

OIL AND GAS INVESTMENT BOARD

MINUTES OF OCTOBER 26, 2022

The City of Manistee Oil and Gas Investment Board held a regular meeting on Wednesday, October 26, 2022, in Council Chambers, City Hall. Meeting was called to order by the Chair at 11:30 a.m.

MEMBERS PRESENT: Lynda Beaton, Jermaine Sullivan, Doug Parkes, Bill Gambill

MEMBERS ABSENT: Ed Bradford, Jeff Reau

OTHERS PRESENT: Woody Uible, Troy Snider (via phone), Brian Walker (via phone), Kelly McColl

OLD BUSINESS

Hound Resources Update – Royalties for 2022: \$2,642.78.

NEW BUSINESS

Minutes - Minutes from the August 12, 2022, meeting were reviewed. **MOTION** by Doug Parkes, second by Jermaine Sullivan to accept the minutes as presented. No discussion.
Voice vote – Motion passed

Investment Advisor Update and Commentary – Woody Uible, Troy Snider and Brian Walker presented the Investment Update as of October 2022. Discussion items:

- Discussed the summary of the market outlook.
- Stock prices are back to long term averages.
- Price earnings multiplier indicator is the most important metric that indicates the high/low valuation of the market – currently midpoint. Encouraging, has been overpriced for some time.
- Higher inflation has been very disruptive – but market expectations suggest it will subside over the next few quarters.
- Current high inflation is driven by expansive fiscal policy and supply chain and labor disruptions.
- Feds best measure of inflation is Personal Consumption Expenditure (PCE) which is at 5%. Goal is to get the interest rate above the PCE to begin to see inflation come back down.
- Moderate inflation of 1-3% is ideal for the economy and financial markets.
- Expect two more interest rate hikes yet this year – 125 bases points of increase before year end.
- Discussed asset allocation – \$11,030,824.00 invested as of September 30, 2022.

- On target with target allocations from the investment policy statement.
- Bond portfolio has a very conservative structure – designed and structured to bring diversified and reliable income streams for the next couple of years.
- Stocks are very well diversified with the highest quality companies over eleven equity sectors.
- Discussed alternative energy companies.

Set Meeting Dates for 2023 – **MOTION** by Doug Parkes to set the meeting dates for 2022 as presented. No discussion.

Roll call – Motion passed unanimously

Other – None.

PUBLIC COMMENTS

None.

NEXT MEETING / ADJOURNMENT

Next regular meeting is scheduled for Friday, January 20, 2023, at 12:00 p.m. in Council Chambers.

MOTION to adjourn by Doug Parkes at 12:02 p.m.



Kelly McColl
Executive Secretary / Recording Secretary

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