



# CITY OF MARINE CITY

## Pension Board Meeting Agenda

### Retiree Health Care

Marine City Fire Hall, 200 South Parker Street

Regular Meeting: Tuesday, July 25, 2017 4:30 PM

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1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:** Mayor Dave Vandenbossche; City Commission Representative James Turner; Board Members Michael Itrich, David Scheel, James VanderMeulen, Lynn Zyrowski; Treasurer Mary Ellen McDonald; City Manager Elaine Leven
4. **APPROVE AGENDA**
5. **APPROVE MINUTES**
  - A. April 25, 2017 ~ Retiree Health Care Plan Meeting
6. **COMMUNICATIONS**
  - A. Sullivan, Ward, Asher & Patton, P.C. – Legal Counsel Correspondence
7. **UNFINISHED BUSINESS**
8. **NEW BUSINESS**
9. **OPEN DISCUSSION**
10. **FINANCIAL BUSINESS**
  - A. Investment Performance ~ Review by Frederick Miller
  - B. Preliminary Financial Statements ~ April & May, 2017
11. **ADJOURNMENT**

**City of Marine City  
Pension Board ~ Retiree Health Care Plan  
April 25, 2017**

A regular meeting of the Pension Board ~ Retiree Health Care Plan held on Tuesday, April 25, 2017 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by Board Member Scheel at 4:50 pm.

**Present: Board Members Itrich, Scheel, VanderMeulen, Zyrowski; Treasurer McDonald; City Manager Leven; Deputy Clerk McDonald**

**Absent: Mayor Vandebossche; City Commission Representative Turner**

**Approve Agenda**

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

**Approve Minutes**

Motion by Board Member Itrich, seconded by Board Member Zyrowski, to approve the Minutes of the Regular Pension Board ~ Retiree Health Care Plan Meeting of January 31, 2017, as presented. All Ayes. Motion Carried.

Motion by Board Member Zyrowski, seconded by Board Member Itrich, to approve the Minutes of the Special Pension Board ~ Retiree Health Care Plan Meeting of March 9, 2017, as presented. All Ayes. Motion Carried.

**Communications**

None.

**Unfinished Business**

None.

**New Business**

None.

## **Open Discussion**

No residents addressed the Board.

## **Financial Business**

### ***Financial Reports - Investment Performance***

Financial Consultant Frederick Miller reviewed the Raymond James Account Summary dated April 13, 2017 with regard to the City's Retiree Health Care Fund. Mr. Miller stated that the Plan was up 9.65% in the last twelve months, up 3.79% year-to-date, and up 3.38% since inception. He mentioned that the Plan consisted of 59.54% large cap stocks, 30.70% mid cap stocks, and 9.74% small cap stocks. In addition, the Plan was comprised of 70.79% low income bonds. The portfolio had a beginning market value of \$104,265.17, ending market value of \$163,266.30 and was up 3.38%. Mr. Miller recommended that the Board sell the Goldman Sachs Rising Dividend Growth Fund and place the funds into the Vanguard Wellesley Income Fund.

Motion by Board Member Zyrowski to sell the Goldman Sachs Rising Dividend Growth Fund and place the funds into the Vanguard Wellesley Income Fund. No Support. Motion Failed.

### ***Preliminary Financial Statements***

Motion by Board Member Itrich, seconded by Board Member Zyrowski, to accept the Preliminary Financial Statements for January, February, March, 2017, and place on file. All Ayes. Motion Carried.

## **Adjournment**

Motion by Board Member Scheel, seconded by Board Member Itrich, to adjourn at 5:06 pm. All Ayes. Motion Carried.

Respectfully submitted,

Elizabeth McDonald  
Deputy Clerk

Kristen Baxter  
City Clerk

# Memo

To: Elaine Leven, City Manager  
From: Mary Ellen McDonald, CPFA/MiCPT  
Finance Director/Treasurer  
Date May 4, 2017  
Re: Legal Counsel Correspondence

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Please include the attached Legal Counsel Correspondence on the agenda of the next Pension Board Meeting.

If you have any questions, please contact me.

