

CITY OF MARINE CITY

Pension Board Meeting Agenda

Retiree Health Care

260 South Parker Street, Marine City, MI

Regular Meeting: Tuesday, April 26, 2022; 4:30 PM

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:** City Commission Representative Elizabeth Hendrick, Board Members Michael Itrich, Robert Klieman, Rosalie Skwiers, City Manager Holly Tatman
4. **COMMUNICATIONS**
5. **APPROVE AGENDA**
6. **OPEN DISCUSSION** *Anyone in attendance is welcome to address the Pension Board. Please state name and limit comments to five (5) minutes.*
7. **APPROVE MINUTES**
 - A. January 25, 2022 Minutes
8. **UNFINISHED BUSINESS**
 - A. Review Healthcare Account Distributions & Withdrawals
 - B. Comments/Discussion RE: Attorney Benefits Eligibility Memo Dated 10-13-2021
 - C. Analysis of Retiree Health Care
9. **NEW BUSINESS**
10. **FINANCIAL BUSINESS**
 - A. Investment Performance – Review by John Firek
 - B. Review Investment Allocation
 - C. Recommend Rebalance of Accounts
11. **ADJOURNMENT**

**City of Marine City
Pension Board - Retiree Health Care Plan
January 25, 2022**

A regular meeting of the Pension Board - Retiree Health Care Plan was held on Tuesday, January 25, 2022, and was called to order by Board Member Rosalie Skwiers at 4:52 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: Financial Consultant John Firek

Communications

Attorney Opinion – Timothy Rock

Motion by Board Member Itrich, seconded by City Manager Tatman, to receive and file the Attorney Opinion. All Ayes. Motion Carried.

Approve Agenda

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

Open Discussion

None.

Approve Minutes

Motion by Board Member Itrich, seconded by City Manager Tatman, to approve the minutes dated October 26, 2021. All Ayes. Motion Carried.

Unfinished Business

None.

New Business

None.

Financial Business

Investment Performance – Review by John Firek

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

- Total Retiree's Health Care Plan market value was \$324,046
- Total withdrawal amount was \$269,871
- Retiree's Health Care Plan Holdings year-to-date annualized performance was 9.54%
- 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

Similar to the Pension Fund, Mr. Firek recommended a rebalance of the accounts by selling a portion of the bonds and buying stock. He also recommended balancing the cash amount to \$35,000.

Motion by Board Member Itrich, seconded by City Manager Tatman, to make the changes recommended to rebalance the accounts. All Ayes. Motion Carried.

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

ROBERT CHARLES DAVIS
City of Marine City Attorney

TO: City of Marine City Commission and Boards
City of Marine City Manager And Clerk

FROM: Robert Charles Davis

RE: Pension Eligibility And Retiree Health Care Eligibility

DATE: October 13, 2021

PRIVELEDGED AND CONFIDENTIAL ATTORNEY WORK PRODUCT

I. INTRODUCTION

The purpose of this memorandum is to provide guidance on pension eligibility under Chapter 32 and retiree healthcare eligibility under Chapter 33.

This memorandum starts with the rules governing ordinance interpretation as used by the Michigan Courts when there is a challenge to the existing language.

This memorandum, as requested, also addresses whether an agreement that is contrary to an ordinance is enforceable under controlling Michigan law.

This memorandum is intended to provide a guide going forward to be used when there is an eligibility question or dispute. Thus, it is important that we reach agreement on the contents of this memorandum before we apply it to any specific fact pattern going forward.

II. THE RULES OF ORDINANCE LANGUAGE CONSTRUCTION

A. The Interpretation Of An Ordinance.

1. **The Rules Governing The Construction Of State Statutes Applies With Equal Force To The Interpretation Of Municipal Ordinances.**

The Michigan Supreme Court has ruled that the rules governing the construction of state statutes apply with equal force to the interpretation of municipal ordinances. This applies here.

“The rules governing the construction of statutes apply with equal force to the interpretation of municipal ordinances. *Macenas v Michiana*, 433 Mich. 380, 396; 446 N.W.2d 102 (1989).” (*Gora v. City of Ferndale*, 456 Mich. 704, 711-712; 576 NW2d 141, 145 (1998).) (Emphasis Added)

The Michigan Court of Appeals agrees.

“Ordinances are treated as statutes for the purposes of interpretation and review. *Soupal v Shady View, Inc*, 469 Mich 458, 462; 672 NW2d 171 (2003).” (*Great Lakes Soc’y v. Georgetown Charter Twp.*, 281 Mich. App. 396, 407-408; 761 NW2d 371, 180 (2008).) (Emphasis Added)

2. **The Goal Related To The Interpretation Of An Ordinance Is to Give Effect To The Intent Of The Legislative Body.**

The Michigan Court of Appeals has ruled that the goal of the construction and interpretation of an ordinance is to discern and give effect to the intent of the legislative body. The intent of the legislative body is generally consistent with the plain language of the ordinance at issue. Here, the legislative body is the City Commission.

“The [*16] goal of [*408] statutory construction, and thus of construction and interpretation of an ordinance, is to discern and give effect to the intent of the legislative body. *Neal v Wilkes*, 470 Mich 661, 665; 685 NW2d 648 (2004). *Soupal, supra. HN6*” (*Great Lakes Soc’y v. Georgetown Charter Twp.*, 281 Mich. App. 396, 407-408; 761 NW2d 371, 180 (2008).) (Emphasis Added)**

3. **The Terms Used In An Ordinance Must Be Given Their Plain And Ordinary Meaning.**

The Michigan Court of Appeals has ruled that the “terms” used in an ordinance **must be given their plain and ordinary meaning**. According to the Michigan Court of Appeals, it is appropriate to consult a dictionary for definitions when a term at issue is not specifically defined in the ordinance.

“Terms used in an ordinance must be given their plain and ordinary meanings, and it is appropriate to consult a dictionary for definitions. *Halloran v Bhan*, 470 Mich 572, 578; 683 NW2d 129 (2004) *Soupal, supra.*” (**Great Lakes Soc’y v. Georgetown Charter Twp.**, 281 Mich. App. 396, 407-408; 761 NW2d 371, 180 (2008).) (Emphasis Added)

According to the Michigan Court of Appeals, if the language used by the legislative body is clear and unambiguous, the ordinance must be enforced as written. In other words, the plain language is applied and enforced when examining the application of an ordinance to the facts presented or the facts contested.

“An ordinance must be construed as a whole, *Winchester v WA Foote Mem Hosp, Inc*, 153 Mich App 489, 501; 396 NW2d 456 (1986), affording words their plain and ordinary meanings, *Great Lakes Society*, 281 Mich App at 408. **“If the language used by the legislative body is clear and unambiguous, the ordinance must be enforced as written.”** *Morse*, 317 Mich App at 548.” (**McMillan v. Douglas**, 322 Mich. App. 354, 357; 913 NW2d 336, 338 (2017).) (Emphasis Added)

4. **Because Ordinances Are Presumed Constitutional, A Party Challenging The Validity Of An Ordinance Has the Burden Of Proving A Violation.**

According to the Michigan Supreme Court, statutes and ordinances must be construed in a constitutional manner if possible. Thus, we give deference to the language in the ordinance and we presume that the language is valid and intended to be interpreted according to its plain meaning.

“Statutes and ordinances must be construed in a constitutional manner if possible. *Detroit v Qualls*, 434 Mich. 340, 364; 454 N.W.2d 374 (1990).” (**Gora v. City of Ferndale**, 456 Mich. 704, 711-712; 576 NW2d 141, 145 (1998).) (Emphasis Added)

The Michigan Supreme Court has further ruled that, because ordinances are presumed constitutional, the party challenging the validity of an ordinance has the burden of “proving a violation”.

“Because ordinances are presumed constitutional, the party challenging the validity of an ordinance has the burden of proving

a [*712] violation. Rental Property Owners Ass'n, supra at 253.” (**Gora v. City of Ferndale**, 456 Mich. 704, 711-712; 576 NW2d 141, 145 (1998).) (Emphasis Added)

In sum, each word in an ordinance is important and must be given its plain meaning. Ordinances cannot be applied to facts in any manner desired. To the contrary, the language in the ordinance must be applied as written -- with no word or term left behind. If the ordinance language is not the desired language, the solution is to use the lawful process to amend the ordinance language through the legislative body. The solution is not to ignore or distort the plain language and adopt a reading desired that is not consistent with the plain language presented in the ordinance at issue.

III. PENSION ELIGIBILITY UNDER ORDINANCE CHAPTER 32

A. Chapter 32 -- Short Answer On Pension Eligibility Requirements.

1. **Membership In The Retirement System:** Pursuant to Section 32.03, for individuals employed on or after October 1, 2008, a total of 2,080 hours or more of work in a calendar year is required to have “membership” in the retirement system. For employees hired prior to October 1, 2008, a total of 1,000 hours or more of work in a calendar year shall be required to have “membership” in the retirement system. Contractual employment and employment compensated on a fee basis is excluded. The position of City Manager, Director of Public Works, and Police Chief are also excluded unless within 30 days after the date such person has qualified for membership they file with the Board and the City Commission a written request to be included as a member of the retirement system.

2. **Voluntary Retirement:** Pursuant to Section 32.10, in order to be eligible for voluntary retirement, an individual must be 60 years or older with 10 or more years of “credited

service” or the individual must be 55 years or older with 25 or more years of “credited service”.

This language is clear and unambiguous.

The individual must have terminated all city employment prior to retiring. In addition, the individual must file a written application for retirement with the Board of Trustees not less than 180 days nor more than 270 days before the effective retirement date.

3. **Credited Service:** Pursuant to Section 32.04, for employees hired on or after October 1, 2008, a total of 2,080 hours or more shall be considered 1 year of service. For employees hired prior to October 1, 2008, a total of 1,000 hours or more shall be considered 1 year of service. Prorations are allowed under the ordinance provisions.

4. **Spouse / Beneficiary:** Pursuant to Section 32.14, a retirant “may” elect a reduced retirement allowance which is payable during the joint lifetime of the retirant and his/her designated beneficiary. Depending on the option selected, upon the death of the retirant, the beneficiary will receive a retirement allowance for life equal to a designated percentage. In other words, a retirant may elect to have his spouse (by way of example) be his beneficiary, and in doing so, the retirant receives a reduced retirement allowance during the retirant’s lifetime but that payment continues for the lifetime of the named beneficiary. Section 32.14 sets forth the specific manner in which these options can be selected. The options set forth at Section 32.14 are interpreted and applied pursuant to their plain meaning.

5. **Pension Payment:** Pursuant to Section 32.10, an eligible retirant shall be paid a pension computed according to the provisions set forth at Section 32.13. Section 32.13 contains language which sets forth a formula for calculating pension payments. Section 32.13 and its formula will be interpreted and applied pursuant to its plain meaning.

B. **Chapter 32 -- Long Answer On Pension Eligibility Requirements.**

1. **Section 32.01 Establishment**

Section 32.01 states that the City of Marine City Retirement System is established for the purpose of providing “retirement income” to certain employees of the City and “survivor benefits” as allowed to their beneficiaries.

