

**VILLAGE OF GROSSE POINTE SHORES  
MINUTES OF PENSION MEETING  
SEPTEMBER 10, 2019**

A meeting of the Commission of the Village of Grosse Pointe Shores, A Michigan City Employees Retirement System was held on Tuesday, September 10, 2019 in the Grosse Pointe Shores Municipal Building, 795 Lake Shore Road. The meeting was called to order at 7:35 a.m. by Chairman Campbell.

Present were: Chairman Bruce Campbell  
Commissioner Charles Ruifrok  
Commissioner Alternate Mike Way  
Commissioner Scott Rohr  
Mayor Ted Kedzierski

Excused: None

Also present: City Manager Mark Wollenweber, Don Lindow, William Gough of Azimuth Capital Management, Finance Director/Treasurer Rhonda Ricketts.

APPROVAL OF MINUTES OF THE MEETING HELD ON JUNE 11, 2019

On MOTION by Commissioner Rohr and SECONDED by Commissioner Ruifrok duly carried, the minutes of the meeting held on June 11, 2019 were approved as submitted. PASSED 5-0.

OLD BUSINESS

None

NEW BUSINESS

Bill Gough and Don Lindow from Azimuth Capital Management went through their handout on the portfolio summary. (See Attached.) Don mentioned a recent editorial in the Detroit News that local communities should maintain and improve the pension system assets.

Bill went through the handout noted on page one, the current value of the portfolio is in excess of \$24 million and that Germany was issuing negative interest bonds.

There was discussion on what the Fed is expected to do based upon their analysis of the data, and not just their early projections. There was discussion on the 70/30 portfolio mix. They continued to go through the handout and went over the portfolio summary on page 13. It was mentioned that the US economy is 70% consumer driven and we have had a slow but long expansion. Bill and Don expect a Fed rate cut in both September and October and that US rates of return are being held down by the rest of the world's economies. They talked about the Treasury yield curve back on page 7. They went through quickly, the fixed income

components of the fund as well as the current total allocation of funds. Bonds held are all rated A- or better.

Don thanked both Rhonda and Mark for their work with this Board. Board Member Rohr mentioned the letter from Pension Attorneys, VanOverbeke, Michaud and Timmony about internal processes and Rhonda explained the current safeguards in place. Mark went over the handouts that Rhonda prepared on both the Retirement System and Health Care Fund at fiscal year end of 6-30-19 and the breakdown costs for both. (See Attached).

It was suggested that staff obtain both the Woods and Farms Corrective Action Plans and provide them to the Board.

#### NEXT MEETING DATE

It was also suggested that the next meeting be set for once the city receives the actuarial reports.

The meeting was adjourned at 9:13 am on MOTION by Commissioner, Rohr seconded by Commissioner Ruifrok PASSED 5-0.

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Mark Wollenweber, City Manager