Thank you

# SULLIVAN, WARD, ASHER & PATTON, P.C.

ATTORNEYS AND COUNSELORS AT LAW

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DAVID M. TYLER (1930-2002)  
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March 6, 2017

Ms. Mary Ellen McDonald  
Finance Director/Treasurer  
City of Marine City  
303 South Water  
Marine City, Michigan 48039

**Re: The City of Marine City Employees Retirement System  
Michigan Public Act 530 of 2016 ("PA 530")**

Dear Ms. McDonald:

I have enclosed for your information and file, a copy of Public Act 530 of 2016 approved on January 5, 2017 to be effective March 29, 2017. Please be advised that this act amends Michigan Public Act 314 and will require all Michigan Public Employee Retirement Systems to conform with the following:

- Requires the Retirement System summary annual report to include the actuarial assumed rate of health care inflation.
- Requires the summary annual report be provided to the Department of Treasury not less than 30 days after publication.
- Requires the Department of Treasury to post on its website an executive summary of each summary annual report received. The summary will include the applicable system's unfunded actuarial accrued liability for retiree health and pension.
- If this system's actuarial accrued liability for retiree health or pension is not at least 60% funded according to the most recent summary annual report, the system shall post an informational report on the system's website outlining the steps if any, the system may be taking to decrease the system's unfunded actuarial accrued liability. This informational report will also be required to be submitted to the Department of Treasury.

SULLIVAN, WARD, ASHER & PATTON, P.C.

ATTORNEYS AND COUNSELORS AT LAW

March 6, 2017

If you have any questions with respect to the requirements of Public Act 530 and its impact on your Retirement System, please do not hesitate to contact me.

Very truly yours,

**SULLIVAN, WARD  
ASHER & PATTON, P.C.**

  
Cynthia J. Billings-Dunn

CJBD/clk  
Enclosure  
W1955918.DOC

Act No. 530  
Public Acts of 2016  
Approved by the Governor  
January 5, 2017  
Filed with the Secretary of State  
January 9, 2017  
EFFECTIVE DATE: March 29, 2017

**STATE OF MICHIGAN  
98TH LEGISLATURE  
REGULAR SESSION OF 2016**

Introduced by Reps. Lauwers, Poleski, Nesbitt and Somerville

# **ENROLLED HOUSE BILL No. 6075**

AN ACT to amend 1965 PA 314, entitled "An act to authorize the investment of assets of public employee retirement systems or plans and the contributions made by employees to retirement systems or plans created and established by the state or any political subdivision; to provide for the payment of certain costs and investment expenses; to authorize investment in variable rate interest loans; to limit employer and plan official liability for certain investment decisions; to define and limit the investments which may be made by an investment fiduciary with the assets of a public employee retirement system; and to prescribe the powers and duties of investment fiduciaries and certain state departments and officers," by amending sections 13 and 20h (MCL 38.1133 and 38.1140h), section 13 as amended by 2016 PA 145 and section 20h as amended by 2012 PA 347.

*The People of the State of Michigan enact:*

Sec. 13. (1) This act supersedes any investment authority previously granted to a system under any other law of this state.

(2) The assets of a system may be invested, reinvested, held in nominee form, and managed by an investment fiduciary subject to the terms, conditions, and limitations provided in this act. An investment fiduciary of a defined contribution plan may arrange for 1 or more investment options to be directed by the participants of the defined contribution plan. The limitations on the percentage of total assets for investments provided in this act do not apply to a defined contribution plan in which a participant directs the investment of the assets in his or her individual account, and that participant is not considered an investment fiduciary under this act.

(3) An investment fiduciary shall discharge his or her duties solely in the interest of the participants and the beneficiaries, and shall do all of the following:

(a) Act with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims.

(b) Act with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered.

(c) Make investments for the exclusive purposes of providing benefits to participants and participants' beneficiaries, and of defraying reasonable expenses of investing the assets of the system.

(d) Give appropriate consideration to those facts and circumstances that the investment fiduciary knows or should know are relevant to the particular investment or investment course of action involved, including the role the investment or investment course of action plays in that portion of the system's investments for which the investment fiduciary has responsibility; and act accordingly. For purposes of this subsection, "appropriate consideration" includes, but is not limited to, a determination by the investment fiduciary that a particular investment or investment course of action is reasonably designed, as part of the investments of the system, to further the purposes of the system, taking into

consideration the risk of loss and the opportunity for gain or other return associated with the investment or investment course of action; and consideration of the following factors as they relate to the investment or investment course of action:

- (i) The diversification of the investments of the system.
- (ii) The liquidity and current return of the investments of the system relative to the anticipated cash flow requirements of the system.
- (iii) The projected return of the investments of the system relative to the funding objectives of the system.
- (e) Give appropriate consideration to investments that would enhance the general welfare of this state and its citizens if those investments offer the safety and rate of return comparable to other investments permitted under this act and available to the investment fiduciary at the time the investment decision is made.
- (f) Prepare and maintain written objectives, policies, and strategies with clearly defined accountability and responsibility for implementing and executing the system's investments.
- (g) Monitor the investment of the system's assets with regard to the limitations on those investments under this act. Upon discovery that an investment causes the system to exceed a limitation prescribed in this act, the investment fiduciary shall reallocate assets in a prudent manner to comply with the prescribed limitation.
- (h) Prepare and maintain written policies regarding ethics and professional training and education, including travel, which policies contain clearly defined accountability and reporting requirements for the system's investment fiduciaries.
- (i) Publish a summary annual report that includes all of the following:
  - (i) The name of the system.
  - (ii) The names of the system's investment fiduciaries.
  - (iii) The names of the system's service providers.
  - (iv) The system's assets and liabilities and changes in net plan assets on a plan-year basis.
  - (v) The system's funded ratio based on the ratio of valuation assets to actuarial accrued liabilities on a plan-year basis.
- (vi) Except as otherwise provided in this subparagraph, the system's investment performance net of fees on a rolling calendar-year basis for the previous 1-, 3-, 5-, 7-, and 10-year periods. For a system for which the state treasurer is the investment fiduciary, the summary annual report must include the system's investment performance net of fees on a rolling calendar-year and fiscal-year basis for the previous 1-, 3-, 5-, 7-, and 10-year periods.
- (vii) The system's administrative and investment expenditures pursuant to standards of the Governmental Accounting Standards Board, including, but not limited to, a list of all expenditures made with soft dollars and all expenditures for professional training and education, including travel expenditures, by or on behalf of system board members that are paid by the system, if any.
- (viii) The system's itemized budget containing all projected expenditures, including, but not limited to, expenditures for professional training and education, including travel expenditures, by or on behalf of system board members that are paid by the system.
- (ix) The following information as provided in the system's most recent annual actuarial valuation report:
  - (A) The number of active members.
  - (B) The number of retirees and beneficiaries.
  - (C) The average annual retirement allowance.
  - (D) The total annual retirement allowances being paid.
  - (E) The valuation payroll.
  - (F) The employer's computed normal cost of benefits expressed as a percentage of valuation payroll.
  - (G) The employer's total contribution rate expressed as a percentage of valuation payroll.
  - (H) The weighted average of member contributions, if any.
  - (I) The actuarial assumed rate of investment return.
  - (J) The actuarial assumed rate of long-term wage inflation.
  - (K) The smoothing method utilized to determine the funding value of assets.
  - (L) The amortization method and period utilized for funding the system's unfunded actuarial accrued liabilities, if any.
  - (M) The system's actuarial cost method.
  - (N) Whether system membership is open or closed to specific groups of employees.
  - (O) The actuarial assumed rate of health care inflation.
- (x) In addition to the expenditures reported under subparagraph (vii), for a large sponsored system a travel report listing all travel outside this state in the immediately preceding fiscal year that was funded in whole or in part with



public funds. The report must include the total expenses for all out-of-state travel funded during the immediately preceding fiscal year and all of the following information for each travel occurrence:

(A) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by the large sponsored system and funded in whole or in part with public funds.

(B) The destination.

(C) The dates.

(D) A brief statement of the reason for the travel.

(E) An itemization of the transportation and related costs, including, but not limited to, the amount for food, lodging, and vehicle rental and listing the names of hotels, restaurants, vehicle rental agencies, and vehicle models.

(xi) For a state unit, an executive summary of both of the following:

(A) The state unit's unfunded actuarial accrued liabilities for retiree health and pension.

(B) The information described in subparagraph (v).

(j) An investment fiduciary of a large sponsored system shall submit a summary annual report described in subdivision (i) to the financial review commission created under the Michigan financial review commission act, 2014 PA 181, MCL 141.1631 to 141.1643.

(k) For a state unit, submit the executive summary required under subdivision (i)(xi) to the senate and house of representatives appropriations committees and the senate and house fiscal agencies not less than 30 days after publication.