“(A) The City of Marine City Retirement System is hereby established for the purpose of providing retirement income to certain employees of the city and survivor benefits to their beneficiaries, and to replace the benefits provided by the city's participation in the Michigan Municipal Employees Retirement System. This chapter may be cited as the retirement system ordinance for city employees. The effective date of this chapter is July 1, 1980.” (Section 32.01) (Emphasis Added)

2. **Section 32.03 Membership Of Retirement System**

Section 32.03 states that a person who is in the employ of the City in a “membership position” shall be a member of the retirement system. Section 32.03 further states that a “membership position” is a City position which normally requires the individual to work more than 1,000 hours in a calendar year. However, for employees hired on or after October 1, 2008, the individual at issue needs to work 2,080 or more hours per year in order to be considered in a “membership position”. The status of a “membership position” is defined and binding.

“(A) A person who is in the employ of the city in a membership position shall be a member of the retirement system. A membership position is a city position normally requiring 1,000 or more hours of work in a calendar year, except as provided in division (B). For employees hired on or after October 1, 2008, a membership position is a city position normally requiring 2,080 or more hours of work in a calendar year, except as provided in division (B).” (Section 32.03) (Emphasis Added)

Section 32.03 also identifies, in clear terms, what types of employment do not create a “membership position” under Chapter 32.

“(B) The following types of city employment are not membership positions:

- (1) **Contractual employment;**

(2) **Employment compensated on a fee basis; or**

(3) **The position of City Manager, Director of Public Works, and Police Chief, unless within 30 days after the date such person has qualified for membership he or she files with the Board and City Commission a written request to be included as a member of the retirement system; or**

(4) **Part-time employment** to the extent said employment is excluded under the employee's collective bargaining agreement." (Section 32.03) (Emphasis Added)

Section 32.03 (C) also states that a person who ceases to be employed by the City in a "membership position" shall then cease to be a member.

"(C) A member who ceases to be employed by the city in a membership position shall thereupon cease to be a member." (Section 32.03) (Emphasis Added)

Section 32.03 (D) states that the Board of Trustees "shall" decide all questions concerning the "membership status" of any person. The term "all" shall be given its plain meaning.

"(D) The Board of Trustees shall decide all questions concerning the membership status of any person." (Section 32.03) (Emphasis Added)

Section 32.03 (E) states that persons who elect to become members of the ICMA pension program in accordance with the terms of their employment and/or their respective employment contracts shall not be included in the "coverage of this chapter". **This "Chapter" means Chapter 32 -- not Chapter 33 or any other chapter in the Ordinances.**

"(E) Persons who elect to become members of the ICMA pension program in accordance with the terms of their employment and/or their respective employment contracts shall not be included in the coverage of this chapter." (Section 32.03(E).) (Emphasis Added)

The word "coverage" has, in the past, raised concern. As stated above, the Michigan Court of Appeals has ruled that the terms used in an ordinance **must be given their plain and ordinary**

meaning. In addition, the Michigan Court of Appeals has ruled that it is appropriate to consult a dictionary for definitions.

“Terms used in an ordinance must be given their plain and ordinary meanings, and it is appropriate to consult a dictionary for definitions. *Halloran v Bhan*, 470 Mich 572, 578; 683 NW2d 129 (2004) *Soupal, supra.*” (*Great Lakes Soc’y v. Georgetown Charter Twp.*, 281 Mich. App. 396, 407-408; 761 NW2d 371, 180 (2008).) (Emphasis Added)

The Merriam Webster’s Dictionary defines the term “coverage” as something that “covers”.

“Definition of coverage
1: something that **covers**: such as
a: inclusion within the scope of an insurance policy or protective plan : INSURANCE” (Merriam Webster Dictionary)

The Merriam Websters Dictionary defines the term “cover” as including “compensation”.

“Definition of cover
(Entry 1 of 2) . . .
(2): to afford protection against or **compensation**
(see COMPENSATION sense 2) for” (Merriam Webster Dictionary)

Here, the plain and ordinary meaning of the term coverage is actual compensation. As a result, if an individual elects ICMA they are not going to receive retirement income from the City Retirement System. This makes sense that a person not be entitled to 2 forms of coverage/compensation under Chapter 32.

3. Section 32.04 Credited Service

Section 32.04 states that service rendered by a member shall be credited to the member’s individual “credited service account” in accordance with the rules that the Board of Trustees prescribes from time to time.

“Service rendered by a member shall be credited to the member's individual credited service account in accordance with rules the Board of Trustees shall from time to time prescribe.” (Section 32.04) (Emphasis Added)

Section 32.04 further states that, in no case, shall more than one year of “credited service” be credited on the account of all service rendered by a member in any “1” calendar year.

“In no case shall more than 1 year of credited service be credited on the account of all service rendered by a member in any 1 calendar year.”
(Section 32.04) (Emphasis Added)

Section 32.04 states that a total of 1,000 hours or more shall be considered one year of service. However, for any member who works less than 1,000 hours, the partial year will be the total hours worked divided by 1,000. This will form a fraction of a “year of service”.

“A total of 1,000 hours or more shall be considered 1 year of service. For any member who may work less than 1,000 hours, the partial year will be the total hours worked divided by 1,000.” (Section 32.04)
(Emphasis Added)

Section 32.04 also states that for persons hired on or after October 1, 2008, a total of 2,080 hours or more shall be required for one year of service. If the member works less than 2,080 hours, the partial year will be the total hours worked divided by 2,080. This will create, by math, a fraction of a “year of service”.

“For employees hired on or after October 1, 2008, a total of 2,080 hours or more shall be considered 1 year of service. For any member who may work less than 2,080 hours, the partial year will be the total hours worked divided by 2,080.” (Section 32.04) (Emphasis Added)

4. Section 32.10 Voluntary Retirement Conditions

Section 32.10 is titled Voluntary Retirement Conditions. That Section states that a person may retire upon satisfaction of certain listed requirements.

First, the person must file a written application for retirement (“Application For Retirement”) with the Board of Trustees which notes the date that the retirement is to become effective. This Application for Retirement must be filed not less than 180 days nor more than 270 days before the retirement is to be effective.

Second, the person must terminate all city employment prior to the date that the retirement is to be effective.

Third, the person must meet the applicable age and service conditions for retirement. Each of the 3 conditions must be met because the conditions are joined with the word “and”.

“(A) A person may retire upon satisfaction of each of the following requirements:

(1) The person has filed written application for retirement with the Board of Trustees setting forth the date retirement is to be effective; said application shall be filed not less than 180 days nor more than 270 days before the retirement is to be effective;

(2) The person terminates all city employment prior to the date retirement is to be effective; and

(3) The person has met an applicable age and service condition for retirement.” (Section 32.10) (Emphasis Added)

Section 32.10 clearly sets forth the age and service conditions for voluntary retirement. The person shall be age 60 years or older with 10 or more years of credited service or shall be age 55 or older with 25 or more years of credited service. This language is clear and controlling.

“(B) The age and service conditions for voluntary retirement are as follows. Benefit group general:

(1) Age 60 years or older with 10 or more years of credited service in force; or

(2) Age 55 years or older with 25 or more years of credited service in force.” (Section 32.13) (Emphasis Added)

Section 32.13 specifically states that, upon retirement, a person shall be paid a pension computed according to Section 32.13.

“(C) Upon retirement as provided in this section, a person shall be paid a pension computed according to § 32.13.” (Section 32.13) (Emphasis Added)

As stated below, Section 32.13 sets forth a defined payment structure to calculate the payment at issue.

5. **Section 32.13 Payment -- Amount Of Level Straight Life Pension**

Section 32.13 states that, for retiring persons other than employees of the police department or members of the International Union of Operating Engineers bargaining unit, the amount of "level straight life pension" shall be equal to the retiring person's **credited service multiplied by** 2.0% of the retiring person's final average compensation.¹

"(A) Benefit group general. The amount of **level straight life pension** shall be equal to the retiring person's benefit group general **credited service multiplied by**:

(1) **For retiring persons other than persons who are employees of the City Police Department or members of the International Union of Operating Engineers bargaining unit, 2.0% of the retiring person's final average compensation; and"** (Section 32.13) (Emphasis Added)

For retiring persons who are employees of the City Police Department or members of the International Union Of Operating Engineers bargaining unit that retire before December 11, 2002, the amount of "level straight life pension" shall be equal to the retiring person's **credited service multiplied by** 2.0% of the retiring person's final average compensation. However, if they retire on or after December 11, 2002 it is 2.25 % of the retiring person's final average compensation.

"(2) For retiring persons who are **employees of the City Police Department** or members of the **International Union of Operating Engineers** bargaining unit:

(a) For any such **person who retires before December 11, 2002, 2.0%** of the retiring person's **final average compensation**; and

(b) For any such **person who retires on or after December 11, 2002, 2.25% of the retiring person's final average compensation."** (Section 32.13) (Emphasis Added)

¹ The term "Final Average Compensation" is defined at section 32.02 and includes a defined formula.

In addition, if the retiring person has less than 25 years credited service, the pension shall be reduced by one-half percent .005 for each month or fraction thereof, by which the date of benefit commencement precedes the person's attainment of age 60.

“(B) If the retiring person has less than 25 years credited service, the pension shall be reduced by one-half percent (.005) for each month or fraction thereof, by which the date of benefit commencement precedes the person's attainment of age 60.” (Section 32.13) (Emphasis Added)

Chapter 32 contains a total of 40 sections on 30 pages of detailed text. Given the breadth and the detail of Chapter 32, it is not possible to analyze every Section within the scope of this memorandum. If any person wants additional analysis of other Sections, I will provide it as directed.

IV. RETIREE HEALTH CARE ELIGIBILITY UNDER ORDINANCE AT
CHAPTER 33

Chapter 32 relates to pension. Chapter 33 relates to healthcare.

While Chapter 33 relates to healthcare, Chapter 33 does link eligibility to healthcare to “membership” in the retirement system as set forth in Chapter 32.

“Membership” in the retirement system is defined and is expressly linked to hours worked. Furthermore, membership in the retirement system for purposes of receiving healthcare is not excluded if an individual selects ICMA under the Retirement. Any conclusion to the contrary is not supported by the language in the ordinances.

A. Chapter 33 -- Short Answer On Eligibility Requirements.

In order to be eligible for retiree health insurance coverage during any plan year, an individual must: be a retiree of the City who upon retirement elects to participate in the health insurance plan and be a “participant” of the plan as defined in the Chapter 33, or be a spouse or eligible dependent of an individual who meets these requirements.

The Plan and Trust defines a “participant” at Section 33.05. This definition is controlling and cannot be expanded. No term can be ignored.

- A full-time employee of the City of Marine City on or before December 31, 2007; and
- Who was a member of both the medical plan for active employees and the retirement system of the City of Marine City immediately prior to retirement; and
- Who receives benefits from the retirement system of the City of Marine City; and
- Who retired with a service retirement.

At Section 32.03, under the pension chapter (32), there is a title in all caps that says “MEMBERSHIP OF RETIREMENT SYSTEM”. That section states that a person who is in the

employ of the City in a “**membership position**” shall be a **member** of the retirement system. That section specifically defines a “membership position”. Thus, the term “membership position” is defined at Section 32.03.

B. Long Answer On Retiree Healthcare Eligibility.

In accordance with Section 33.20, in order to be **eligible for health insurance coverage** during any plan year, an individual must: be a **retiree of the City** who upon **retirement elects to participate** in the health insurance plan **and** be a “**participant**” of the plan as defined in Chapter **33**, or be a spouse or eligible dependent of an individual who meets these requirements. The Ordinance states, in relevant part, the following language:

“§ 33.20 ELIGIBILITY.

