

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
AUGUST 23, 2016**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, August 23, 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, David Mlostek

Board Members Absent: None

Others Present: None

Approval/Adjustments to Agenda

None.

Conflict of Interest Declaration

None

Approval of Minutes

Following a correction to the draft, the Board unanimously approved minutes from the July, 2016 meeting

Unfinished Business

New Business

Investment Review

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

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**City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
07/31/2016**

	<u>06/30/2016</u>	<u>07/31/2016</u>	<u>% Total</u>
	<u>\$ Value</u>	<u>\$ Value</u>	
BONDS			
Vanguard Total Bond Mkt Idx	3,439,117	3,401,221	12.6%
Vanguard Short Term Bond Idx	3,360,499	3,375,794	12.5%
Eaton Vance Bonds	<u>2,563,535</u>	<u>2,613,323</u>	<u>9.7%</u>
Total Bonds	9,363,151	9,390,338	34.7%
STOCKS			
Vanguard Stock Index	5,978,422	6,198,530	22.9%
Vanguard Sm Cap Gro Idx	2,987,020	3,153,346	11.7%
JP Morgan Mid Val	5,308,868	5,443,827	20.1%
Vanguard REIT Index	1,551,912	1,616,987	6.0%
DFA Int'l Value	<u>1,203,160</u>	<u>1,257,298</u>	<u>4.6%</u>
Total Stocks	17,029,382	17,669,988	65.3%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>26,392,533</u>	<u>27,060,326</u>	<u>100.00%</u>

TOTAL RETURNS

	Jul-16	YTD	-----Gross Returns-----				
			Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
BONDS							
Vanguard Totl Bond Mkt Fnd VBTLX	0.7%	6.2%	2.6%	6.0%	9.2%	13.4%	19.2%
Vanguard S.T. Inv Grade Fnd VFSUX	0.5%	3.6%	1.3%	3.5%	5.0%	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	1.9%	8.7%	3.0%	3.3%	5.8%	13.3%	31.5%
Escanaba Bond Composite	0.9%	5.9%	2.3%	4.4%	6.7%	11.2%	20.6%
Merrill HY Master Index J0A0	2.5%	11.9%	4.3%	4.9%	5.1%	13.7%	33.6%
Merrill Bond Market Index BOA01	0.8%	7.1%	3.2%	6.8%	9.9%	14.4%	21.5%
STOCKS							
Vanguard S&P 500 Index Fnd VIAXX	3.7%	7.6%	5.8%	5.6%	17.6%	37.4%	87.6%
Vanguard Sm Cap gro Idx VISGX	5.6%	8.0%	8.7%	-1.9%	10.6%	22.2%	64.7%
JP Morgan Mid Value FLMVX	2.5%	9.2%	4.5%	3.7%	17.4%	34.3%	94.5%
DFA Int'l Value DFIVX	4.5%	-0.6%	-1.2%	-11.9%	-15.8%	-2.0%	1.9%
Vanguard Reit Fund VGSLX	4.2%	18.3%	14.0%	22.3%	34.0%	50.7%	n/a
Escanaba Equity Composite	3.8%	8.4%	6.1%	3.4%	14.3%	31.0%	75.9%
S&P 500 Index	3.7%	9.3%	5.8%	5.6%	17.5%	37.3%	81.3%
EAFA Int'l Index	5.0%	-1.6%	-0.2%	-10.1%	-12.6%	-2.1%	0.6%
MSCI REIT Index	4.2%	18.3%	14.0%	22.4%	34.3%	51.1%	n/a
Russell 1000 : Mid Cap Index	3.7%	6.4%	5.3%	2.6%	12.0%	28.5%	67.8%
Russell 2000: Small Cap Index	-89.1%	7.4%	7.9%	-1.5%	8.9%	16.7%	53.1%
Russell 3000: Broad Mkt Index	3.9%	6.5%	5.5%	2.3%	11.7%	27.5%	66.5%
OVERALL							
Escanaba Portfolio CAGR	2.8%	7.6%	4.7%	3.8%	5.7%	7.3%	9.1%
Escanaba Portfolio Composite Gross	2.8%	7.6%	4.7%	3.8%	11.7%	23.7%	54.6%
Combined Passive Index Gross	2.9%	9.2%	5.2%	6.4%	14.1%	28.0%	57.2%
MERS Total Market Fund	2.6%	6.1%	3.8%	3.0%			6.3%

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Benefit Calculation for Todd Zeise

Secretary Valentine presented the board with a summary of the calculation of Todd Zeise's benefit in the monthly amount of \$4,593.89, along with an August benefit of \$5,631.22 which includes payment for July 25th – July 31st. Secretary Valentine further advised that Mr. Zeise's retirement application and Military service time purchase were approved by the board at the July meeting. Board member LaPlant moved to approve the calculation as presented. Board member Cowen supported the motion. Upon a vote of the board, the motion carried unanimously.

Fall MAPERS Conference

The board discussed the Fall MAPERS conference scheduled for September 18th – 20th. Board member Schaaf was the only member scheduled to attend.

Disbursements

Secretary Valentine advised that the disbursement register was not prepared and the review was tabled until the September meeting.

Other Business

None

Public Comment

None

Adjournment

The meeting was adjourned at 8:20 a.m.

APPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
BOARD CHAIRMAN