(l) For a system other than a state unit, submit the summary annual report published under subdivision (i) to the department of treasury not less than 30 days after publication.

(4) An investment fiduciary who is an investment fiduciary of any of the following shall comply with the divestment from terror act, 2008 PA 234, MCL 129.291 to 129.301, in making investments under this act:

(a) The Tier 1 retirement plan available under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(b) The Tier 1 retirement plan available under the judges retirement act of 1992, 1992 PA 234, MCL 38.2101 to 38.2670.

(c) The Michigan state police retirement system created under the state police retirement act of 1986, 1986 PA 182, MCL 38.1601 to 38.1648.

(d) The Michigan public school employees' retirement system created under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(5) Subject to section 13g, an investment fiduciary may use a portion of the system's income to defray the costs of investing, managing, and protecting the assets of the system; may retain investment and all other goods and services necessary for the conduct of the affairs of the system, including investment advisors, consultants, custodians, accountants, auditors, attorneys, actuaries, investment personnel, administrators, and physicians; and may enter into contracts for and pay reasonable compensation for those services. Subject to an annual appropriation by the legislature, a deduction from the income of a state-administered system resulting from the payment of those costs must be made.

(6) Subject to this subsection and subsection (13), an investment fiduciary may use a portion of the system's income to defray the costs of professional training and education, including travel costs, of system board members, which professional training and education, including travel, are directly related to the administration, management, and operation of the system. The governing board vested with the general administration, management, and operation of the system or other decision-making body that is responsible for implementation and supervision of the system shall adopt an annual budget for professional training and education, including travel, authorized under this subsection. The budget adopted under this subsection must reflect the number of board members, the size of the system, and the educational objectives of the system. The system's total aggregate cost for professional training and education, including travel costs, authorized under this subsection for a fiscal year must not exceed \$150,000.00 or an amount that is equal to the total number of system board members multiplied by \$12,000.00, whichever is less. The system's total cost for professional training and education, including travel costs, authorized under this subsection for an individual system board member in a fiscal year must not exceed \$30,000.00. Beginning January 1, 2013, the department of treasury shall adjust the dollar amounts in this subsection by an amount determined by the state treasurer at the end of the immediately preceding calendar year to reflect the cumulative annual percentage change in the consumer price index. As used in this subsection, "consumer price index" means the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the United States Department of Labor.

(7) Before any investment services are provided, an investment service provider shall provide the investment fiduciary of the system with a complete written disclosure of all fees or other compensation associated with its relationship with the system. After investment services are provided to the investment fiduciary of the system, an investment service provider shall provide on an annual basis written disclosure of all fees including, but not limited to, commissions, 12b-1 and related fees, compensation paid or to be paid to third parties, and any other compensation paid

by the system to the investment fiduciary of the system. As used in this subsection, "investment service provider" means any individual, third-party agent or consultant, or other entity that receives direct or indirect compensation for consulting, investment management, brokerage, or custody services related to the system's assets. For purposes of this section only, investment service provider does not include a retirement system.

(8) The system must be a separate and distinct trust fund and the assets of the system must be for the exclusive benefit of the participants and their beneficiaries and of defraying reasonable expenses of investing the assets of the system. With respect to a system, an investment fiduciary shall not cause the system to engage in a transaction if he or she knows or should know that the transaction is any of the following, either directly or indirectly:

(a) A sale or exchange or a leasing of any property from the system to a party in interest for less than the fair market value, or from a party in interest to the system for more than the fair market value.

(b) A lending of money or other extension of credit from the system to a party in interest without the receipt of adequate security and a reasonable rate of interest, or from a party in interest to the system with the provision of excessive security or at an unreasonably high rate of interest.

(c) A transfer to, or use by or for the benefit of, the political subdivision sponsoring the system of any assets of the system for less than adequate consideration.

(d) The furnishing of goods, services, or facilities from the system to a party in interest for less than adequate consideration, or from a party in interest to the system for more than adequate consideration.

(9) With respect to a system subject to this act, an investment fiduciary shall not do any of the following:

(a) Deal with the assets of the system in his or her own interest or for his or her own account.

(b) In his or her individual or any other capacity act in any transaction involving the system on behalf of a party whose interests are adverse to the interests of the system or the interest of its participants or participants' beneficiaries.

(c) Receive any consideration for his or her own personal account from any party dealing with the system in connection with a transaction involving the assets of the system.

