



CITY OF MARINE CITY

Pension Board Meeting Agenda

Marine City Fire Hall, 200 South Parker Street

Regular Meeting: Tuesday, April 24, 2018 4:30 PM

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:** Mayor Dave Vandenbossche; City Commission Representative James Turner; Board Members James Heaslip, Michael Itrich, David Scheel, James VanderMeulen; Treasurer Mary Ellen McDonald; City Manager Elaine Leven
4. **APPROVE AGENDA**
5. **APPROVE MINUTES**
 - A. January 30, 2018 Pension Board Meeting
6. **COMMUNICATIONS**
7. **UNFINISHED BUSINESS**
8. **NEW BUSINESS**
 - A. Actuary Services – Marine City Pension Plan
9. **OPEN DISCUSSION** *Anyone in attendance is welcome to address the Pension Board. Please state name and address. Limit comments to five (5) minutes.*
10. **FINANCIAL BUSINESS**
 - A. Investment Performance ~ Review by Frederick Miller
 - B. Preliminary Financial Statements ~ January, February, March 2018
11. **ADJOURNMENT**

**City of Marine City
Pension Board ~ Pension Plan
January 30, 2018**

A regular meeting of the Pension Board ~ Pension Plan held on Tuesday, January 30, 2018 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by Board Member Scheel at 4:30 PM.

Present: City Commission Representative Turner; Board Members Heaslip, Itrich, Scheel, VanderMeulen; Treasurer McDonald; Deputy Clerk McDonald

Absent: Mayor Vandebossche; City Manager Leven

Appointment of Pension Board Trustee

Motion by Board Member Itrich, seconded by Board Member VanderMeulen, to appoint James Heaslip to the Pension Board. All Ayes. Motion Carried.

Approve Agenda

Motion by City Commission Representative Turner, seconded by Board Member Itrich, to approve the Agenda, as presented. All Ayes. Motion Carried.

Approve Minutes

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to approve the Minutes of the Regular Pension Board ~ Pension Plan Meeting of July 25, 2017, as presented. All Ayes. Motion Carried.

Communications

Received:

- Lynn Zyrowski – Letter of Resignation

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to accept and file the Communication. All Ayes. Motion Carried.

Unfinished Business

None.

New Business

None.

Open Discussion

Financial Consultant, Frederick Miller, advised the Board that Treasurer Mary Ellen McDonald, had approached him to seek out other actuarial companies for the City to contract with. He stated that Gabriel Roeder Smith & Company could be asked to submit a proposal to the Board, and that he would facilitate the discussion with them.

Treasurer McDonald stated that the reason she approached Mr. Miller was due to the current company, Rodwan Consulting Company, not being time efficient in providing the City and City Auditors information necessary to meet State submittal deadlines. She noted that this had been an issue on several occasions, and that the primary reason the City had chosen the company was to cut costs. It was stated that approximately ninety-seven percent of municipalities used Gabriel Roeder Smith & Company for actuarial services.

The Board talked about the option of returning to Gabriel Roeder Smith & Company, and the following was discussed:

- City Manager Leven could authorize the decision to change actuarial companies
- Did the Board want to have the Actuarial Evaluation presented in person
- When would the search process need to begin

The Board decided to have Treasurer McDonald and Financial Consultant Miller proceed with researching actuarial companies, and bring the results back to the Board at the April 24, 2018 meeting.

Financial Business

Investment Performance ~ Review by Frederick Miller

Financial Consultant, Frederick Miller, reviewed a Performance Analysis Summary, dated January 17, 2018. He reported the following:

- The total Net Worth of the Plan was \$1,800,000.00 as of December 30, 2017.
- Year-to-date, the beginning Market Value was \$5,059,527.23 and ending Market Value was \$5,151,669.24.
- 2017's Annualized Performance was 5.60% and Year-to-Date was 5.98%.
- In 2017 \$200,510.45 had been withdrawn from the Plan.
- The Pension Plan Holdings year-to-date was up 1.82% and up 5.98% since inception.
- The Plan was made up of 28.69% Healthcare Sector Equity.

