



Georgetown Charter Township

1515 Baldwin St., Jenison, MI 49428

Finance Committee Meeting Agenda

May 5, 2016, 7:30 a.m.

1. Call To Order
2. Roll Call
3. Approval Of The Minutes Of The Previous Meeting
4. Macatawa Bank Investment Policy Statement For Cemetery Perpetual Care Fund

Motion: To recommend to the Township Board to approve the policy statement.

Documents: [MACATAWA BANK IPS FOR CEMETERY PERPETUAL CARE FUND.PDF](#)

5. Payless Shoe Source Purchase Agreement Two Week Extension Request

Motion: To recommend to the Township Board to approve the two week extension request to the purchase agreement.

6. Communications, Letters And Reports
7. Public Comments
8. Other Business
9. Adjournment

**Investment Policy Statement
Georgetown Township
Cemetery Perpetual Care Fund**

A. Purpose and Scope:

This Investment Policy Statement governs the investments associated with the Georgetown Township Cemetery Perpetual Care Fund.

B. Definition of Duties:

- a. The Finance Committee of the Board of Trustees has oversight responsibility for investment of the assets of the Cemetery Perpetual Care Fund and will delegate investment authority to external investment advisers who may be retained by approval of the Finance Committee. The Finance Committee will periodically ratify and review the Investment Policy Statement.
- b. The external investment advisor shall be responsible for selecting and implementing assets that conform to State of Michigan regulations and the Investment Policy Statement of the Cemetery Perpetual Care Fund of Georgetown Township.

C. Objectives

The investment objective is to generate stable income and to protect the principal value of the Cemetery Perpetual Care Fund.

D. Strategic asset allocation framework

- a. Factors and Constraints:
 - i. Timeframe: Given the perpetual nature of Cemetery Trusts, the investment time frame is long (excess of ten years)
 - ii. Tax Issues: There are no tax issues to be considered.
 - iii. Liquidity Needs: Quarterly income distributions.
 - iv. Legal/Regulatory Factors: Cemetery Perpetual Care Fund is subject to PA 215, Section 128.1 (effective May 16, 2016)
- b. Strategic Asset Allocation Policy:

Subject to existing bond maturities and market conditions over the next eighteen months, the following allocations and weights apply:

Broad Class	Allocation	Target	Minimum	Maximum
Equity (Return Oriented)		55%	40%	60%
	US Core Equity	19.3	15.0	25.0
	Int'l Core Equity	11.0	10.0	15.0
	Equity Long/Short	5.5	3.0	6.0
	Emerging Mkt Equity	2.8	0	3.0
	Emerging Mkt Debt	2.8	0	3.0
	High Yield Debt	2.8	0	3.0
	Global REIT	2.8	0	3.0
	Intl Small Cap	2.8	0	3.0
	Equity Market Neutral	2.8	0	3.0
	Global Macro	2.8	0	3.0
Fixed Income (Risk Managing)		45%	40.0	60.0
	Treasury Bonds	20.0	40.0	60.0
	GNMA Bonds	15.0	10.0	20.0
	Investment Grade Bonds	10.0	5.0	15.0

E. Rebalancing and Spending Policy

- a. The portfolio shall be rebalanced when actual investment positions exceed allowable ranges. The external investment advisor is free to rebalance within the allowable ranges as they deem appropriate, taking into account market conditions and a pending distributions from the Cemetery Perpetual Care Fund.
- b. Spending Policy: Income is to be distributed quarterly to a bank disbursement account, authorized by Georgetown Township.

F. Monitoring and review process:

- a. The investment advisor shall provide monthly statements to the Georgetown Township Superintendent, or his/her designee.
- b. The investment advisor shall at the request of the Finance Committee appear before them to discuss/review investment issues and performance as it relates to the Cemetery Perpetual Care Fund.
- c. Investment performance shall be computed using generally accepted standards for doing so and furnished to Georgetown Township at their request.
- d. The investment advisor shall provide an annual letter, attesting that the investments in the Cemetery Perpetual Care Fund are allowable by law and that no 'prohibited transactions' occurred during the previous calendar year.

On behalf of Georgetown Township: _____ . Dated _____

On behalf of Macatawa Bank: _____ . Dated _____