

**MINUTES
PUBLIC SAFETY RETIREMENT BOARD MEETING
MAY 25, 2018**

Pursuant to public notice, a regular meeting of the Escanaba Public Safety Retirement Board was held on Tuesday, May 25, 2018 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, Gary Sovey

Board Members Absent: David Schaaf

Approval/Adjustments to Agenda

None.

Conflict of Interest Declaration

None

Approval and/or Corrections to Minutes

The Board unanimously approved minutes from the April 24, 2018 meeting.

Unfinished Business

None

New Business

1. April 2018 Investment Performance Review

Secretary Valentine reviewed the following performance report with the board:

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City of Escanaba Public Safety Retirement Plan
Investment Performance Summary
04/30/2018

	03/31/2018	04/30/2018	
	\$ Value	\$ Value	% Total
BONDS			
Vanguard Total Bond Mkt Idx	3,089,720	3,064,312	10.3%
Vanguard Short Term Bond Idx	4,564,818	4,553,188	15.3%
Eaton Vance Bonds	<u>2,846,866</u>	<u>2,860,523</u>	9.6%
Total Bonds	10,501,404	10,478,023	35.3%
STOCKS			
Vanguard 500 Stock Index	6,463,113	6,487,501	21.9%
Vanguard Sm Cap Gro Idx	3,910,195	3,919,522	13.2%
JP Morgan Mid Val	5,603,258	5,603,258	18.9%
Vanguard REIT Index	1,430,497	1,442,800	4.9%
DFA Int'l Value	<u>1,706,849</u>	<u>1,752,523</u>	5.9%
Total Stocks	19,113,912	19,205,604	64.7%
CASH			
Money Market Accounts	0	0	0.0%
Total	<u>29,615,316</u>	<u>29,683,626</u>	<u>100.00%</u>

TOTAL RETURNS

	Apr-18	YTD	Trailing 3 mo	Trailing 1 year	Trailing 2 year	Trailing 3 year	Trailing 5 year
BONDS							
Vanguard Totl Bond Mkt Fnd VBTLX	-0.8%	-2.3%	-1.2%	-0.5%	0.3%	2.9%	7.3%
Vanguard S.T. Inv Grade Fnd VFSUX	-0.3%	-0.8%	-0.4%	0.1%	1.9%	n/a	n/a
Eaton Vance H.Y. Bond Fund EVIBX	0.5%	-0.4%	-0.9%	2.2%	12.7%	12.5%	22.6%
Escanaba Bond Composite	-0.2%	-1.1%	-0.8%	0.5%	4.2%	6.0%	10.5%
Merrill HY Master Index JOA0	0.7%	-0.3%	-0.9%	3.2%	17.1%	15.7%	26.0%
Merrill Bond Market Index BOA01	-0.8%	-2.4%	-1.2%	-0.2%	0.7%	3.6%	7.5%
STOCKS							
Vanguard S&P 500 Index Fnd VFIAX	0.4%	-0.3%	-5.8%	13.4%	33.6%	35.2%	84.1%
Vanguard Sm Cap gro Idx VISGX	0.2%	2.3%	-1.5%	15.9%	38.7%	29.0%	72.0%
JP Morgan Mid Value FLMVX	0.0%	-1.7%	-4.2%	7.1%	22.5%	22.7%	68.3%
DFA Int'l Value DFIVX	2.7%	1.3%	-4.3%	18.9%	37.7%	18.1%	39.1%
Vanguard Reit Fund VGSLX	0.9%	-7.3%	-3.3%	-3.8%	1.7%	9.6%	n/a
Escanaba Equity Composite	0.5%	-0.6%	-4.2%	11.1%	28.7%	26.8%	67.9%
S&P 500 Index	0.4%	-0.4%	-5.8%	13.3%	33.6%	35.2%	83.9%
EAFE Int'l Index	1.9%	-0.3%	-5.1%	11.4%	20.7%	6.5%	16.5%
MSCI REIT Index	1.4%	-6.8%	-2.7%	-3.2%	2.5%	10.7%	n/a
Russell 1000 : Mid Cap Index	0.2%	-0.9%	-6.0%	11.0%	28.4%	26.1%	65.6%
Russell 2000: Small Cap Index	2.1%	1.4%	-1.2%	11.1%	37.6%	27.5%	64.3%
Russell 3000: Broad Mkt Index	1.1%	0.0%	-4.9%	11.9%	30.0%	27.1%	66.6%
OVERALL							
Escanaba Portfolio CAGR	0.2%	-0.7%	-3.0%	7.3%	9.2%	5.9%	7.7%
Escanaba Portfolio Composite Gross	0.2%	-0.7%	-3.0%	7.3%	19.3%	18.9%	44.8%
Combined Passive Index Gross	0.2%	-1.0%	-3.9%	8.0%	20.4%	22.2%	49.4%
MERS Total Market Fund	0.2%	0.7%	-1.7%	8.9%			7.2%

2. Reappointment of Tony LaPlant

Secretary Valentine announced that Board Chair Tony LaPlant was elected by the Public Safety Department to serve another four year term.

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3. Review of Disbursements

The board reviewed disbursement registers for the months of April and May. Board member LaPlant moved for approval of the registers. Board member Sovey supported the motion. The motion carried unanimously.

4. David Reese

The board reviewed the benefit calculation for deferred retiree David Reese and alternate payee Lynda Reese. Board member LaPlant moved for approval with support from member Cowen. The motion carried unanimously.

5. Review of Correspondence from Conduent

The board reviewed an email communication from Conduent directed to Secretary Valentine advising of the planned sale of Conduent to H.I.G. Capital. Secretary Valentine advised that he has discussed the communication with Conduent and was assured that the same personnel would continue to service our account.

6. Approval of Two Invoices from Conduent

The board reviewed a \$2,000 invoice from Conduent which represents a progress payment resulting from delivery and presentation of the results of the 6/30/17 valuation. The board reviewed a second invoice in the amount of \$700 for work performed on the Mlostek EDRO. After further discussion and explanation, board member Cowen moved to pay both invoices. Board member Sovey supported the motion. The motion carried unanimously.

7. Other Business

None

Adjournment

Following a motion by board member Sovey, the meeting was adjourned at 8:35 a.m.

APPROVED:



ROBERT VALENTINE,
SECRETARY

TONY LAPLANT
CHAIRMAN