In order to be eligible for health insurance coverage during any plan year, an individual must:

- (A) Be a retiree of the city who upon retirement from the city elects to participate in the plan; and**
- (B) Be a participant of the plan, as defined in this chapter; or**
- (C) Be a spouse or eligible dependent (as defined in § 33.05) of an individual who meets the above requirements, subject to any relevant provisions in the contract(s).” (Plan and Trust Section 33.01) (Emphasis Added)**

These basic eligibility conditions require reference to established definitions.

1. Definition of Participant at Section 33.05.

Ordinance 33 defines a “participant” at Section 33.05. This definition is controlling as written and cannot be expanded. A “participant” is defined as follows:

- A full-time employee of the City of Marine City on or before December 31, 2007; and

- Who was a member of both the medical plan for active employees and the retirement system of the City of Marine City immediately prior to retirement; and
- Who receives benefits from the retirement system of the City of Marine City; and
- Who retired with a service retirement.

Section 33.05 states, in relevant part, the following as a definition of “Participant”:

“PARTICIPANT. Any person meeting the following requirements:

(1) **Who was a full-time employee of the City of Marine City on or before December 31, 2007, and who was a member of both the medical plan for active employees and the retirement system of the City of Marine City immediately prior to retirement and who receives benefits from the retirement system of the City of Marine City, and who retired with a service retirement,** (Plan and Trust Section 33.05) (Emphasis Added)

2. “Membership” In Retirement System Is Defined.

Section 32.03 provides the definition of what it means to have a membership in the Retirement System. This section states that a person who is in the employ of the City in a **membership position** shall be a **member** of the retirement system. This section further states that a “membership position” is a City position normally requiring 1,000 or more hours of work in a calendar year, except as provided in division (B). For employees hired on or after October 1, 2008, a “membership position” is a City position normally requiring 2,080 or more hours of work in a calendar year, except as provided in division (B). (Section 32.03)

The language here states that persons who elect to become members of the ICMA pension program in accordance with the terms of their employment and/or their respective employment contracts, **shall not be included in the “coverage of this chapter”**. (Section 32.03(E).) The plain and ordinary meaning of the term coverage is actual compensation. In other words, if you elect ICMA you are not going to get cash under ICMA and cash under the Retirement System. The

drafters of this section of the Ordinance chose to use the word “coverage”. The drafters of this section did not choose to state that, if an individual selects ICMA, they cease to be a “member” of the Retirement System in total. The language, as set forth in this section must be afforded its plain meaning under the rules of construction in order to carry out the drafters intent.

V. **CONTRACT/AGREEMENT ENFORCEABILITY UNDER MICHIGAN LAW**

The Michigan Court of Appeals has ruled that a public body cannot bind itself to a contract that violates its own governing ordinances.

“However, a public body cannot bind itself to a contract that violates its own governing ordinances. We conclude that the just-cause provision of Melki's **contract** is void because it conflicts with Clayton **Ordinance** No. 406. The just cause provision therefore **violates** Clayton Township's own governing **ordinance**, which states that, "The Chief shall serve at the pleasure of the Board." (**Melki v. Clayton Charter Twp.**, Unpublished Opinion Per Curiam of the Court of Appeals, decided [August 22, 20213] (Docket No. 306135).) (Emphasis Added)

According to the Michigan Court of Appeals, at common law all contracts which are in violation of the law are void.

"At common law all contracts in violation of law are void." ." (**Melki v. Clayton Charter Twp.**, Unpublished Opinion Per Curiam of the Court of Appeals, decided [August 22, 20213] (Docket No. 306135).) (Emphasis Added)

The Michigan Court of Appeals has ruled that, if a contractual clause is prohibited by a statute, that contractual clause is void and unenforceable. Similarly, to the extent that a contractual clause is prohibited by an ordinance, the clause is similarly void and unenforceable.

"A contractual clause that is prohibited by a statute is void and unenforceable.¹¹ An ordinance has the same force as a statute. It logically follows that a contractual clause that violates an ordinance is also void and unenforceable." (**Melki v. Clayton Charter Twp.**, Unpublished Opinion Per Curiam of the Court of Appeals, decided [August 22, 20213] (Docket No. 306135).) (Emphasis Added)

These concepts have been raised and this research was specifically requested.

VI. CONCLUSIONS

The purpose of this Memorandum is to provide guidance on the City pension eligibility questions and to provide guidance with respect to Retiree Health Care Eligibility.

I think it would be wise for each member of the Respective Boards to analyze this memorandum and present questions and concerns accordingly. I think I would be wise if we all were operating with the same understanding of the system and the eligibility issues. Thereafter, as a group, questions that arise about eligibility can be reviewed and addressed consistent with the controlling terms and provisions of both Chapter 32 and Chapter 33.

Thus, I will wait 30 days for questions and comments about the Ordinances. Thereafter, I will initiate a formal review of the eligibility questions pending, including a strict review of whether there are, in fact, agreements in place that violate the terms of the Ordinances and whether those agreements should be declared to be null and void.

For each question about eligibility, we will all need to receive and review the following:

PENSION

- **Who is the covered Retiree?**
- **Is the individual employed by the City of Marine City?**
- **When was the individual hired?**
- **Was the individual hired prior to October 1, 2008?**
 - **If the individual was hired prior to October 1, 2008 does their position normally require them to work more than 1,000 hours in a calendar year.**
- **Was the individual hired on or after October 1, 2008?**
 - **If the individual was hired on or after October 1, 2008 does their position normally require them to work 2,080 or more hours per year.**
- **Does the individual hold the position of Police Chief, Director of Public Works and/or City Manager?**
 - **If the individual holds the position of Police Chief, Director of Public Works and/or City Manager did they within 30 days after they qualified for membership file with the Board and the City Commission a written request to be included as member of the retirement system.**
- **Did the individual elect to become a member of the ICMA pension program?**
- **How many years of credited service does the individual have in their credited service account?**
- **Did the individual file a written application for retirement with the Board of Trustees.**
 - **Does the individual's application for retirement note the date that the individual's retirement is to become effective?**
 - **Was the individual's application for retirement filed not less than 180 days before the retirement is to be effective?**
 - **Was the individual's application for retirement filed not more than 270 days before the retirement is to be effective?**

- **Has the individual terminated all city employment prior to the date that the retirement is to become effective?**
- **Has the individual met the applicable age and service condition requirement?**
 - **How old is the individual?**
 - **Is the individual 60 years or older?**
 - **If the individual is 60 years or older does the individual have 10 or more years of credited service.**
 - **Is the individual 55 years or older?**
 - **If the individual is 55 years or older does the individual have 25 or more years of credited service.**
- **Has the individual elected an optional form of pension payment with a reduced retirement allowance during the joint lifetime of the retirant and his/her beneficiary and if so who is the beneficiary.**


HEALTHCARE

- **Who is the covered Retiree?**
- **Is the individual a retiree of the City of Marine City?**
- **Did the individual upon retirement from the city elect to participate in the healthcare plan?**
- **Is the Individual a participant?**
 - **Was the individual a full-time employee of the City of Marine City on or before December 31, 2007?**
 - **Was the individual a member of the medial plan for active employees of the City of Marine City immediately prior to retirement?**
 - **Was the individual a member of the retirement system immediately prior to retirement?**
 - **Was the individual hired prior to October 1, 2008?**
 - **If the individual was hired prior to October 1, 2008 does their position normally require them to work more than 1,000 hours in a calendar year.**
 - **Was the individual hired on or after October 1, 2008?**
 - **If the individual was hired on or after October 1, 2008 does their position normally require them to work 2,080 or more hours per year.**
 - **Does the individual hold the position of Police Chief, Director of Public Works and/or City Manager?**
 - **If the individual holds the position of Police Chief, Director of Public Works and/or City Manager did they within 30 days after they qualified for membership file with the Board and the City Commission a written request to be included as member of the retirement system.**

- Did the individual provide personal service to the City of Marine City.
- Is the individual a spouse or eligible dependent of a retiree who otherwise meets all of the above listed requirements.
- Does the retiree have a spouse who has met all requirements of a valid marriage contract, in the state of marriage, and is the opposite sex of the person to whom he or she is married and their marriage status existed on the retiree's initial retirement date and at the time the expense for which coverage is claimed was incurred.
- Does the retiree have an unmarried child who meets the requirements of 151(c)(3) and is not the age of 19 years unless: the child is permanently disabled, either mentally or physically, the disability arose prior to their age of 19; the child is incapable of self-sustaining employment, the child is unmarried and dependent on the retiree for their support, and the disability is certified by a physician.

AGREEMENTS

- We need to see and review any written agreements between the individual and the City of Marine City.


Robert Charles Davis

RAYMOND JAMES®

Portfolio Review

Prepared for **Marine City Retiree's Healthcare**

John R. Firek, AAMS®

248.276.2805

Report Listing

<u>Report Name</u>	<u>Page</u>
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Account Listing

<u>Raymond James</u>	<u>Account Number</u>	<u>Account Type</u>	<u>Market Value (\$)</u>
Marine City Retiree's Healthcare	xxxxx090	Other	232,799.08
Total Market Value			\$232,799.08
Total Portfolio			\$232,799.08

Contributions and Withdrawals as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

John R. Firek, AAMS®
248.276.2805

Contributions and Withdrawals Summary

For the period 3/31/21 to 3/31/22

	Total	Contributions	Withdrawals
Cash	(\$53,253.95)	\$193,052.42	(\$246,306.37)
Securities	\$0.00	\$0.00	\$0.00
Total	(\$53,253.95)	\$193,052.42	(\$246,306.37)

Contributions and Withdrawals Detail

For the period 3/31/21 to 3/31/22

Marine City Retiree's Healthcare // xxxxx090

Transaction Date	Transaction Type	Description	Symbol/ CUSIP	Quantity	Contributions	Withdrawals
4/1/21	Other Expense	Activity		0.000		\$0.00
4/9/21	Withdrawal	Activity		0.000		(\$1,888.00)
4/21/21	Withdrawal	Activity		0.000		(\$8,381.18)
5/4/21	Withdrawal	Activity		0.000		(\$8,696.20)
5/6/21	Deposit	Activity		0.000	\$18,942.11	
5/6/21	Withdrawal	Activity		0.000		(\$8,696.20)
5/6/21	Withdrawal	Activity		0.000		(\$1,888.00)
5/10/21	Deposit	Activity		0.000	\$18,965.38	
5/19/21	Withdrawal	Activity		0.000		(\$8,381.18)
6/3/21	Withdrawal	Activity		0.000		(\$8,696.20)
6/3/21	Withdrawal	Activity		0.000		(\$1,888.00)
6/11/21	Deposit	Activity		0.000	\$18,965.38	
7/1/21	Withdrawal	Activity		0.000		(\$8,668.11)

Contributions and Withdrawals as of Mar 31, 2022

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Marine City Retiree's Healthcare // xxxxx090

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Contributions and Withdrawals Detail *(continued)*

