**City of Marine City**

**Pension Board – Pension Plan**

**April 27, 2021**

A regular meeting of the Pension Board – Pension Plan held on Tuesday, April 27, 2021 via telephone conference, and was called to order by Board Member Rosalie Skwiers at 4:30pm.

**Present: Board Members Michael Itrich, Robert Klieman, Rosalie Skwiers; City Commissioner Elizabeth Hendrick; City Manager Elaine Leven; City Clerk Kristen Baxter**

**Absent: None.**

**Also in Attendance: City Attorney, Robert Davis; Financial Consultant John Firek**

**Communications**

None.

**Approve Agenda**

Motion by Board Member Itrich, seconded by City Manager Leven, to approve the Agenda with the following amendment:

Add: Item 9-A: Communication from Walter Reichle

**Roll Call Vote.**  Ayes: Hendrick, Itrich, Klieman, Leven, Skwiers. Nays: None. Motion Carried.

**Open Discussion**

None.

**Approve Minutes**

Motion by Commissioner Hendrick, seconded by Board Member Itrich, to approve the minutes of the Regular Pension Board – Pension Plan Meeting of January 26, 2021. **Roll Call.** Ayes: Hendrick, Itrich, Klieman, Leven, Skwiers. Nays: None. Motion Carried.

**Unfinished Business**

None.

**New Business**

Walter Reichle Communication

Commissioner Hendrick read a letter on behalf of Walter Reichle advising the Pension Board that he would like to activate his pension on September 11, 2021.

**Financial Business**

Investment Performance - Review by John Firek

Financial Consultant, John Firek, reviewed the Performance Analysis Summary, dated March 31, 2021:

* Total Pension Plan market value was $5,767,792.62 as of March 31, 2021
* Total withdrawal amount was $152,400.00
* Pension Plan Holdings year-to-date annualized performance was 7.23%
* Portfolio consisted of:
* 3.52% Cash & Cash Alternatives
* 30.53% Fixed Income
* 60.38% Equity
* 5.36% Alternative Investments
* 0.2% Non-Classified

Mr. Firek stated that the City has had a really good start to the year. He advised that the biggest difference of the new allocation and the old allocation was that we had limited our bond exposure and that we were currently pushing the 60% cap of how many stocks we can own within that portfolio. The bond market currently was the biggest detractor of performance this year and that the stocks have done very well. Mr. Firek recommended that the City rebalance the portfolio back to the original allocation that was put in place in January 2021 to ensure that the Pension Plan remained under 60% in stocks.

Mr. Firek advised the Board that due to making adjustments within the Investment Policy Statement for the Pension Plan, they had redone the custom blended benchmark. The portfolio as it stood, had more equities and stocks which increased the annualized risk. This benchmark was based on the new construct of what he was targeting through the Investment Policy Statement. He said he believed that everything was in line with where it needed to be however, stocks have performed well so he wanted to take gains off of table and rebalance the portfolio.

Motion by Board Member Itrich, seconded by Board Member Leven, to receive and file the Investment Performance Report. **Roll Call.** Ayes: Hendrick, Itrich, Klieman, Leven, Skwiers. Nays: None. Motion Carried.

Preliminary Financial Statements

Motion by City Manager Leven, seconded by Board Member Itrich, to receive and file the Preliminary Financial Statements. **Roll Call.** Ayes: Hendrick, Itrich, Klieman, Leven, Skwiers. Nays: None. Motion Carried.

**Adjournment**

Motion by Board Member Itrich, seconded by Board Member Klieman, to adjourn at 4:46 pm. **Roll Call.** Ayes: Hendrick, Itrich, Klieman, Leven, Skwiers. Nays: None. Motion Carried.

Respectfully submitted,

Kristen Baxter

City Clerk