

**City of Marine City
Pension Board ~ Pension Plan
January 31, 2017**

A regular meeting of the Pension Board ~ Pension Plan held on Tuesday, January 31, 2017 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by Board Member Scheel at 4:31 PM.

Present: Mayor Vandebossche; City Commission Representative Turner; Board Members Scheel, Itrich , Zyrowski; Treasurer McDonald; Deputy Clerk McDonald

Absent: Board Member VanderMeulen; City Manager Leven

Re-Appointment of Pension Board Trustee

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

Approve Agenda

Motion by Mayor Vandebosche, seconded by Board Member Zyrowski, to approve the Agenda, as presented. All Ayes. Motion Carried.

Approve Minutes

Motion by Board Member Zyrowski, seconded by City Commissioner Turner, to approve the Minutes of the Regular Pension Board ~ Pension Plan Meeting of October 25, 2016, as presented. All Ayes. Motion Carried.

Communications

None.

Unfinished Business

Lump Sum Distribution for Death Benefits

Financial Consultant, Frederick Miller, presented the Board with a pre-retirement lump death benefit cost comparison. The cost comparison showed the monthly benefit amount, PGBC lump sum amount, immediate annuity, and the difference between the costs from 2016 to 2017. Mr. Miller noted that if the Board decided to go to the City Commission to change the current ordinance that the benefits of the five current employees receiving a pension would significantly decrease.

Motion by Board Member Itrich, seconded by Board Member Scheel, to keep the lump sum distribution for death benefits ordinance as is. All Ayes. Motion Carried.

New Business

None.

Open Discussion

Robert Kliemann, 1065 Smith St., Algonac, expressed that he would like the Board to consider placing a retiree on the Board.

Financial Business

Actuarial Report for Period Ending June 30, 2015 ~ Presentation by Sandra Rodwan

Sandra Rodwan, Rodwan Consulting Company, gave a summary of the Actuarial Report for the Period Ending June 30, 2015. Major points addressed were as follows:

- No significant changes in assumption methods
- Market value of assets decreased significantly from 2014
- Contribution for fiscal year beginning July 1, 2016:
 - Member portion - \$15,925.00
 - City portion - \$188,938.00
- In 2015 the funded ratio was 76.6%, a decrease from 81.6% as a result of the active member death and lump sum payout
- The total disbursements were higher than the total income
- Retirement system benefit provisions did not change

Financial Reports - Investment Performance

Financial Consultant, Frederick Miller, provided a Performance Analysis Summary, dated January 27, 2017. He reported that the portfolio consisted of 29.09% Fixed Income, 47.25% Stocks, and the balance consisted of alternative investments and cash; the total market value was \$4,789,320.12. The Pension Plan Holdings year-to-date was up 1.69% and up 4.20% since its inception. Mr. Miller stated that he had no recommended changes at this time.

Motion by Board Member Itrich, seconded by Board Member Zyrowksi, to accept the reports, and place on file. All Ayes. Motion Carried.

Preliminary Financial Statements

Motion by Board Member Itrich, seconded by Board Member Zyrowski, to accept the Preliminary Financial Statements for October, November, December, 2016, and place on file. All Ayes. Motion Carried.

Invoice Approval

Motion by Board Member Zyrowski, seconded by Board Member Itrich, to approve Rodwan Consulting Company Invoice #2287 in the amount of \$1,600.00, as presented. All Ayes. Motion Carried.

Motion by Board Member Itrich, seconded by Board Member Zyrowski, to approve Rodwan Consulting Company Invoice #2288 in the amount of \$5,400.00, as presented. All Ayes. Motion Carried.

Adjournment

Motion by Board Member Zyrowski, seconded Mayor Vandebossche, to adjourn at 5:30 pm. All Ayes. Motion Carried.

Respectfully submitted,



Elizabeth McDonald
Deputy Clerk



Kristen Baxter
City Clerk