For the period 3/31/21 to 3/31/22

Marine City Retiree's Healthcare // xxxxx090 *(continued)*

Transaction Date	Transaction Type	Description	Symbol/ CUSIP	Quantity	Contributions	Withdrawals
7/9/21	Withdrawal	Activity		0.000		(\$8,737.27)
7/26/21	Deposit	Activity		0.000	\$460.34	
8/4/21	Withdrawal	Activity		0.000		(\$8,668.11)
8/4/21	Withdrawal	Activity		0.000		(\$8,737.27)
8/27/21	Withdrawal	Activity		0.000		(\$8,737.27)
8/27/21	Withdrawal	Activity		0.000		(\$8,668.11)
8/27/21	Withdrawal	Activity		0.000		(\$1,888.00)
9/8/21	Deposit	Activity		0.000	\$57,839.07	
10/22/21	Withdrawal	Activity		0.000		(\$29,181.38)
11/5/21	Withdrawal	Activity		0.000		(\$1,888.00)
11/8/21	Deposit	Activity		0.000	\$8,000.00	
11/19/21	Withdrawal	Activity		0.000		(\$17,405.38)
11/22/21	Deposit	Activity		0.000	\$13,659.10	
11/22/21	Deposit	Activity		0.000	\$5,634.28	
11/22/21	Deposit	Activity		0.000	\$12,000.00	
11/22/21	Deposit	Activity		0.000	\$13,659.10	
11/22/21	Deposit	Activity		0.000	\$5,634.28	
12/8/21	Withdrawal	Activity		0.000		(\$1,249.98)
12/8/21	Withdrawal	Activity		0.000		(\$1,888.00)
12/17/21	Withdrawal	Activity		0.000		(\$14,269.87)

Contributions and Withdrawals as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

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Contributions and Withdrawals Detail *(continued)*

For the period 3/31/21 to 3/31/22

Marine City Retiree's Healthcare // xxxxx090 *(continued)*

Transaction Date	Transaction Type	Description	Symbol/ CUSIP	Quantity	Contributions	Withdrawals
12/20/21	Deposit	Activity		0.000	\$5,634.28	
12/20/21	Deposit	Activity		0.000	\$13,659.10	
12/22/21	Withdrawal	Activity		0.000		(\$416.66)
1/20/22	Withdrawal	Activity		0.000		(\$15,164.89)
1/20/22	Withdrawal	Activity		0.000		(\$1,780.00)
1/25/22	Withdrawal	Activity		0.000		(\$416.66)
1/27/22	Withdrawal	Activity		0.000		(\$21,181.38)
2/10/22	Withdrawal	Activity		0.000		(\$1,834.00)
2/23/22	Withdrawal	Activity		0.000		(\$416.66)
2/24/22	Withdrawal	Activity		0.000		(\$15,767.19)
3/4/22	Withdrawal	Activity		0.000		(\$1,834.00)
3/9/22	Withdrawal	Activity		0.000		(\$460.34)
3/25/22	Withdrawal	Activity		0.000		(\$18,116.22)
3/29/22	Withdrawal	Activity		0.000		(\$416.66)
Total					\$193,052.42	(\$246,306.37)

Fees and Expenses as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

John R. Firek, AAMS®
248.276.2805

Fees and Expenses Summary

For the period 3/31/21 to 3/31/22

Management Fees	Total
	(\$3,045.53)
Account Expenses	\$0.00
Total	(\$3,045.53)

Fees and Expenses Detail

For the period 3/31/21 to 3/31/22

Marine City Retiree's Healthcare // xxxxx090

Transaction Date	Transaction Type	Description	Management Fees	Account Expenses
4/1/21	Other Expense	Activity		\$0.00
4/21/21	Management Fee	Activity	(\$711.83)	
7/21/21	Management Fee	Activity	(\$767.90)	
10/20/21	Management Fee	Activity	(\$766.87)	
1/19/22	Management Fee	Activity	(\$798.93)	
Total			(\$3,045.53)	\$0.00

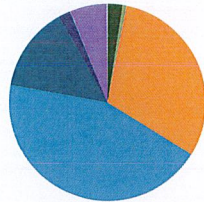
Executive Overview as of Mar 31, 2022

Marine City Retiree's Healthcare // xxxxx090

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248.276.2805

Asset Allocation

	Market Value (\$)	% of Portfolio
Cash & Cash Alternatives	7,106.57	3.05%
Cash	5,573.13	2.39%
Cash Alternatives	1,533.44	0.66%
Fixed Income	71,424.16	30.68%
Equity	139,590.83	59.96%
U.S. Equity	102,536.07	44.04%
Non U.S. Equity	32,247.70	13.85%
Real Estate	4,641.69	1.99%
Equity Other	165.37	0.07%
Alternative Investments	14,254.93	6.12%
Allocation Strategies	0.00	0.00%
Non-Classified	422.62	0.18%
Total Portfolio	\$232,799.08	100%

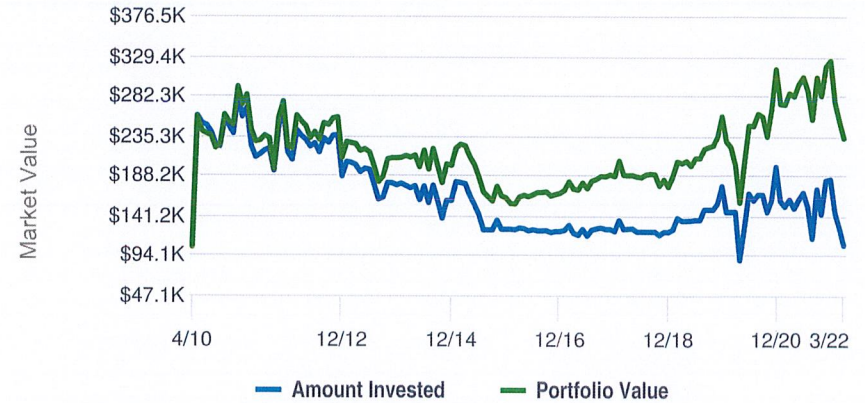


Packaged products may be represented across multiple asset classes.

*\$2,316.64 is held in cash and cash sweep products

Value Over Time

4/15/10 - 3/31/22



Gains and Losses

Unrealized Gain/Loss

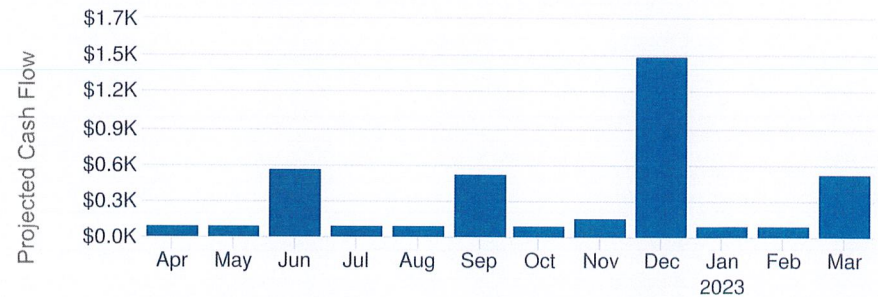
	Gain (\$)	Loss (\$)	Total (\$)
Short Term	746.65	(5,482.39)	(4,735.74)
Long Term	11,668.42	(7,260.02)	4,408.40
Total	\$12,415.07	(\$12,742.41)	(\$327.34)

Realized Gain/Loss

1/1/22 - 3/31/22	Gain (\$)	Loss (\$)	Total (\$)
Short Term	626.31	(221.03)	405.28
Long Term	1.66	(473.45)	(471.79)
Total	\$627.97	(\$694.48)	(\$66.51)

Projected Cash Flow

Total Projected Cash Flow: \$3,932.93



Value Over Time as of Mar 31, 2022

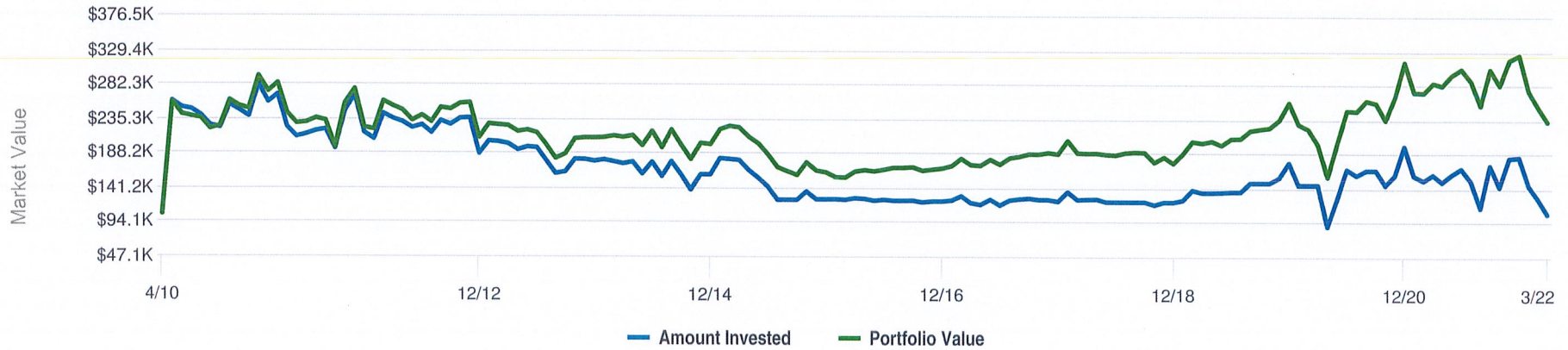
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Value Over Time

4/15/10 - 3/31/22



	Beginning Market Value	Contributions/Withdrawals	Income	Change in Market Value	Ending Market Value	Investment Results	Time-Weighted (Net of Fees) Performance	Annualized* Performance
Total Portfolio	\$104,265.17	\$2,395.05	\$99,604.52	\$26,534.34	\$232,799.08	\$126,138.86		4.79%
Year to Date (12/31/2021 - 3/31/2022)	\$324,046.86	(\$77,388.00)	\$737.15	(\$14,596.93)	\$232,799.08	(\$13,859.78)	(4.20%)	4.79%
2021	\$313,913.75	(\$14,716.53)	\$10,986.22	\$13,863.42	\$324,046.86	\$24,849.64	9.54%	5.28%
2020	\$258,189.89	\$22,956.11	\$10,213.06	\$22,554.68	\$313,913.75	\$32,767.74	12.92%	4.89%
2019	\$174,756.77	\$54,021.02	\$7,047.86	\$22,364.24	\$258,189.89	\$29,412.10	15.25%	4.10%
2018	\$187,343.82	(\$896.04)	\$14,002.34	(\$25,693.35)	\$174,756.77	(\$11,691.01)	(5.84%)	2.89%
2017	\$167,415.25	\$55.39	\$9,030.36	\$10,842.82	\$187,343.82	\$19,873.18	11.98%	4.08%
2016	\$161,864.22	(\$2,538.70)	\$5,594.80	\$2,494.93	\$167,415.25	\$8,089.73	4.81%	2.96%
2015	\$200,019.76	(\$33,300.47)	\$6,853.64	(\$11,708.71)	\$161,864.22	(\$4,855.07)	(3.43%)	2.64%

