

**MINUTES OF A SPECIAL MEETING OF THE COUNCIL  
OF THE VILLAGE OF HUNTING VALLEY, OHIO**

February 2, 2015

Pursuant to notice given, a special meeting of the Council of the Village of Hunting Valley was convened on Friday, February 2, 2015, at 9:05 a.m., at the Village Hall. Council President Pro-Tem Mavec presided.

The following members of Council were present:

Nancy Heinen	Jerry Medinger
Bruce Mavec	Bill O'Neill

Ms. Burkhart participated in the discussion via teleconference, but was not present for the purposes of determining a quorum or as a voting member.

Also present were John R. Miller, Finance Director, Tom Flynn, Clerk, David Maine, Police Chief, Anthony Gentile, Deputy Finance Director, Stephen Byron, Law Director, and Don Cunningham, Building Inspector/Service Director. Also in attendance were the individuals named on the sign-in sheet attached to and made part of these minutes.

Mr. Mavec indicated that the purpose of the meeting was to discuss the allocation of the Village's investments between investment advisors, to authorize the Village administration to engage the services of investment advisor services, and authorize the administration to develop a new investment policy that will govern the investments.

Mr. Miller started the meeting by thanking Mike Wagner of MAI for years of excellent service on behalf of the Village. Today's activities are about the Village's investments going forward and are not a reflection on Mr. Wagner's services, which have been very good and responsive to the Village's needs to date.

It was noted that the Village solicited proposals from Ancora Advisors, Alliance Bernstein, and MAI. The fees of each are as follows:

<u>Advisor</u>	<u>Fee for investing full portfolio</u>	<u>Fee for investing ½ portfolio</u>
Ancora	10 basis points	15 basis points
Alliance Bernstein	20 basis points	26.7 basis points
MAI	Flat fee - \$10,000/year	same

After further discussion, Mr. Medinger moved to invest half the portfolio with Ancora and half the portfolio with Alliance Bernstein. Ms. Heinen seconded the motion. Discussion ensued.

Mr. O'Neill noted that given that the two proposed advisors have different strategies, it makes sense to see if one can out-perform the other given the same market conditions. He noted that the starting dates of the advisors is important (i.e. they should be given the funds to invest at the same time so that each can have an equal duration of investing and the same market entry point).

Mr. Miller confirmed that Key Bank has indicated it can make the funds available to the advisors simultaneously. The plan is for the Village to keep \$1 million cash on hand and split the remaining funds between the investment advisors. Each advisor will keep \$2.5 million in cash so that there will be \$5 million liquid and available, should the Village need those funds.

It was agreed that the test period would be long enough to determine which advisor's investment performance was superior, inclusive of fees charged.

There being no further discussion on the motion, the roll was called.

Roll Call: Yeas: Heinen, Mavec, Medinger, O'Neill  
Nays: None

Motion carried  
Investment advisors authorized

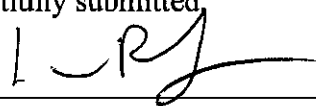
Mr. Medinger then moved to direct the drafting of an investment policy that creates the single pool of investments, which will then be divided between the advisors. The liquidity requirement will be a total of \$5 million. Ms. Heinen seconded the motion. It was noted that Alliance Bernstein does not charge a fee for held cash, and it was suggested that Ancora be asked to provide the same service. It was further indicated that Ancora does not negotiate fees.

There being no further discussion on the motion, the roll was called.

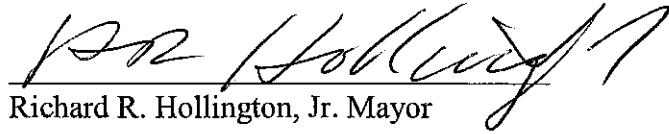
Roll Call: Yeas: Heinen, Mavec, Medinger, O'Neill  
Nays: None

Motion carried  
Investment policy authorized

There being no further business to come before Council, Council President Pro-Tem Mavec adjourned the meeting at 9:30 a.m.

Respectfully submitted,  
  
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Thomas Flynn, Clerk

APPROVED:



Richard R. Hollington, Jr. Mayor

Dated: April 14, 2015.