(10) This section does not prohibit an investment fiduciary from doing any of the following:

(a) Receiving any benefit to which he or she may be entitled as a participant or participant's beneficiary of the system.

(b) Receiving any reimbursement of expenses properly and actually incurred in the performance of his or her duties for the system.

(c) Serving as an investment fiduciary in addition to being an officer, employee, agent, or other representative of the political subdivision sponsoring the system.

(d) Receiving agreed upon compensation for services from the system.

(11) Except for an employee of a system, this state, or the political subdivision sponsoring a system, when acting in the capacity as an investment fiduciary, an investment fiduciary who is qualified under section 12c(1)(b) shall meet 1 of the following requirements:

(a) Be a registered investment adviser under the investment advisers act of 1940, 15 USC 80b-1 to 80b-21, or the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(b) Be a bank as defined under the investment advisers act of 1940, 15 USC 80b-1 to 80b-21.

(c) Be an insurance company qualified under section 16(3).

(12) An investment fiduciary shall not invest in a debt instrument issued by a foreign country that has been designated by the United States Department of State as a state sponsor of terror.

(13) A large sponsored system shall not pay the expenses for a person to travel outside this state from funds under its control unless 1 or more of the following conditions apply to the travel:

(a) It is required by legal mandate or court order or for law enforcement purposes.

(b) It is necessary to protect the health or safety of citizens of, or visitors to, this state or to assist other states in similar circumstances.

(c) It is necessary to produce budgetary savings or to increase revenues, including protecting existing federal funds or securing additional federal funds.

(d) It is necessary to secure specialized training for the person that is substantially related to performing the duties of the position and is not available within this state.

(14) Subject to section 13g, an investment fiduciary of a large sponsored system that invests or has invested in a hazardous waste deep disposal well facility regulated under part 111 or 121 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11101 to 324.11153 and 324.12101 to 324.12117, is subject to all of the following:

(a) The investment fiduciary shall not make an additional investment in the hazardous waste deep disposal well facility unless the investment is solely to prepare the property on which the hazardous waste deep disposal well facility

is located for sale for purposes other than operation as a hazardous waste deep disposal well facility or similar hazardous facility.

(b) The investment fiduciary shall sell, redeem, divest, or withdraw all investments in the hazardous waste deep disposal well facility within 180 days after any of the following circumstances occur:

(i) The operator of the hazardous waste deep disposal well facility files for bankruptcy.

(ii) The sale, transfer, purchase, or acquisition of a controlling interest in the operator of the hazardous waste deep disposal well facility.

(iii) An Environmental Protection Agency action for a violation at the hazardous waste deep disposal well facility.

(iv) An Environmental Protection Agency revocation of the operator's license.

(v) An Environmental Protection Agency or department of environmental quality order to terminate operations at the hazardous waste deep disposal well facility.

(15) For a state unit, a representative of the office of retirement services in the department of technology, management, and budget shall appear before the senate and house of representatives appropriations committees on request of the committee chair to testify about the system's summary annual report required under subsection (3).

(16) The department of treasury shall post on its website an executive summary of each summary annual report submitted to the department of treasury under subsection (3)(l). The executive summary must include the applicable system's unfunded actuarial accrued liability for retiree health and pension. The department of treasury shall submit each executive summary required under this subsection to the senate and the house of representatives appropriations committees and the senate and house fiscal agencies not less than 30 days after posting.

(17) As used in this section, "state unit" means a system established under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, the judges retirement act of 1992, 1992 PA 234, MCL 38.2101 to 38.2670, and the state police retirement act of 1986, 1986 PA 182, MCL 38.1601 to 38.1648.

Sec. 20h. (1) In addition to the provisions of this act, a system is subject to the applicable accounting, auditing, and reporting requirements contained in the following acts and parts of acts:

(a) 1919 PA 71, MCL 21.41 to 21.55.

(b) The uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

(c) Section 91 of the executive organization act of 1965, 1965 PA 380, MCL 16.191.

(2) A system shall retain its financial records for a minimum period of 6 years from the date of the creation of the record unless state or federal law requires a longer retention period. As used in this subsection, "financial records" includes, but is not limited to, records pertaining to expenditures for professional training and education, including travel expenditures, by or on behalf of system board members that are paid by the system.