Mr. Miller recommended that the Board transfer \$100,000.00 from Blackrock Health Sciences to T. Rowe Price Global Industrials, in addition to transferring \$100,000.00 from Principal Global Diversified to Fidelity Select Defense and Aero.

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to transfer \$100,000.00 from Blackrock Health Sciences to T. Rowe Price Global Industrials. All Ayes. Motion Carried.

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to transfer \$100,000.00 from Principal Global Diversified to Fidelity Select Defense and Aero. All Ayes. Motion Carried.

Preliminary Financial Statements

Motion by Board Member Itrich, seconded by Board Member Heaslip, to accept the Preliminary Financial Statements for June, July, August, September, October, November, December, 2017, and place on file. All Ayes. Motion Carried.

Invoice Approval

Motion by City Commission Representative Turner, seconded by Board Member Itrich, to approve Rodwan Consulting Company Invoice #2424 in the amount of \$1,600.00, as presented. All Ayes. Motion Carried.

Adjournment

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Adjournment

City of Marine City

Memo

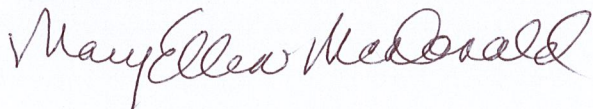
To: Elaine Leven, City Manager
From: Mary Ellen McDonald, CPFA/MiCPT
Finance Director/Treasurer
Date 4/12/18
Re: **Actuary Services-Marine City Pension Plan**

After reviewing the information for actuary services, my recommendation is that the Marine City Pension Board choose NyHart. The cost for their annual report fees are \$7,900.00 which does not include the annual meeting attendance fee of \$1,200.00. However, after speaking with Pension Plan consultant, Fred Miller, he felt that this could be handled internally. The current actuary (Rodwan & Associates) charges \$7,000.00 and the previous actuary (Gabriel, Roeder, & Smith) submitted a quote for \$12,000.00.

Nyhart can provide their services in a four week period which is considerably less than the current actuary of three months for each calculation. As stated in the previous pension board meeting, the length of time Rodwan & Associates takes to provide these services is creating problems for both the administrative staff at the City as well as the City Auditors.

If you have any questions, please contact me at (810) 765-8847.

Thank you



City of Marine City

Memo

To: Elaine Leven, City Manager

From: Mary Ellen McDonald, CPFA/MiCPT
Finance Director/Treasurer

Date 2/8/18

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR JANUARY 2018**

Please include the attached **Preliminary Financial Statements for January 2018** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	61,274.88
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	5,059,527.23
Total Assets		5,120,802.11
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,042,690.90
Total Fund Balance		5,042,690.90
Beginning Fund Balance		5,042,690.90
Net of Revenues VS Expenditures		78,111.21
Ending Fund Balance		5,120,802.11
Total Liabilities And Fund Balance		5,120,802.11