Value Over Time as of Mar 31, 2022

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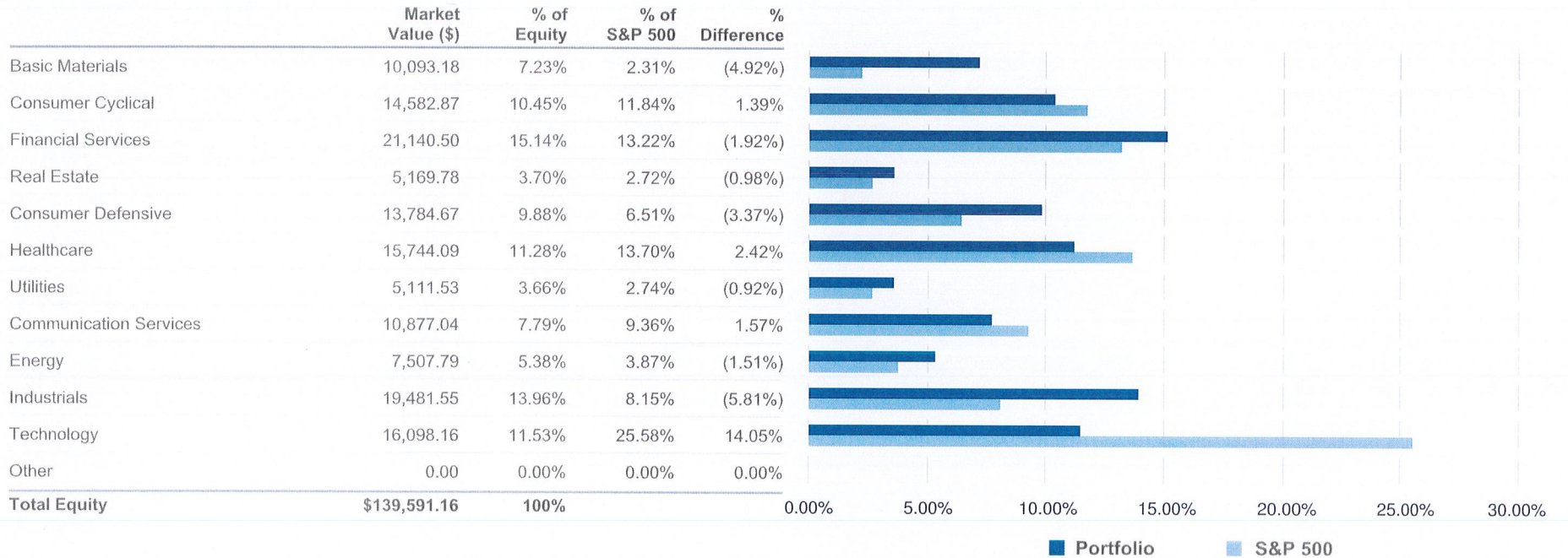
Marine City Retiree's Healthcare // xxxxx090

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	Beginning Market Value	Contributions/ Withdrawals	Income	Change in Market Value	Ending Market Value	Investment Results	Time-Weighted (Net of Fees) Performance	Annualized* Performance
2014	\$208,741.11	(\$18,284.62)	\$8,170.36	\$1,392.91	\$200,019.76	\$9,563.27	4.87%	3.97%
2013	\$209,044.83	(\$10,313.17)	\$6,288.81	\$3,720.64	\$208,741.11	\$10,009.45	5.20%	3.73%
2012	\$222,754.91	(\$28,409.21)	\$7,119.93	\$7,579.20	\$209,044.83	\$14,699.13	6.40%	3.19%
2011	\$248,124.54	(\$22,320.55)	\$7,396.26	(\$10,445.34)	\$222,754.91	(\$3,049.08)	(2.22%)	1.37%
2010 (4/15/2010 - 12/31/2010)	\$104,265.17	\$133,529.82	\$6,163.73	\$4,165.82	\$248,124.54	\$10,329.55	4.68%	4.68%

*Returns are annualized for periods greater than one year.

Equity Sector Summary



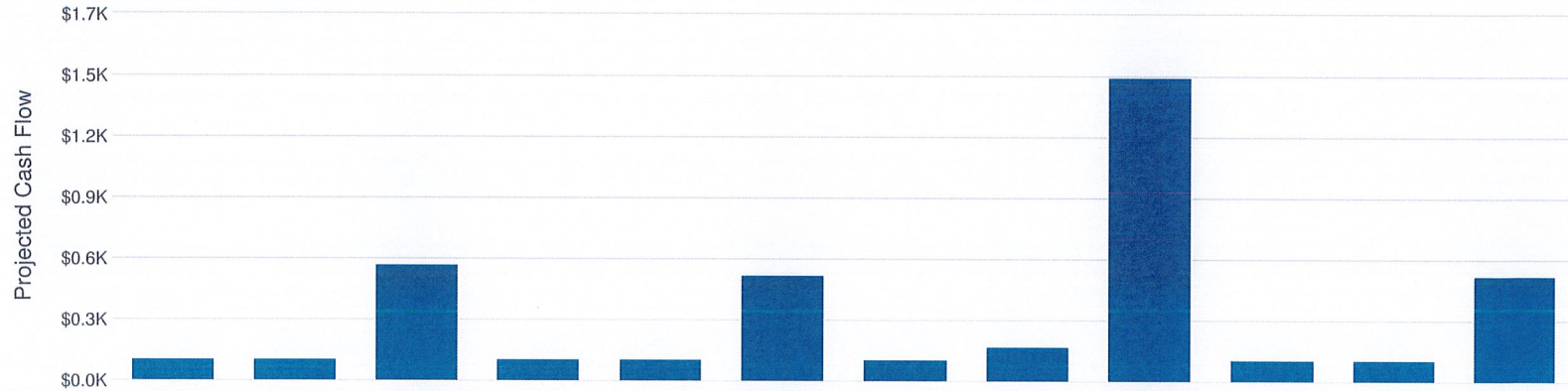
Projected Cash Flow as of Mar 31, 2022

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Marine City Retiree's Healthcare // xxxxx090

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Projected Cash Flow Summary



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Jan	Feb	Mar	Projected Total
Cash and Cash Alternatives:													
Cash	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Funds: Open-end Mutual Funds	102	102	205	102	102	165	102	165	799	102	102	165	\$2,213
Funds: Exchange Traded Funds	3	3	343	3	3	343	3	3	648	3	3	343	\$1,704
Alternatives: Alternative Mutual Funds			4			4			4			4	\$16
Total Portfolio	\$105	\$105	\$552	\$105	\$105	\$512	\$105	\$169	\$1,451	\$105	\$105	\$512	\$3,933

Annual Yield calculation is inclusive of all client holdings.

Security Level Performance Summary as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

John R. Firek, AAMS®
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Performance Summary

Alternatives: Alternative Mutual Funds	Start Date	Current Market Value	MTD 2/28/22 3/31/22	QTD 12/31/21 3/31/22	YTD 12/31/21 3/31/22	Last 12 Months 3/31/21 3/31/22	Since Inception* Inception 3/31/22
GATEWAY Y Symbol: GTEYX	2/2/21	\$2,406.60	1.13%	(3.19%)	(3.19%)	4.68%	6.14%
Cash and Cash Alternatives: Cash	Start Date	Current Market Value	MTD 2/28/22 3/31/22	QTD 12/31/21 3/31/22	YTD 12/31/21 3/31/22	Last 12 Months 3/31/21 3/31/22	Since Inception* Inception 3/31/22
Cash	12/31/15	\$2,316.64	0.00%	0.00%	0.00%	0.01%	0.09%
Funds: Exchange Traded Funds	Start Date	Current Market Value	MTD 2/28/22 3/31/22	QTD 12/31/21 3/31/22	YTD 12/31/21 3/31/22	Last 12 Months 3/31/21 3/31/22	Since Inception* Inception 3/31/22
AMPLIFY TRANSFORMATIONAL DATA SHRG ETF Symbol: BLOK	2/2/21	\$1,812.07	2.24%	(14.89%)	(14.89%)	(29.67%)	(3.67%)
PROSHARES RUSSELL 2000 DIVIDEND GROWERS Symbol: SMDV	2/2/21	\$4,973.51	0.43%	(2.98%)	(2.98%)	0.85%	10.48%
PROSHARES S&P 500 DIVIDEND ARISTOCRATS Symbol: NOBL	2/2/21	\$36,918.48	3.85%	(2.98%)	(2.98%)	12.23%	18.75%
PROSHARES S&P MIDCAP 400 DIVIDEND ARST Symbol: REGL	2/2/21	\$7,464.29	1.89%	(1.49%)	(1.49%)	6.44%	14.27%
SPDR® GOLD SHARES Symbol: GLD	2/2/21	\$5,238.85	1.27%	5.66%	5.66%	13.06%	4.38%
VANGUARD COMMUNICATION SERVICES ETF Symbol: VOX	10/28/21	\$5,668.94	0.29%	(11.36%)	(11.36%)	N/A	(14.24%)

The inception date on the report may be different than the actual account inception date.

*Returns are annualized for periods greater than one year.

Security Level Performance Summary as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

John R. Firek, AAMS®
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Performance Summary *(continued)*

Funds: Exchange Traded Funds <i>(continued)</i>	Start	Current	MTD	QTD	YTD	Last 12 Months	Since Inception*
	Date	Market Value	2/28/22 3/31/22	12/31/21 3/31/22	12/31/21 3/31/22	3/31/21 3/31/22	Inception 3/31/22
VANGUARD CONSUMER STAPLES ETF Symbol: VDC	2/2/21	\$454.01	1.48%	(1.61%)	(1.61%)	12.10%	16.24%
VANGUARD ENERGY ETF Symbol: VDE	2/2/21	\$2,144.79	10.03%	38.97%	38.97%	63.37%	83.24%
VANGUARD FINANCIALS ETF Symbol: VFH	10/31/19	\$5,909.44	(1.01%)	(2.88%)	(2.88%)	12.53%	14.37%
VANGUARD INDUSTRIALS ETF Symbol: VIS	7/29/20	\$4,558.51	3.05%	(3.89%)	(3.89%)	4.07%	23.90%
VANGUARD MATERIALS ETF Symbol: VAW	2/2/21	\$1,385.34	5.74%	(1.11%)	(1.11%)	13.98%	21.80%
VANGUARD SHORT-TERM BOND ETF Symbol: BSV	10/28/21	\$3,531.23	(1.93%)	(3.45%)	(3.45%)	N/A	(3.65%)
VANGUARD UTILITIES ETF Symbol: VPU	2/2/21	\$526.86	9.78%	4.12%	4.12%	18.18%	17.90%
Funds: Open-end Mutual Funds	Start	Current	MTD	QTD	YTD	Last 12 Months	Since Inception*
	Date	Market Value	2/28/22 3/31/22	12/31/21 3/31/22	12/31/21 3/31/22	3/31/21 3/31/22	Inception 3/31/22
AMERICAN FUNDS EUROPACIFIC GROWTH F2 Symbol: AEPFX	2/3/21	\$4,140.15	(0.98%)	(12.34%)	(12.34%)	(9.32%)	(10.58%)
ARTISAN INTERNATIONAL SMALL-MID ADVISOR Symbol: APDJX	2/3/21	\$1,182.58	0.22%	(12.78%)	(12.78%)	(7.90%)	(9.54%)
ARTISAN INTERNATIONAL VALUE ADVISOR Symbol: APDKX	10/27/21	\$2,251.01	0.05%	(3.06%)	(3.06%)	N/A	(1.65%)

The inception date on the report may be different than the actual account inception date.

*Returns are annualized for periods greater than one year.

