

OIL AND GAS INVESTMENT BOARD

MINUTES OF OCTOBER 19, 2018

The City of Manistee Oil and Gas Investment Board held a regular meeting on Friday, October 19, 2018 in the Second Floor Conference Room, City Hall, 70 Maple Street, Manistee, Michigan 49660. Meeting was called to order by Chair Jim Smith at 12:00 p.m.

MEMBERS PRESENT: Ed Bradford, Jim Smith, Doug Parkes, Jeff Reau, Thad Taylor

MEMBERS ABSENT: Erin Martin Pontiac

OTHERS PRESENT: Roger Zielinski

OLD BUSINESS

Aztec Well Update – Wells are continuing to produce; royalties received for July \$4,793, August \$5,608, and September \$5,633.

NEW BUSINESS

Minutes - Minutes from the August 17, 2018 meeting were reviewed. **MOTION** by Doug Parkes, second by Ed Bradford to accept the minutes as presented. No discussion. Voice vote – motion carried.

Investment Advisor Update and Commentary – Troy Snider participated via conference call to present the Investment Update as of September 30, 2018. Discussion items:

- Market Assessment – Reviewed positive trends and areas of concern. Does not foresee economic recession in the near term.
- U.S. leading economic indicators are rising.
- Short term rates are rising, so are the risks.
- U.S. economic cycles.
- International equities underperformed U.S. equities.
- Fears of a trade war impacts financial markets. U.S. is in a solid position over the long term.
- Indicators of bull market top are beginning to appear.
- Asset Allocation.
- Risk Management – Portfolio is diversified and conservative.
- Equity Sector Allocation.
- Portfolio Performance – Timing was perfect to enter the market in 2009.
- Reviewed the portfolio and appraisal detail.

Set Meeting Dates for 2019 – **MOTION** by Doug Parkes, second by Ed Bradford to set the meeting dates for 2019 as Tuesday, January 15, 2019; Friday, April 26; Friday, July 19; Friday, October 18. Discussion resulted in changing the proposed date in January. Voice vote – motion carried.

Dates will be posted at City Hall and on the City’s website.

PUBLIC COMMENTS

None.

NEXT MEETING / ADJOURNMENT

Next regular meeting is scheduled for Tuesday, January 15, 2019 at 12:00 p.m. in the Second Floor Conference Room, City Hall.

General discussion on market volatility, management as a long term endowment, and questions from the new member on interest and earnings, spending rule, and allocations.

MOTION to adjourn by Ed Bradford, second by Doug Parkes at 12:50 p.m.

Cynthia Lokovich, CAP, OM
Executive Secretary / Recording Secretary

- c. Manistee City Council
Board Members
Thad N. Taylor, City Manager
George Saylor, City Attorney