(3) Except as otherwise provided in this subsection, information regarding the calculation of actual or estimated retirement benefits for members of the system is exempt from disclosure by the system or the political subdivision sponsoring the system pursuant to section 13(1)(d) of the freedom of information act, 1976 PA 442, MCL 15.243. Upon a majority vote of the governing body of the political subdivision sponsoring the system, the system shall provide the designated representative of the political subdivision with a reasonable opportunity to inspect, copy, or receive copies of all information regarding the calculation of actual or estimated retirement benefits for members of the system. The system may require that information provided by the system under this subsection be provided only on a promise of confidentiality by the political subdivision sponsoring the system. A system may make reasonable rules to ensure the confidentiality of records exempt from disclosure under applicable state and federal law. The system may charge a fee under this subsection in accordance with section 4 of the freedom of information act, 1976 PA 442, MCL 15.234. All fees and expenses incurred by the political subdivision sponsoring the system that are related to this subsection shall be borne by the political subdivision and shall not be deducted from or offset against the political subdivision's required pension contributions to the system.

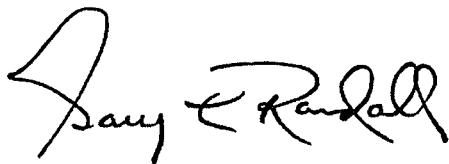
(4) Except as otherwise provided in this subsection, a system shall have an annual actuarial valuation with assets valued on a market-related basis. The actuarial present value of total projected benefits must include all pension benefits to be provided by the system to members or beneficiaries under the terms of the system and any additional statutory or contractual agreements to provide pension benefits through the system that are in force at the actuarial valuation date, including, but not limited to, service credits purchased by members, deferred retirement option plans, early retirement programs, and postretirement adjustment programs. A system that has assets of less than \$20,000,000.00 is only required to have an actuarial valuation as required under this subsection done every other year.

(5) A system shall provide a supplemental actuarial analysis before adoption of pension benefit changes. System assets must not be used for any actuarial expenses related to the supplemental actuarial analysis under this subsection. The supplemental actuarial analysis must be provided by the system's actuary and must include an analysis of the long-term costs associated with any proposed pension benefit change. The supplemental actuarial analysis must be provided

to the board of the particular system and to the decision-making body that will approve the proposed pension benefit change at least 7 days before the proposed pension benefit change is adopted. For purposes of this subsection, "proposed pension benefit change" means a proposal to change the amount of pension benefits received by persons entitled to pension benefits under the system. Proposed pension benefit change does not include a proposed change to a health care plan or health benefits.

(6) The system shall make the summary annual report created under section 13 available to the plan participants and beneficiaries and the citizens of the political subdivision sponsoring the system. If the system has a website, the system shall publish the summary annual report on the website. If the system does not have a website, the political subdivision sponsoring the system shall publish the summary annual report on a website that the political subdivision has created or may create.

(7) For a system other than a state unit, if the system's actuarial accrued liability for retiree health or pension is not at least 60% funded according to the most recent summary annual report created under section 13, the system shall post an informational report on the system's website outlining the steps, if any, the system may be taking to decrease the system's unfunded actuarial accrued liability. If the system does not have a website, the political subdivision sponsoring the system shall make the steps the system may be taking under this subsection available to the plan participants and beneficiaries and the citizens of the political subdivision. The system shall submit to the department of treasury, in a reasonable time frame and in a manner determined by the department of treasury, the steps the system may be taking under this subsection. As used in this subsection, "state unit" means that term as defined in section 13.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

-----  
Governor

**ITEM # 10-A**

**INVESTMENT PERFORMANCE**

**REPORTS WILL BE MAILED TO YOU  
SEPARATELY BY FINANCIAL CONSULTANT  
FRED MILLER**

**City of Marine City**

# Memo

To: Elaine Leven, City Manager  
From: Mary Ellen McDonald, CPFAMiCPT  
Finance Director/Treasurer  
Date 5/11/17  
Re: **PRELIMINARY FINANCIAL STATEMENTS FOR APRIL 2017**

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Please include the attached **Preliminary Financial Statements for April 2017** on the agenda of the next Retiree Health Insurance Board Meeting. If you have any questions, please contact me.