PERIOD ENDING 01/31/2018

PRELIMINARY FINANCIAL STATEMENTS-JANUARY 2018

GL NUMBER	DESCRIPTION	2017-18		YTD BALANCE	ACTIVITY FOR		ENCUMBERED	UNENCUMBERED	% BDGT					
		ORIGINAL	2017-18	01/31/2018	MONTH	01/31/1				BUDGET	AMENDED	NORM	(ABNORM)	INCR
Fund 731 - MARINE CITY RETIREMENT SYSTEM														
Revenues														
Dept 000.000														
731-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	43,688.84		0.00	0.00	(43,688.84)	100.00					
731-000.000-650.200	REALIZED GAIN/LOSS	0.00	0.00	128,246.53		0.00	0.00	(128,246.53)	100.00					
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	122,459.26		17,494.18	0.00	(122,459.26)	100.00					
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	8,393.86		1,119.32	0.00	(8,393.86)	100.00					
731-000.000-665.000	INTEREST	0.00	0.00	63,047.91		0.00	0.00	(63,047.91)	100.00					
Total Dept 000.000		0.00	0.00	365,836.40		18,613.50	0.00	(365,836.40)	100.00					
TOTAL REVENUES		0.00	0.00	365,836.40		18,613.50	0.00	(365,836.40)	100.00					
Expenditures														
Dept 000.000														
731-000.000-801.000	PROFESSIONAL SERVICES	0.00	0.00	1,600.00		0.00	0.00	(1,600.00)	100.00					
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	18,727.99		0.00	0.00	(18,727.99)	100.00					
731-000.000-955.000	MISCELLANEOUS	0.00	0.00	267,397.20		38,199.60	0.00	(267,397.20)	100.00					
Total Dept 000.000		0.00	0.00	287,725.19		38,199.60	0.00	(287,725.19)	100.00					
TOTAL EXPENDITURES		0.00	0.00	287,725.19		38,199.60	0.00	(287,725.19)	100.00					
Fund 731 - MARINE CITY RETIREMENT SYSTEM:														
TOTAL REVENUES		0.00	0.00	365,836.40		18,613.50	0.00	(365,836.40)	100.00					
TOTAL EXPENDITURES		0.00	0.00	287,725.19		38,199.60	0.00	(287,725.19)	100.00					
NET OF REVENUES & EXPENDITURES		0.00	0.00	78,111.21		(19,586.10)	0.00	(78,111.21)	100.00					

City of Marine City

Memo

To: Elaine Leven, City Manager
From: Mary Ellen McDonald, CPFAMiCPT
Finance Director/Treasurer
Date 3/7/18
Re: **PRELIMINARY FINANCIAL STATEMENTS FOR FEBRUARY 2018**

Please include the attached **Preliminary Financial Statements for February 2018** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	41,671.26
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	5,169,502.00
Total Assets		5,211,173.26
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,042,690.90
Total Fund Balance		5,042,690.90
Beginning Fund Balance		5,042,690.90
Net of Revenues VS Expenditures		168,482.36
Ending Fund Balance		5,211,173.26
Total Liabilities And Fund Balance		5,211,173.26

PERIOD ENDING 02/28/2018

PRELIMINARY FINANCIAL STATEMENTS-FEBRUARY 2018

GL NUMBER	DESCRIPTION	2017-18		YTD BALANCE		ACTIVITY FOR		ENCUMBERED	UNENCUMBERED	% BDGT
		ORIGINAL	2017-18	02/28/2018	02/28/2018	MONTH 02/28/1	02/28/1			
		BUDGET	AMENDED BUDGE	NORM	(ABNORM)	INCR	(DECR)	YEAR-TO-DATE	BALANCE	USED
Fund 731 - MARINE CITY RETIREMENT SYSTEM										
Revenues										
Dept 000.000										
731-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	43,688.84		0.00		0.00	(43,688.84)	100.00
731-000.000-650.200	REALIZED GAIN/LOSS	0.00	0.00	240,476.79		0.00		0.00	(240,476.79)	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	139,953.44		17,494.18		0.00	(139,953.44)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	9,491.59		1,097.73		0.00	(9,491.59)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	70,153.14		0.00		0.00	(70,153.14)	100.00
Total Dept 000.000		0.00	0.00	503,763.80		18,591.91		0.00	(503,763.80)	100.00
TOTAL REVENUES		0.00	0.00	503,763.80		18,591.91		0.00	(503,763.80)	100.00
Expenditures										
Dept 000.000										
731-000.000-801.000	PROFESSIONAL SERVICES	0.00	0.00	1,600.00		0.00		0.00	(1,600.00)	100.00
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	28,084.64		0.00		0.00	(28,084.64)	100.00
731-000.000-955.000	MISCELLANEOUS	0.00	0.00	305,596.80		38,199.60		0.00	(305,596.80)	100.00
Total Dept 000.000		0.00	0.00	335,281.44		38,199.60		0.00	(335,281.44)	100.00
TOTAL EXPENDITURES		0.00	0.00	335,281.44		38,199.60		0.00	(335,281.44)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:										
TOTAL REVENUES		0.00	0.00	503,763.80		18,591.91		0.00	(503,763.80)	100.00
TOTAL EXPENDITURES		0.00	0.00	335,281.44		38,199.60		0.00	(335,281.44)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	168,482.36		(19,607.69)		0.00	(168,482.36)	100.00