Security Level Performance Summary as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

John R. Firek, AAMS®
248.276.2805

Performance Summary *(continued)*

Funds: Open-end Mutual Funds <i>(continued)</i>	Start Date	Current Market Value	MTD	QTD	YTD	Last 12 Months	Since Inception*
			2/28/22 3/31/22	12/31/21 3/31/22	12/31/21 3/31/22	3/31/21 3/31/22	Inception 3/31/22
BAILLIE GIFFORD EMERGING MARKETS EQS I Symbol: BGEGX	2/3/21	\$1,902.32	(4.76%)	(13.25%)	(13.25%)	(21.50%)	(24.69%)
BAIRD AGGREGATE BOND INST Symbol: BAGIX	2/5/21	\$13,623.08	(2.94%)	(6.33%)	(6.33%)	(4.42%)	(5.91%)
BLACKROCK HEALTH SCIENCES OPPS INSTL Symbol: SHSSX	4/19/17	\$6,724.98	4.29%	(5.82%)	(5.82%)	5.50%	14.59%
CAUSEWAY INTERNATIONAL VALUE INSTL Symbol: CIVIX	2/3/21	\$2,364.68	(2.95%)	(5.35%)	(5.35%)	(3.30%)	2.97%
DODGE & COX INCOME Symbol: DODIX	2/5/21	\$11,979.28	(2.00%)	(5.20%)	(5.20%)	(3.61%)	(4.94%)
FEDERATED HERMES INSTL HIGH YIELD BD IS Symbol: FIHBX	2/5/21	\$3,567.32	(0.82%)	(4.19%)	(4.19%)	(0.35%)	(0.91%)
FEDERATED HERMES SHORT-TERM INCOME IS Symbol: FSTYX	2/5/21	\$5,377.93	(1.08%)	(1.93%)	(1.93%)	(1.97%)	(1.95%)
FIDELITY® SELECT RETAILING Symbol: FSRPX	10/31/19	\$6,281.01	(0.40%)	(14.06%)	(14.06%)	(5.79%)	17.95%
FIDELITY ADVISOR® REAL ESTATE INCOME I Symbol: FRIRX	10/31/19	\$1,257.68	1.37%	(3.42%)	(3.42%)	8.49%	5.70%
FIRST EAGLE GLOBAL I Symbol: SGIIX	2/2/21	\$12,243.96	1.48%	0.34%	0.34%	8.63%	11.21%
GQG PARTNERS EMERGING MARKETS EQUITYINST Symbol: GQGIX	2/3/21	\$2,027.87	0.13%	(5.74%)	(5.74%)	(8.28%)	(12.70%)
JHANCOCK INTERNATIONAL GROWTH I Symbol: GOGIX	2/3/21	\$2,647.89	(1.92%)	(13.70%)	(13.70%)	(8.03%)	(8.72%)

The inception date on the report may be different than the actual account inception date.

*Returns are annualized for periods greater than one year.

Security Level Performance Summary as of Mar 31, 2022

RAYMOND JAMES®

Marine City Retiree's Healthcare // xxxxx090

John R. Firek, AAMS®
248.276.2805

Performance Summary *(continued)*

Funds: Open-end Mutual Funds <i>(continued)</i>	Start Date	Current Market Value	MTD	QTD	YTD	Last 12 Months	Since Inception*
			2/28/22 3/31/22	12/31/21 3/31/22	12/31/21 3/31/22	3/31/21 3/31/22	Inception 3/31/22
METROPOLITAN WEST TOTAL RETURN BD I Symbol: MWTIX	2/5/21	\$11,839.98	(3.20%)	(6.33%)	(6.33%)	(4.58%)	(5.91%)
MFS EMERGING MARKETS DEBT I Symbol: MEDIX	5/6/21	\$4,120.05	(0.25%)	(7.60%)	(7.60%)	N/A	(8.45%)
MFS INTERNATIONAL GROWTH I Symbol: MQGIX	2/3/21	\$2,475.25	0.76%	(8.19%)	(8.19%)	(0.01%)	(0.58%)
PERMANENT PORTFOLIO PERMANENT I Symbol: PRPFX	2/2/21	\$25,391.17	2.53%	0.80%	0.80%	7.41%	9.06%
PGIM HIGH YIELD Z Symbol: PHYZX	5/6/21	\$2,126.92	(1.47%)	(5.81%)	(5.81%)	N/A	(2.21%)
PIMCO LOW DURATION I2 Symbol: PLDPX	2/5/21	\$3,562.03	(1.58%)	(2.96%)	(2.96%)	(3.72%)	(3.46%)
T. ROWE PRICE GLOBAL TECHNOLOGY Symbol: PRGTX	2/1/17	\$12,933.36	(3.50%)	(25.70%)	(25.70%)	(18.31%)	18.04%
T. ROWE PRICE OVERSEAS STOCK Symbol: TROX	2/3/21	\$2,736.86	(0.64%)	(6.33%)	(6.33%)	(0.60%)	2.33%
TRANSAMERICA HIGH YIELD BOND I Symbol: TDHIX	2/5/21	\$3,562.49	(0.97%)	(4.29%)	(4.29%)	0.13%	(0.15%)
VICTORY TRIVALENT INTERNATIONAL SM-CP Y Symbol: MYSIX	2/3/21	\$1,169.67	(0.99%)	(10.18%)	(10.18%)	(3.44%)	(0.97%)

The inception date on the report may be different than the actual account inception date.

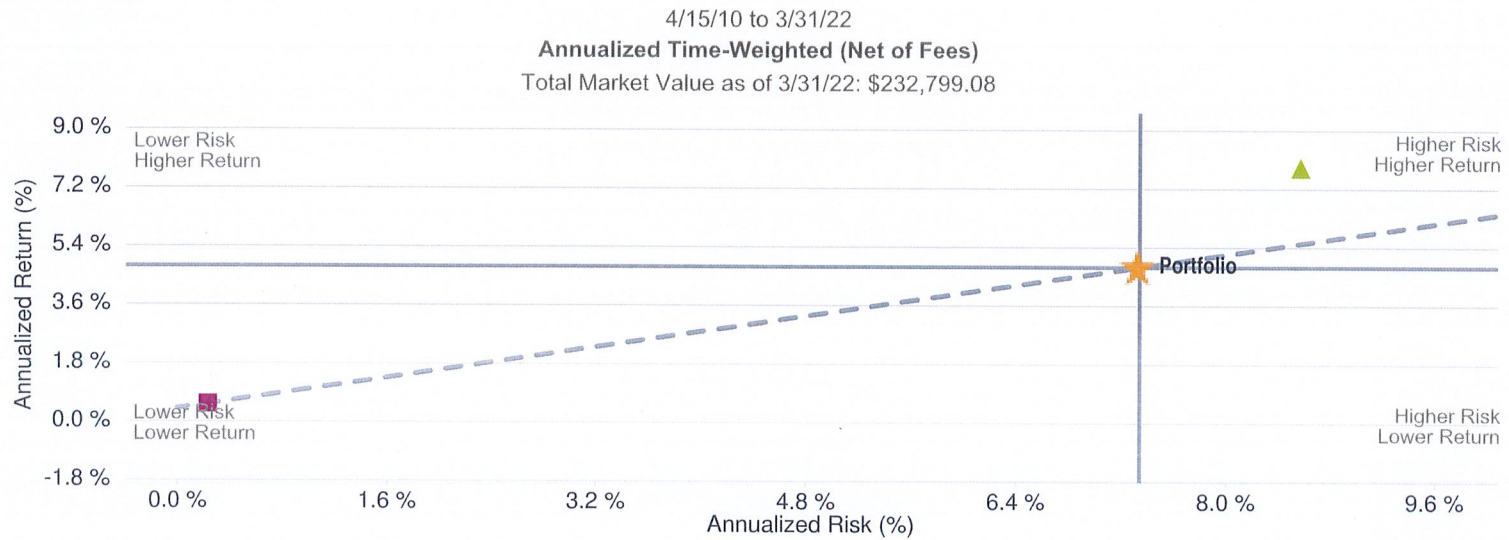
*Returns are annualized for periods greater than one year.

Risk vs. Return Analysis as of Mar 31, 2022

Marine City Retiree's Healthcare // xxxxx090

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Analysis Summary



	Annualized Return (%)	Annualized Risk (%)
★ Portfolio	4.79%	7.34%
▲ Custom Blended Benchmark 1^	7.84%	8.57%
■ ICE BofA US 3 Month T Bill	0.55%	0.23%
S&P 500 Total Return Indx	13.90%	13.91%
Bloomberg U.S. Agg Bd	2.91%	3.15%

Inception Date: 4/15/10

Please see Additional Information section of this report for detailed risk information.

^Please see the Additional Information section of this report for detailed benchmark information.

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Holdings Detail

Cash and Cash Alternatives: Cash	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%) / Yield to Inv. (%)	Accrued Income (\$)
RJ Bank Deposit Program	2,316.640	1.000	2,316.64	1.00%	0.00	2,316.64	0.00 0.00%		0.23	0.01% 0.01%	0.00
Total Cash and Cash Alternatives: Cash			\$2,316.64	1.00%		\$2,316.64	\$0.00 0.00%		\$0.23	0.01% 0.01%	\$0.00

Funds: Open-end Mutual Funds	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%) / Yield to Inv. (%)	Accrued Income (\$)
AMERICAN FUNDS EUROPACIFIC GROWTH F2 Symbol: AEPFX	73.070	56.660	4,140.15	1.78%	63.86	4,666.01	(525.86) (11.27%)	ST/LT	81.27	1.96% 1.74%	0.00
ARTISAN INTERNATIONAL SMALL-MID ADVISOR Symbol: APDJX	66.029	17.910	1,182.58	0.51%	19.93	1,316.27	(133.69) (10.16%)	ST/LT	0.00	0.00% 0.00%	0.00
ARTISAN INTERNATIONAL VALUE ADVISOR Symbol: APDKX	55.037	40.900	2,251.01	0.97%	41.40	2,278.37	(27.36) (1.20%)	ST	63.30	2.81% 2.78%	0.00
BAILLIE GIFFORD EMERGING MARKETS EQS I Symbol: BGEGX	89.732	21.200	1,902.32	0.82%	27.67	2,483.18	(580.86) (23.39%)	ST/LT	0.00	0.00% 0.00%	0.00
BAIRD AGGREGATE BOND INST Symbol: BAGIX	1,285.196	10.600	13,623.08	5.85%	11.33	14,565.68	(942.60) (6.47%)	ST/LT	276.66	2.03% 1.90%	0.00
BLACKROCK HEALTH SCIENCES OPPS INSTL Symbol: SHSSX	89.321	75.290	6,724.98	2.89%	54.57	4,874.00	1,850.98 37.98%	ST/LT	14.51	0.22% 0.30%	0.00
CAUSEWAY INTERNATIONAL VALUE INSTL Symbol: CIVIX	143.662	16.460	2,364.68	1.02%	16.10	2,313.13	51.55 2.23%	ST/LT	45.54	1.93% 1.97%	0.00

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Holdings Detail *(continued)*

