

# OIL AND GAS INVESTMENT BOARD

## MINUTES OF OCTOBER 15, 2021

The City of Manistee Oil and Gas Investment Board held a regular meeting on Friday, October 15, 2021 in the Second Floor Conference Room, City Hall, 70 Maple Street, Manistee, Michigan 49660. Meeting was called to order by the Chair at 12:04 p.m.

**MEMBERS PRESENT:** Lynda Beaton, Ed Bradford, Jeff Reau, Bill Gambill

**MEMBERS ABSENT:** George Saylor, Erin Martin Pontiac, Doug Parkes

**OTHERS PRESENT:**

<b>OLD BUSINESS</b>
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**Aztec Well Update** – Royalties for January: \$0; February \$3,859.05; March: \$2,923.41; April: \$2,613.09; May: \$0; June: \$0; July: \$0; August: \$0; September: \$0.

Ed Bradford has contacted Aztec about not receiving any royalties since April 2021. He will update the Board when he hears back.

<b>NEW BUSINESS</b>
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**Minutes** - Minutes from the July 16, 2021 meeting were reviewed. **MOTION** by Jeff Reau, second by Ed Bradford to accept the minutes as presented. No discussion.  
Voice vote—Motion approved.

**Investment Advisor Update and Commentary** – Woody Uible and Troy Snider participated via conference call to present the Investment Update as of September 30, 2021. Discussion items:

- Market Assessment – inflation higher than expected. Economic growth though bottle necks created due to COVID; once these issues are resolved, economy looks good. Been expecting a market correction of 5% or more which happened in September, market is rebounding. Feds are expected to increase short-term interest rates in the later part of 2022.
- Inflation expected to reach the Fed’s 2% target.
- Valuations are above average – if market stays at current level valuations will begin to go down.
- Corporate profits are moving up from 2019-2020, which declined due mainly to COVID shutdowns.
- Market continues to be volatile.
- Asset allocations are close to target percentages. Currently value of assets is over \$13,000,000.

- Bond portfolio is diversified and reliable income for the next several years.
- Equity Sector Allocations are heavy in Information Tech and Communications Services – which is in line with the S&P 500. Overweight in Healthcare, as these are not as economically sensitive.
- Oil and Gas Fund has nearly double since the City began with Bartlett in 2008, even after distributions.
- Performance YTD: Total – 8.9%; Equity – 13.8%; Fixed Income – (1.3%). Fixed Income is negative since the interest rates went up.

Discussed Bartlett’s fees. Ed Bradford to provide to Board.

**Set Meeting Dates for 2022** – **MOTION** by Ed Bradford, second by Lynda Beaton to set the meeting dates for 2022 as proposed. Voice vote – motion carried.

<b>PUBLIC COMMENTS</b>
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None.

<b>NEXT MEETING / ADJOURNMENT</b>
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Next regular meeting is scheduled for Friday, January 22, 2022 at 12:00 p.m. in the Second Floor Conference Room, City Hall.

**MOTION** by Ed Bradford, second by Jeff Reau to adjourn at 12:47 p.m.

Kelly McColl  
Executive Secretary / Recording Secretary

- c. Manistee City Council
- Board Members
- William Gambill, City Manager
- George Saylor, City Attorney