City of Marine City

Memo

To: Elaine Leven, City Manager

From: Mary Ellen McDonald, CPFA/MiCPT
Finance Director/Treasurer

Date 4/11/18

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR MARCH 2018**

Please include the attached **Preliminary Financial Statements for March 2018** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	122,031.27
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	5,069,502.00
Total Assets		5,191,533.27
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,042,690.90
Total Fund Balance		5,042,690.90
Beginning Fund Balance		5,042,690.90
Net of Revenues VS Expenditures		148,842.37
Ending Fund Balance		5,191,533.27
Total Liabilities And Fund Balance		5,191,533.27

REVENUE AND EXPENDITURE REPORT FOR CITY OF MARINE CITY

PERIOD ENDING 03/31/2018

PRELIMINARY FINANCIAL STATEMENTS-MARCH 2018

GL NUMBER	DESCRIPTION	2017-18		YTD BALANCE	ACTIVITY FOR		ENCUMBERED	UNENCUMBERED	% BDGT
		ORIGINAL BUDGET	2017-18 AMENDED BUDGE	03/31/2018 NORM (ABNORM)	MONTH 03/31/1 INCR (DECR)	YEAR-TO-DATE			
Fund 731 - MARINE CITY RETIREMENT SYSTEM									
Revenues									
Dept 000.000									
731-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	43,688.84	0.00	0.00	(43,688.84)	100.00	
731-000.000-650.200	REALIZED GAIN/LOSS	0.00	0.00	240,476.79	0.00	0.00	(240,476.79)	100.00	
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	157,447.62	17,494.18	0.00	(157,447.62)	100.00	
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	10,557.02	1,065.43	0.00	(10,557.02)	100.00	
731-000.000-665.000	INTEREST	0.00	0.00	70,153.14	0.00	0.00	(70,153.14)	100.00	
Total Dept 000.000		0.00	0.00	522,323.41	18,559.61	0.00	(522,323.41)	100.00	
TOTAL REVENUES		0.00	0.00	522,323.41	18,559.61	0.00	(522,323.41)	100.00	
Expenditures									
Dept 000.000									
731-000.000-801.000	PROFESSIONAL SERVICES	0.00	0.00	1,600.00	0.00	0.00	(1,600.00)	100.00	
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	28,084.64	0.00	0.00	(28,084.64)	100.00	
731-000.000-955.000	MISCELLANEOUS	0.00	0.00	343,796.40	38,199.60	0.00	(343,796.40)	100.00	
Total Dept 000.000		0.00	0.00	373,481.04	38,199.60	0.00	(373,481.04)	100.00	
TOTAL EXPENDITURES		0.00	0.00	373,481.04	38,199.60	0.00	(373,481.04)	100.00	
Fund 731 - MARINE CITY RETIREMENT SYSTEM:									
TOTAL REVENUES		0.00	0.00	522,323.41	18,559.61	0.00	(522,323.41)	100.00	
TOTAL EXPENDITURES		0.00	0.00	373,481.04	38,199.60	0.00	(373,481.04)	100.00	
NET OF REVENUES & EXPENDITURES		0.00	0.00	148,842.37	(19,639.99)	0.00	(148,842.37)	100.00	