valentine advised that a copy of the report was sent to Treasury and to all plan participants and posted on the City web site.

3. Review Disbursements

The board reviewed the May and June disbursement registers. Board member Cowen moved to approve Disbursements with support from board member LaPlant. The motion carried unanimously.

4. Conduent/Buck Consulting

The board reviewed and discussed a letter from Conduent advising of the departure of Larry, the actuary assigned to the Escanaba plan.

5. Patricia Casey Survivor Benefit

Board members were advised of the passing of pensioner, Walter Casey. Secretary Valentine advised that a survivor benefit is payable to Patricia Casey in the amount of \$904.40 per month. Having reviewed Walter Casey's obituary and beneficiary designation form and having reviewed the survivor benefit calculation, board member Cowen moved to approve the survivor benefit as presented. Board member LaPlant supported the motion. The motion carried unanimously.

6. Fall MAPERS Conference

The board reviewed information on the fall MAPERS conference to be held September 16th -18th in Bellaire, MI. At this point there was no expression of interest for attendance among board members.

Adjournment

Following a motion by board member LaPlant, the meeting was adjourned at 8:40 a.m.

APPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
CHAIRMAN