

INVESTMENT COMMITTEE MEETING MINUTES

May 16, 2017

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 Tuesday, May 16, 2017 at the Chippewa County Courthouse in Sault Ste. Marie, Michigan. Chairman Margie Hank called the meeting to order at 9:00 a.m. with a quorum present.

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

MEMBERS ABSENT: Jim Martin

OTHERS PRESENT: Chuck Leonhardt and Kelly Church

Additions / Deletions to the Agenda

None

Approval of the Agenda

It was moved by Scott Shackleton, supported by Mark Savoie, to approve the agenda as presented. On a voice vote, the motion CARRIED.

Public Comment

None offered.

Agenda Items

Retiree health Funding Vehicle

The Committee reviewed information regarding the County's Health Care Retirement Vehicle including the activities and investment reports, as well as, adding the information from the Chippewa County Health Department, since the Board of Health was dissolved January 2, 2017. The Committee discussed the market, bonds, investments, gains/losses, fee and the number of retirees in the actuary. Discussion regarding the MERS Total market Portfolio and the MERS Capital Appreciation Portfolio which is 80/20 stocks/bonds followed, with the committee feeling that the funds are well diversified between the two. The Committee asked the Treasurer to add the Health Department to the report, as well as, which portfolio the investments are located.

It was moved by Mark Savoie, supported by Kevin Kalchik, to recommend to the Chippewa County Board of Commissioners to leave the investments of the Retiree Healthcare Funding Vehicle for the County portion as is with 50% in each the MERS Total Market Portfolio and the MERS Capital Appreciation Portfolio and to diversify the County Health Department's investment elections to 50% to the MERS Total Market Portfolio and 50% to the MERS Capital Appreciation Portfolio. On a voice vote, the motion CARRIED.

Adjourn

It was moved by Mark Savoie, supported by Kevin Kalchik, to adjourn the meeting.

Chairman Hank declared the meeting adjourned at 9:23 a.m.



Kelly J. Church, Recorder



Margie Hank, Chairman



Period: 01/01/2017
 through 03/31/2017
 Plan #: 600287
 Chippewa County RHFV

CHIPPEWA CO RHFV PLAN
 CHIPPEWA COUNTY
 319 COURT ST
 SAULT SAINTE MARIE, MI 49783

Contact Us

www.mersofmich.com
 800-767-MERS (6377)

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Your Account Summary

Beginning Balance on 01/01/2017	\$5,948,811.09
Contributions	\$0.00
Gain/Loss	\$235,713.83
Distributions	\$0.00
Administrative Fees	(\$3,711.01)
Ending Balance on 03/31/2017	\$6,180,813.91

Plan Rate of Return

Your Plan's Rate of Return for the Period	3.96%
Your Plan's Year to Date Rate of Return	3.96%

Your Plan's Rate of Return is calculated using the Modified Dietz Method, a widely accepted rate of return calculation methodology supported by the Global Investment Presentation Standards (GIPS). This weighted return calculation assumes a constant rate of return during the period, weights each cash flow by the amount of time held, and takes into account the relative balances held in each investment.

The calculation represents the performance of your investment portfolio for the reporting period, or the date Alerus Retirement and Benefits began providing recordkeeping services for this plan, whichever is later. As is the case with all market-based investments, past performance does not guarantee future results.

Message Board

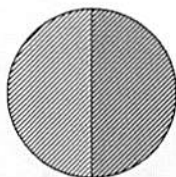
Have you reviewed your plan's current investment(s) lately? As a reminder, MERS has expanded the investment menu, providing more options to match your municipality's needs with a MERS-managed portfolio. Visit www.mersofmich.com for more information and to view the investment menu for your plan.

Asset Allocation Overview

You should periodically review the asset allocation of your Plan to ensure that it reflects your governing body's investment goals.

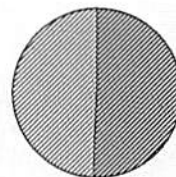
In doing so, you should consider these important aspects of your account. **Investment Election:** shows your instructions for the investment of all new deposits to your account from all sources. The percentages listed below will be used to purchase investments proportionately with each deposit. **Account Balance:** shows the value of your investments as a percentage of the total account as of the period end date. These percentages change as the value of each investment fluctuates. You may change these investments by realigning your account balance, transferring a specific amount, or setting up an automated account realignment. **Automated Account Realignment:** Your account is not currently scheduled to rebalance automatically. If you would like to set up an Automated Account Realignment, please log in to your account at www.mersofmich.com and click on "Change my Investments", then on "Schedule Automated Account Realignment."

Investment Election



- Aggressive Balanced (50.0 %)
50.0 % MERS CAPITAL APPR PORT (80/20)
- Moderately Conservative Balanced (50.0 %)
50.0 % MERS TOTAL MARKET PORTFOLIO

Account Balance



- Aggressive Balanced (50.7 %)
50.7 % MERS CAPITAL APPR PORT (80/20)
- Moderately Conservative Balanced (49.3 %)
49.3 % MERS TOTAL MARKET PORTFOLIO



Period: 01/01/2017
 through 03/31/2017
 Plan #: 600289
 Chippewa County-Hlth Dept RHFV

CHIPPEWA COUNTY
 CHIPPEWA COUNTY-HLTH DEPT
 508 ASHMUN ST STE 120
 SAULT SAINTE MARIE, MI 49783

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Your Account Summary

Beginning Balance on 01/01/2017	\$920,353.00
Contributions	\$125,825.27
Gain/Loss	\$37,154.65
Distributions	\$0.00
Administrative Fees	(\$613.34)
Ending Balance on 03/31/2017	\$1,082,719.58

Plan Rate of Return

Your Plan's Rate of Return for the Period	3.77%
Your Plan's Year to Date Rate of Return	3.77%

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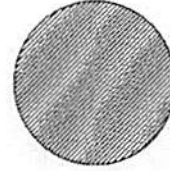
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Investment Election



Moderately Aggressive Balanced (100.0 %)
 100.0 % MERS EST MARKET PORT (60/40)

Account Balance



Moderately Aggressive Balanced (100.0 %)
 100.0 % MERS EST MARKET PORT (60/40)

Contribution Summary

Source	Period To Date	Year To Date
EMPLOYER	\$125,825.27	\$125,825.27
Total	\$125,825.27	\$125,825.27

From the date of your participation with MERS RHFV/ISP program.
Net of withdrawals.