

**VILLAGE OF GROSSE POINTE SHORES
MINUTES OF PENSION MEETING
DECEMBER 4, 2012**

A meeting of the Commission of the Village of Grosse Pointe Shores, A Michigan City Employees Retirement System was held on Tuesday, December 4, 2012 in the Grosse Pointe Shores Municipal Building, 795 Lake Shore Road. The meeting was called to order at 7:35 a.m. by Chairman Vandenberghe.

Present were: Chairman James Vandenberghe
Commissioner Bruce Campbell
Mayor Ted Kedzierski
Commissioner Sgt. James Wardowski
Commissioner Tom Krolczyk
City Manager Mark Wollenweber

Also present: Mr. George Vitta, of Asset Strategies, Actuary Sandra Rodwan

APPROVAL OF MINUTES OF THE MEETING HELD ON OCTOBER 9, 2012

On motion by Commissioner Bruce Campbell, seconded by Commissioner Wardowski and duly carried, the minutes of the meeting held on October 9, 2012 were approved as submitted 5 - 0.

FINANCIAL STATEMENTS – None

INVESTMENT PERFORMANCE ANALYSIS

Investment Consultant, George Vitta of Asset Strategies, presented his Investment Performance Report. The conclusions are on p.3 with total fund results on p.6. he stated the local plan was conservative with 50% in stocks. He then mentioned the next several presentations that were scheduled for this meeting.

INVESTMENT MANAGER PRESENTATIONS

Robert Bilkie of Sigma Investment Counselors made a presentation and handed out a summary of their portion of the retirement fund assets. He mentioned that 9.5% was in energies and suggested that \$500,000 be placed in large companies that are international.

The next fund manager to make a presentation was Donald Lindow representing Wilson, Kemp and Associates. They are the fixed income portion of the pension system.

Denise Stake the Portfolio Manager and Reema Mukheja the Associate Director of Consultant Relations presented on behalf of Cornerstone Advisors as to real estate investments.

Sandy Rodwan who serves as the actuary for the pension system went through the actuary report for the pension system dated 9-25-2012. She pointed out that we were 87.6% funded as of the last report and are now 83% funded. It was pointed out that the losses from 2008-09 drop off and that the number of retirees increased from 30 to 34 now. She also pointed out that the annual contribution rates are now 18.2% for the Public Safety members and 11.7% for the general members. She commented to the Board that our pension assumptions were reasonable and that our system is funded in compliance with our ordinances, state law and GASB requirements. The report was received and filed by a motion of Vandenberghe and seconded by Campbell. Passed 4-0. Note: Mayor Kedzierski had to leave for an appointment.

Discussion then turned back to hiring Cornerstone to assist with a portion of the portfolio to be invested in real estate. A motion was made by Campbell and seconded by Wardowski to engage Cornerstone. Passed 4-0.

NEW BUSINESS

None

NEXT MEETING

To be determined

ADJOURNMENT

The meeting was adjourned at 10:02 a.m.

Mark Wollenweber, City Manager