**City of Marine City**

**Pension Board - Retiree Health Care Plan**

**October 26, 2021**

A regular meeting of the Pension Board - Retiree Health Care Plan was held on Tuesday, October 26, 2021, and was called to order by Board Member Rosalie Skwiers at 4:49 pm.

**Present: Board Members Robert Klieman, Rosalie Skwiers, Mike Itrich; City Commissioner Elizabeth Hendrick; City Manager Holly Tatman; City Clerk Kristen Baxter**

**Absent: None.**

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

**Communications**

None.

**Approve Agenda**

Motion by City Commissioner Hendrick, seconded by Board Member Itrich, to approve the Agenda. All Ayes. Motion Carried.

**Open Discussion**

None.

**Approve Minutes**

Motion by Board Member Itrich, seconded by City Commissioner Hendrick, to approve the minutes dated July 27, 2021. All Ayes. Motion Carried.

**Unfinished Business**

Retiree Healthcare Eligibility

City Clerk Baxter informed the Board that the issue of Health Care Eligibility regarding Mr. Ames and Mr. Ameel’s spouse was brought to the City Commission at the request of the Pension – Retiree Health Care Board. She advised that the City Commission voted to accept the opinion of the City Attorney which stated that the parties were entitled to Retiree Health Care.

Board Member Request for Health Care

City Attorney Davis stated that he had done a comprehensive review and memorandum trying to lay out the criteria for eligibility questions with the purpose to provide guidance on both. He stated that it was important that the Board agreed that the provided guide was accurate and in accordance with the Ordinances that were currently written. He requested that the Board members take their time to go over the guide and to provide him written feedback if there were parts that were confusing or they did not agree with.

Board Member Klieman questioned if this matter would require further negotiations dealing with contracts and Attorney Davis responded that it would not. Attorney Davis provided citations to the law which he requested the Board Members review.

Attorney Davis stated that the memorandum laid out the rules of ordinance construction and how to interpret words in an ordinance, it gave a checklist for eligibility for both Pension and Retiree Healthcare and how they interplay, and it answered the question of whether or not you could enter into an agreement that violated the Ordinances.

**New Business**

None.

**Financial Business**

Investment Performance – Review by John Firek

Motion by Board Member Itrich, seconded by City Manager Tatman, to ratify the vote made at the January 26, 2021 meeting regarding Investment Performance. All Ayes. Motion Carried.

Motion by Board Member Itrich, seconded by City Manager Tatman, to ratify the vote made at the January 26, 2021 meeting regarding GASB 74/.75 Actuarial Valuation – Year Ending June 30, 2020. All Ayes. Motion Carried.

Motion by City Commission Representative Hendrick, seconded by Board Member Itrich, to ratify the vote made at the January 26, 2021 meeting regarding Invoice Approval: Nyhart Invoice #0163802 in the amount of $5000. Roll Call Vote. **Ayes:** Itrich, Hendrick, Klieman, Skwiers, Tatman. **Nays**: None. Motion Carried.

Motion by City Commission Representative Hendrick, seconded by Board Member Itrich, to ratify the vote made at the January 26, 2021 meeting for the Preliminary Financial Statements. All Ayes. Motion Carried.

Investment Performance – Review by John Firek

Financial Consultant, John Firek, reviewed the Performance Analysis Summary September 30, 2021:

* Total Retiree’s Health Care Plan market value was $304,348.83
* Total withdrawal amount was $230,599.81
* Retiree’s Health Care Plan Holdings year-to-date annualized performance was 5.15%
* Portfolio consisted of:
* 17.96% Cash & Cash Alternatives
* 28.44% Fixed Income
* 49.02% Equity
* 4.53% Alternative Investments
* 0.05% Non-Classified

Review Investment Allocation/Recommend Rebalance of Accounts

Mr. Firek stated that they adopted a policy of keeping roughly $35,000 cash in the Health Care account due to checks being written on the account and contributions coming in. If at any point the City believed that $35,000 was too much, they could reduce the amount. Mr. Firek advised that he believed the $35,000 was still a good amount to keep in the account, however, it could be revisited at the next meeting.

Mr. Firek recommended incorporating the Vanguard Communication Service Fund into the Pension Plan and Retiree Health Care Plan to replace the Fidelity Communications Fund. He explained that the major difference between the funds was that Vanguard included more social media companies.

Motion by Board Member Itrich, seconded by City Manager Tatman, to make the changes to the investment plan and allocation of funds as presented. All Ayes. Motion Carried.

Open Discussion

Board Member Klieman questioned if Mr. McAlpine had been sent a letter to conform or be dropped from the health plan. Board Member Itrich responded that he did not know if Treasurer/Finance Director Pearce had actually sent the letter and he would fill City Manager Tatman in on the situation. Board Member Klieman requested that City Manager Tatman email him with the findings.

**Adjournment**

Motion by Board Member Itrich, seconded by City Manager Tatman, to adjourn the meeting at 5:14 pm.

Respectfully submitted,

Kristen Baxter

City Clerk