Funds: Open-end Mutual Funds <i>(continued)</i>	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%) / Yield to Inv. (%)	Accrued Income (\$)
DODGE & COX INCOME Symbol: DODIX	903.415	13.260	11,979.28	5.15%	14.01	12,656.57	(677.29) (5.35%)	ST/LT	233.98	1.95% 1.85%	0.00
FEDERATED HERMES INSTL HIGH YIELD BD IS Symbol: FIHBX	379.906	9.390	3,567.32	1.53%	9.46	3,595.25	(27.93) (0.78%)	ST/LT	192.74	5.40% 5.36%	0.00
FEDERATED HERMES SHORT-TERM INCOME IS Symbol: FSTYX	639.469	8.410	5,377.93	2.31%	8.60	5,497.08	(119.15) (2.17%)	ST/LT	65.40	1.22% 1.19%	0.00
FIDELITY® SELECT RETAILING Symbol: FSRPX	316.583	19.840	6,281.01	2.70%	15.07	4,770.50	1,510.51 31.66%	ST/LT	0.00	0.00% 0.00%	0.00
FIDELITY ADVISOR® REAL ESTATE INCOME I Symbol: FRIRX	94.705	13.280	1,257.68	0.54%	9.76	924.31	333.37 36.07%	ST/LT	17.33	1.38% 1.87%	0.00
FIRST EAGLE GLOBAL I Symbol: SGIIX	188.137	65.080	12,243.96	5.26%	58.16	10,941.71	1,302.25 11.90%	ST/LT	265.09	2.17% 2.42%	0.00
GQG PARTNERS EMERGING MARKETS EQUITYINST Symbol: GQGIX	130.662	15.520	2,027.87	0.87%	17.75	2,319.87	(292.00) (12.59%)	ST/LT	53.01	2.61% 2.29%	0.00
JHANCOCK INTERNATIONAL GROWTH I Symbol: GOGIX	87.999	30.090	2,647.89	1.14%	33.39	2,938.66	(290.77) (9.89%)	ST/LT	25.34	0.96% 0.86%	0.00
METROPOLITAN WEST TOTAL RETURN BD I Symbol: MWTIX	1,163.063	10.180	11,839.98	5.09%	10.89	12,666.92	(826.94) (6.53%)	ST/LT	170.18	1.44% 1.34%	0.00
MFS EMERGING MARKETS DEBT I Symbol: MEDIX	314.508	13.100	4,120.05	1.77%	14.30	4,497.28	(377.23) (8.39%)	ST	195.52	4.75% 4.35%	0.00
MFS INTERNATIONAL GROWTH I Symbol: MQGIX	54.835	45.140	2,475.25	1.06%	45.61	2,500.97	(25.72) (1.03%)	ST/LT	23.33	0.94% 0.93%	0.00

Portfolio Holdings as of Mar 31, 2022

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Holdings Detail (continued)

Funds: Open-end Mutual Funds <small>(continued)</small>	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%) / Yield to Inv. (%)	Accrued Income (\$)
PERMANENT PORTFOLIO PERMANENT I Symbol: PRPFX	504.895	50.290	25,391.17	10.91%	47.03	23,746.54	1,644.63 6.93%	ST/LT	91.23	0.36% 0.38%	0.00
PGIM HIGH YIELD Z Symbol: PHYZX	411.396	5.170	2,126.92	0.91%	5.27	2,169.73	(42.81) (1.97%)	ST	122.62	5.77% 5.65%	0.00
PIMCO LOW DURATION I2 Symbol: PLDPX	375.346	9.490	3,562.03	1.53%	9.88	3,707.53	(145.50) (3.92%)	ST/LT	27.60	0.77% 0.74%	0.00
T. ROWE PRICE GLOBAL TECHNOLOGY Symbol: PRGTX	744.152	17.380	12,933.36	5.56%	13.04	9,703.51	3,229.85 33.29%	ST/LT	0.00	0.00% 0.00%	0.00
T. ROWE PRICE OVERSEAS STOCK Symbol: TROX	220.182	12.430	2,736.86	1.18%	12.20	2,686.31	50.55 1.88%	ST/LT	55.05	2.01% 2.05%	0.00
TRANSAMERICA HIGH YIELD BOND I Symbol: TDHIX	408.075	8.730	3,562.49	1.53%	8.73	3,562.76	(0.27) (0.01%)	ST/LT	171.93	4.83% 4.83%	0.00
VICTORY TRIVALENT INTERNATIONAL SM-CP Y Symbol: MYSIX	77.667	15.060	1,169.67	0.50%	15.38	1,194.62	(24.95) (2.09%)	ST/LT	21.03	1.80% 1.76%	0.00
Total Funds: Open-end Mutual Funds			\$147,489.52	63.35%		\$142,576.76	\$4,912.76 3.45%		\$2,212.66	1.50% 1.55%	\$0.00

Funds: Exchange Traded Funds	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%) / Yield to Inv. (%)	Accrued Income (\$)
AMPLIFY TRANSFORMATIONAL DATA SHRG ETF Symbol: BLOK	53.000	34.190	1,812.07	0.78%	41.66	2,208.04	(395.97) (17.93%)	ST/LT	304.76	16.82% 13.80%	0.00
PROSHARES RUSSELL 2000 DIVIDEND GROWERS Symbol: SMDV	76.989	64.600	4,973.51	2.14%	58.35	4,492.41	481.10 10.71%	ST/LT	109.46	2.20% 2.44%	0.00

Portfolio Holdings as of Mar 31, 2022

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Holdings Detail (continued)

Funds: Exchange Traded Funds <small>(continued)</small>	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%)/ Yield to Inv. (%)	Accrued Income (\$)
PROSHARES S&P 500 DIVIDEND ARISTOCRATS Symbol: NOBL	388.984	94.910	36,918.48	15.86%	79.09	30,763.86	6,154.62 20.01%	ST/LT	714.35	1.93% 2.32%	0.00
PROSHARES S&P MIDCAP 400 DIVIDEND ARST Symbol: REGL	103.283	72.270	7,464.29	3.21%	62.95	6,501.90	962.39 14.80%	ST/LT	195.11	2.61% 3.00%	0.00
SPDR® GOLD SHARES Symbol: GLD	29.000	180.650	5,238.85	2.25%	171.90	4,985.20	253.65 5.09%	ST/LT	0.00	0.00% 0.00%	0.00
VANGUARD COMMUNICATION SERVICES ETF Symbol: VOX	47.221	120.050	5,668.94	2.44%	139.43	6,584.15	(915.21) (13.90%)	ST	57.45	1.01% 0.87%	0.00
VANGUARD CONSUMER STAPLES ETF Symbol: VDC	2.317	195.910	454.01	0.20%	157.31	364.56	89.45 24.54%	ST	9.40	2.07% 2.58%	0.00
VANGUARD ENERGY ETF Symbol: VDE	20.037	107.040	2,144.79	0.92%	62.26	1,247.53	897.26 71.92%	ST/LT	66.94	3.12% 5.37%	0.00
VANGUARD FINANCIALS ETF Symbol: VFH	63.277	93.390	5,909.44	2.54%	65.90	4,169.93	1,739.51 41.72%	ST/LT	115.78	1.96% 2.78%	0.00
VANGUARD INDUSTRIALS ETF Symbol: VIS	23.441	194.470	4,558.51	1.96%	160.76	3,768.44	790.07 20.97%	ST/LT	55.09	1.21% 1.46%	0.00
VANGUARD MATERIALS ETF Symbol: VAW	7.139	194.050	1,385.34	0.60%	158.79	1,133.63	251.71 22.20%	ST/LT	20.92	1.51% 1.85%	0.00
VANGUARD SHORT-TERM BOND ETF Symbol: BSV	45.330	77.900	3,531.23	1.52%	80.84	3,664.69	(133.46) (3.64%)	ST	40.84	1.16% 1.11%	0.00
VANGUARD UTILITIES ETF Symbol: VPU	3.256	161.810	526.86	0.23%	128.45	418.25	108.61 25.97%	ST/LT	13.93	2.64% 3.33%	0.00
Total Funds: Exchange Traded Funds			\$80,586.32	34.62%		\$70,302.59	\$10,283.73 14.63%		\$1,704.03	2.11% 2.42%	\$0.00

Portfolio Holdings as of Mar 31, 2022

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Holdings Detail *(continued)*

Alternatives: Alternative Mutual Funds	Quantity	Current Price (\$)	Market Value (\$)	% of Portfolio	Average Investment Price (\$)	Investment Amount (\$)	Investment G/L (\$)/(%)	Term	Est. Annual Income (\$)	Est. Annual Yield (%) / Yield to Inv. (%)	Accrued Income (\$)
GATEWAY Y Symbol: GTEYX	61.221	39.310	2,406.60	1.03%	36.84	2,255.66	150.94 6.69%	ST/LT	16.17	0.67% 0.72%	0.00
Total Alternatives: Alternative Mutual Funds			\$2,406.60	1.03%		\$2,255.66	\$150.94 6.69%		\$16.17	0.67% 0.72%	\$0.00
Total Portfolio			\$232,799.08	100.00%		\$217,451.65	\$15,347.43 7.13%		\$3,933.09	1.69% 1.81%	\$0.00

Additional Information Regarding This Report

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This report should not be used as a substitute for your monthly statement, 1099 or to determine taxability. Changes in tax laws may occur at any time and could have a substantial impact upon each person's situation. While we are familiar with the tax provisions of the issues presented herein, we are not qualified to render advice on tax or legal matters. The information in this report has been obtained from sources that we believe to be reliable, but cannot be guaranteed.

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The account listing may or may not include all of your accounts with Raymond James & Associates, Inc. This report is comprised of data from the following accounts: xxxxx090

Report ID: a_230867_1649390400000_1649455666000_00001of00001-CBM

Performance

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The current performance may be lower or higher than the performance data quoted. It is not possible to invest directly in an index.

Performance is depicted using the Time-Weighted method for the entire period.

Time-Weighted - The geometric (compounded) return measured on the basis of periodic market valuations of assets. If applicable, the return includes the effects of leverage. Unlike the dollar-weighted method, it minimizes the impact of cash flows on the rate of return; however, in principle it requires valuations to be made on the occasion of each cash flow. Approximation to this measure can be obtained by prorating cash flows to successive valuation points or by computing internal rates of return between valuation points. If there are no interim cash flows, the time-weighted return, compounded annually determines the entire value of an investment.

Returns are calculated net of fees.

Annualized refers to the annualized return from the inception date of the account, or the selected beginning date when using the date-to-date functionality.

The inception date indicates the date of account or household initiation in the Portfolio Performance system. This date may not match the date the account was opened.

Managed Account Performance- In order for managers to track real time cash in managed AMS accounts, certain activity may not reflect the actual transaction dates and market values may differ from what is reported on client statements. The Time-Weighted Total Equity and Time-Weighted All Cash returns are the same for these accounts.

All performance figures exclude unpriced securities (including securities of indeterminate value), limited partnerships (other than limited partnerships classified as Alternative Investments and appearing in that section of your statement).

Dividends are not guaranteed and will fluctuate.

The CFA Institute has not been involved with the preparation or review of this statement.

Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

Risk is identified as Standard Deviation. Standard Deviation measures the variability of the return. A higher standard deviation is indicative of more volatility and a lower standard deviation is representative of lower volatility.

The risk free rate, represented by the T-bill, shows the return of a risk free investment over the time period. It shows the return that could be realized while taking no risk.

Accounts with Real Time Cash may have cash values updated throughout the day, note that this may cause a difference in account values between performance and holdings reports.

Securities Information

Non-proprietary annuity values will show as contributions on the date they became available to the Portfolio Performance system. They are included through the selected calculation ending date. Prior inclusion of these values in the rate of return calculation is not available.

Raymond James Certificates of Deposit values will show as contributions on the date they became available to the Portfolio Performance system. They are included through the selected calculation ending date. Prior inclusion of these values in the rate of return calculation is not available.

Values include accrued income. Values are based on trade date accounting method.

Morningstar equity information as of (April 07, 2022)

Additional Information Regarding This Report

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Morningstar mutual fund and annuity information as of (April 06, 2022)

Morningstar 529 information as of (March 17, 2022)

Raymond James and Morningstar data are subject to the availability of the fund filings as well as internal analysis and may not represent real-time allocations.

