

INVESTMENT COMMITTEE MEETING MINUTES

October 2, 2014

A meeting of the Chippewa County Board of Commissioners' Investment Committee for the OPEB Health Care Retirement Vehicle Annual Funding Policy No. 314 was held on Thursday, October 2, 2014 at the Chippewa County Courthouse in Sault Ste. Marie, Michigan. Chairman Margie Hank called the meeting to order at 12:00 noon with a quorum present.

MEMBERS PRESENT: Don Cooper, Scott Shackleton, Mark Savoie, Kevin Kalchik and Margie Hank

MEMBERS ABSENT: None

OTHERS PRESENT: Chuck Leonhardt and Kelly Church

Additions / Deletions to the Agenda

None

Approval of the Agenda

It was moved by Commissioner Cooper, supported by Commissioner McLean, to approve the agenda as presented. On a voice vote, the motion CARRIED.

Agenda Items

MERS Investments

The Committee received information on the County's Health Care Retirement Vehicle combined with the information from the recently completed OPEB actuarial that includes the estimates for the County, the Health Department and the Chippewa County EDC. With regards to the ARC (Annual Required Contribution) the County's next three year contributions should be \$1,561,771, 1,537,092 and \$1,514,111 to meet the needs of retiree health care; the Health Department's contributions should be \$1,082,811, \$1,073,808 and \$1,061,307 and the EDC is as follows: \$101,805, \$101,021 and \$99,438. The main purpose of this meeting was to cover section 4b. of Policy No. 314 – OPEB Health Care Retirement Vehicle Annual Funding – which states that an annual factor, will be determined from the actuarial, the ARC and difference between current employees vs the retirees that will be fair, equitable and logical, and to be shared with the Health Department. Included were sample illustrations with regards to when the OPEB Health Care Retirement Vehicle, could start to pay the Retiree's annual premium. Additional illustrations will be completed based on the funding and will be projected for ten and fifteen years. Illustrations of potential percentages were also received by the Committee, and were based on the first six months of the year, and determining how to split the percentage between all employees, full-time employees or full-time employees with retiree health care. Discussion, with many questions and comments were offered, while determining the Committee's decision. The Committee also would like to receive the detailed portfolios for all four of the MERS choices, as well as, information regarding

fees, so that they can be reviewed at the next meeting, which is going to be scheduled for the first quarter of 2015.

It was moved by Kevin Kalchik, supported by Mark Savoie, to maintain the investments as they currently are, 100% in the MERS Established Market Fund, and to review the investments again in approximately four months, with the information that is being pursued. On a voice vote, the motion CARRIED.

Committee and Chairman's Comments

None

Adjourn

It was moved by Don Cooper, supported by Kevin Kalchik, to adjourn the meeting.

Chairman Hank declared the meeting adjourned at 12:38 p.m.



Kelly J. Church, Recorder



Margie Hank, Chairman

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Additions / Deletions to the Agenda

None

Approval of the Agenda

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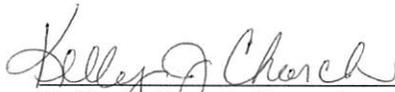
Committee and Chairman's Comments

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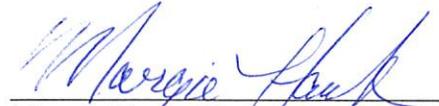
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Kelly J. Church, Recorder



Margie Hank, Chairman