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This analysis is for informational purposes only and is intended to be used as part of a complete portfolio review with your financial advisor. The data provided in the asset allocation analysis is subject to inherent limitations and is not guaranteed to represent actual asset class exposure(s) within your account(s) at the time of calculation. See raymondjames.com/asset-allocation/faq to learn more. Raymond James and Morningstar data are subject to the availability of fund filings as well as internal analysis and may not represent real-time allocations.

Amounts are projected over the next 12 months and do not reflect actual cash flows.

Positions that do not produce income are not included on this report; however, they are included as part of the total estimated annual yield calculation.

Projected income amounts are estimated using current positions, rates and market values. Variable rate income projection is based on the current coupon or rate available and may change without notice. Any change in coupon or rate will affect the estimate and cannot be guaranteed.

The sum of the income values may not equal total value due to rounding.

Factored securities are separated into principal and interest amounts. Both are displayed whether or not they have projected income.

Due to missing payment dates, payment frequency, or both, actual payments may appear on months other than the ones represented on this report.

The values quoted represents past values and do not guarantee future results, there is no assurance these trends will continue.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although these funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in them.

Short positions and negative cash values are not included in the allocation.

Effective January 1, 2011, Raymond James reports adjusted cost basis for tax lots of securities covered by the Emergency Economic Stabilization Act of 2008 to the IRS on Form 1099-B using the first-in, first-out (FIFO) cost basis accounting method unless otherwise directed by you or your financial advisor at the time of trade or transfer. These tax lots are indicated by a "c".

For tax lots or securities that are not covered by the Emergency Economic Stabilization Act of 2008, cost basis information may not be available, may have been estimated by you or your financial advisor, or may have been obtained from third-party sources, and in these instances, Raymond James cannot guarantee its accuracy. Missing basis is not included in cost calculations. Please contact your financial advisor to have missing cost basis information added to your account.

Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return.

Gain or loss will only be calculated for tax lots that have cost basis. Gain or loss information may or may not reflect adjusted cost for return of principal/capital or accretion/amortization. Tax lots where the cost basis is true zero, displayed as 0.00, are included in cost calculations.

The cost basis, proceeds, or gain/loss information reported has been adjusted to account for a disallowed loss from a wash sale. These adjustments are indicated by a "w" on the affected tax lots. A wash sale occurs when a security is sold for a loss and is re-purchased either 30 days before or after the sell.

Cost basis information for uncovered securities or tax lots will not be reported to the IRS; it is displayed for your information only and should not be relied upon for tax reporting purposes. Past performance is not a guarantee of future results. Market valuations may have been obtained from third-party sources and Raymond James cannot guarantee its accuracy or completeness.

For securities classified as Grantor or Royalty Trusts, Master Limited Partnerships or other widely held fixed income trusts, cost basis is not adjusted. These securities receive principal payments or distributions that are classified differently by the issuer at the end of the year. Clients should continue to rely on the issuer information for both cost basis adjustments as well as proceeds adjustments for these securities. For this reason the gain/loss displayed will be unadjusted and is not a true indicator of the investment return. Any adjustment to sales proceeds will be reflected on your 1099.

While sources used for pricing publicly traded securities are considered reliable, the prices displayed on your statement may be based on actual trades, bid/ask information or vendor evaluations. As such, the prices displayed on your statement may or may not reflect actual trade prices you would receive in the current market. Pricing for non-publicly traded securities is obtained from a variety of sources, which may include issuer-provided information. Raymond James does not guarantee the accuracy, reliability, completeness or attainability of this

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information. Investment decisions should be made only after contacting your Financial Advisor.

Gain or Loss reflects the realized gain or loss using adjusted cost basis. Adjusted cost basis may or may not reflect adjustments for return of principal/capital or accretion/amortization. Reinvestments of dividends or capital gain distributions are included in the adjusted cost basis calculation of the Gain or Loss. Gain or loss information is displayed on this report for your information only and should not be relied upon for tax reporting purposes.

The Estimated Annual Income (EAI) and Estimated Income Yield (EIY) provided on this report are an estimate of the income a security will distribute during the year. These figures should not be confused with actual cash flows, investment yields or investment returns. Actual income or yield may be lower or higher than the estimated amounts. A number of factors may influence the actual income or yield that is received. The amount or frequency of an issuer's dividend may fluctuate or cease, which may cause the income and or yield of the security to fluctuate. EIY reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate. EAI and EIY for certain types of securities could include a return of principal or capital gains which could overstate the EAI and EIY. Information used to calculate Estimated Annual Income and or Estimated Income Yield may be obtained from third party sources and Raymond James cannot guarantee the accuracy of such information. Estimated Annual Income and or Estimated Income Yield amounts should not be used as a financial planning tool.

Within certain packaged products (for example, open-ended mutual funds, closed-ended mutual funds and exchange traded funds), any fixed income security held in the product portfolio is affected by several risks, including, without limitation, interest rate, prepayment, and credit related risks. Any rise (fall) in interest rates may reduce (increase) the value of the investment. An overview of these and other risks is available at raymondjames.com, finra.org, emma.msrb.org, and investingbonds.com.

The yield displayed is an estimated annual income yield for the listed security. The security's actual yield may be lower. Please consult your financial advisor if you have additional questions.

Packaged products may be represented across multiple asset classes.

This report(s) has been generated using a historical time period, please note that Model and/or S&P Comparison Data, where applicable, will be as of the previous business day and will not retroactively reflect data based on the "as of" time period selected.

Fixed Income

Fixed income securities, including brokered CDs, are priced using evaluations, which may be matrix- or model-based, and do not necessarily reflect actual trades. These price evaluations suggest current estimated market values, which may be significantly higher or lower than the amount you would pay (receive) in an actual purchase (sale) of the security. These estimates, which are obtained from various sources, assume normal market conditions and are based on large volume transactions. Market prices of fixed income securities may be affected by several risks, including without limitation: interest rate risk - a rise (fall) in interest rates may reduce

(increase) the value of your investment, default or credit risk - the issuer's ability to make interest and principal payments, and illiquidity risk - the inability to sell bonds promptly prior to maturity with minimal loss of principal. An overview of these and other risks is available at raymondjames.com, finra.org, emma.msrb.org, and investingbonds.com.

Investors interested in regular updates about individual municipal securities can sign up on EMMA (emma.msrb.org) to receive e-mail alerts when disclosure documents are posted on the website. Investors who track particular bonds identified by their unique "CUSIP" numbers can receive an e-mail notification from EMMA every time a new disclosure document is posted for that security. These documents can include annual and other periodic financial filings, operating data and other types of material events. To sign up for an alert, enter a nine-digit CUSIP number into the "Muni Search" function of EMMA.

Securities ratings, provided by independent nationally recognized statistical organizations, also called Ratings Agencies, are appraisals of the financial stability of a particular issuer and its ability to pay income and return principal on your investment. Although they can assist investors in evaluating the creditworthiness of an issuer, ratings are not recommendations to buy, sell or hold a security, nor do ratings remove market risk. In addition, ratings are subject to review, revision, suspension, reduction or withdrawal at any time, and any of these changes in ratings may affect the current market value of your investment. A Rating Agency may also place an issuer under review or credit watch which may be another indicator of a future rating change. Generally, higher yields and/or lower ratings reflect higher perceived credit risk. News events relating to a particular issuer may generally impact the market price, and consequently the yield, of that issuer's securities, even if their rating has not yet changed. Securities with the same rating can actually trade at significantly different prices. The absence of a rating may indicate that the issuer has not requested a rating evaluation, insufficient data exists on the issuer to derive a rating, or that a rating request was denied or removed. Non-rated securities are speculative in nature and are less liquid. Raymond James trade confirmations, online accounts and monthly statements display only the ratings of those Rating Agencies to which Raymond James subscribes. For more information on ratings, please visit moodys.com, standardandpoors.com and fitchratings.com. Individual investors may request Moody's and/or S&P credit reports from their financial advisors. Additionally, Fitch reports are available for municipal bonds.

Certificates of Deposit (CDs) purchased through a securities broker and held in a brokerage account are considered deposits with the issuing institution and are insured by the Federal Deposit Insurance Company (FDIC), an independent agency of the U.S. government. FDIC insurance covers up to \$250,000 (including principal and interest) for deposits held in different ownership categories, including single accounts, joint accounts, trust accounts, IRAs, and certain other retirement accounts, per issuer. If you purchased this CD at a premium to par, the premium is not FDIC insured. Certificate of Deposit Disclosure Statement is available at raymondjames.com/liquid.htm. For more information, please visit fdic.gov.

Mortgage-backed securities and Collateralized Mortgage Obligations (CMOs) are priced based on average life. The actual maturity date may be shorter than stated. For more information, please review FINRA's Investor's Guide to Mortgage Securities and CMOs at finra.org.

Additional Information Regarding This Report

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Foreign bonds are subject to additional risks, including without limitation, currency fluctuations, differing accounting standards, political and economic instability, and changes in tax laws. The cost basis for Original Issue Discount (OID) bonds and municipal bonds purchased at a premium may or may not have been adjusted using the constant yield method, providing an approximation of the adjusted cost basis and unrealized gains or losses. Cost basis information is displayed for your information only and should not be relied upon for tax reporting purposes. You should consult your tax advisor to ensure proper tax reporting.

Benchmark Information

Bloomberg U.S. Agg Bd - The Bloomberg U.S. Aggregate Bond index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

ICE BofA US 3 Month T Bill - The index is an unmanaged market index of US Treasury securities maturing in 90 days that assumes reinvestment of all income.

S&P 500 Total Return Indx - The S&P 500 Index Total Return is a broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. It consists of 400 industrial, 40 utility, 20 transportation, and 40 financial companies listed on U.S. market exchanges. This is a capitalization-weighted calculated on a total return basis with dividends reinvested. The S&P represents about 75% of the NYSE market capitalization.

Custom Blended Benchmark 1

Russell 1000 (TR) Indx 30%, Russell 2500 (TR) Indx 15%, Bloomberg U.S. Agg Bd 39%, MSCI EAFE (Net Div) Indx 10%, Bloomberg Commodity Indx (TR) 5%, ICE BofA US 3 Month T Bill 1% - The Russell 1000 Index represents the 1000 largest companies in the Russell 3000 index. This index is highly correlated with the S&P 500 index. This Index includes the effects of reinvested dividends.

The Russell 2500 Index is a capitalization weighted index comprised of the bottom 500 stocks in the Russell 1000 index and all of the stocks in the Russell 2000 index. This Index includes the effects of reinvested dividends.

The Bloomberg U.S. Aggregate Bond index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

MSCI EAFE Net Dividend is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the United States & Canada. As of June 2007 the MSCI EAFE Index consisted of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. (Total Return Index) - With Net Dividends: Approximates the minimum possible dividend reinvestment. The dividend is reinvested after deduction of withholding tax, applying the rate to non-resident individuals who do not benefit from double taxation treaties. MSCI Barra uses withholding tax rates applicable to Luxembourg holding companies, as Luxembourg applies the highest rates.

The Bloomberg Commodity Index tracks prices of futures contracts on physical commodities on the commodity markets. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components). The weightings for each commodity included in Bloomberg Commodity Index are calculated in accordance with rules that ensure that the relative proportion of each of the underlying individual commodities reflects its global economic significance and market liquidity. Annual rebalancing and reweighting ensure that diversity is maintained over time.

The index is an unmanaged market index of US Treasury securities maturing in 90 days that assumes reinvestment of all income.