Thank you

Fund 736 RETIREE HEALTH INS TRUST FUND

GL Number	Description	Balance
*** Assets ***		
736-000.000-001.001	CASH	50,827.47
736-000.000-003.014	RET HLTH INS TRUST INVESTMENTS	114,376.80
<b>Total Assets</b>		<u>165,204.27</u>
*** Liabilities ***		
<b>Total Liabilities</b>		<u>0.00</u>
*** Fund Balance ***		
736-000.000-390.000	Fund Balance	166,881.06
<b>Total Fund Balance</b>		<u>166,881.06</u>
<b>Beginning Fund Balance</b>		166,881.06
<b>Net of Revenues VS Expenditures</b>		(1,676.79)
<b>Ending Fund Balance</b>		165,204.27
<b>Total Liabilities And Fund Balance</b>		165,204.27

PERIOD ENDING 04/30/2017

PRELIMINARY FINANCIAL STATEMENTS-APRIL 2017

GL NUMBER	DESCRIPTION	2016-17		YTD BALANCE 04/30/2017	ACTIVITY FOR MONTH 04/30/1 INCR (DECR)	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
		ORIGINAL BUDGET	2016-17 AMENDED BUDGE					
Fund 736 - RETIREE HEALTH INS TRUST FUND								
Revenues								
Dept 000.000								
736-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	3,116.88	0.00	0.00	(3,116.88)	100.00
736-000.000-653.002	EMPLOYER RET HEALTH INS CONT	0.00	0.00	212,898.46	22,375.74	0.00	(212,898.46)	100.00
736-000.000-665.000	INTEREST	0.00	0.00	4,150.01	0.00	0.00	(4,150.01)	100.00
Total Dept 000.000		0.00	0.00	220,165.35	22,375.74	0.00	(220,165.35)	100.00
TOTAL REVENUES		0.00	0.00	220,165.35	22,375.74	0.00	(220,165.35)	100.00
Expenditures								
Dept 000.000								
736-000.000-716.000	HOSPITAL INSURANCE	0.00	0.00	215,838.63	22,447.67	0.00	(215,838.63)	100.00
736-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	4,800.00	0.00	0.00	(4,800.00)	100.00
736-000.000-805.000	SERVICE CHARGES	0.00	0.00	1,203.51	0.00	0.00	(1,203.51)	100.00
Total Dept 000.000		0.00	0.00	221,842.14	22,447.67	0.00	(221,842.14)	100.00
TOTAL EXPENDITURES		0.00	0.00	221,842.14	22,447.67	0.00	(221,842.14)	100.00
Fund 736 - RETIREE HEALTH INS TRUST FUND:								
TOTAL REVENUES		0.00	0.00	220,165.35	22,375.74	0.00	(220,165.35)	100.00
TOTAL EXPENDITURES		0.00	0.00	221,842.14	22,447.67	0.00	(221,842.14)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(1,676.79)	(71.93)	0.00	1,676.79	100.00



# Memo

To: Elaine Leven, City Manager

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

Date 6/1/17

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR MAY 2017**

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Please include the attached **Preliminary Financial Statements for May 2017** on the agenda of the next Retiree Health Insurance Board Meeting. If you have any questions, please contact me.

Thank you

Fund 736 RETIREE HEALTH INS TRUST FUND

GL Number	Description	Balance
*** Assets ***		
736-000.000-001.001	CASH	17,385.34
736-000.000-003.014	RET HLTH INS TRUST INVESTMENTS	160,871.71
<b>Total Assets</b>		<b>178,257.05</b>
*** Liabilities ***		
<b>Total Liabilities</b>		<b>0.00</b>
*** Fund Balance ***		
736-000.000-390.000	Fund Balance	166,881.06
<b>Total Fund Balance</b>		<b>166,881.06</b>
<b>Beginning Fund Balance</b>		<b>166,881.06</b>
<b>Net of Revenues VS Expenditures</b>		<b>11,375.99</b>
<b>Ending Fund Balance</b>		<b>178,257.05</b>
<b>Total Liabilities And Fund Balance</b>		<b>178,257.05</b>

PERIOD ENDING 05/31/2017

PRELIMINARY FINANCIAL STATEMENTS-MAY 2017

GL NUMBER	DESCRIPTION	2016-17		YTD BALANCE 05/31/2017	ACTIVITY FOR MONTH 05/31/17	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
		ORIGINAL BUDGET	2016-17 AMENDED BUDGE					
Fund 736 - RETIREE HEALTH INS TRUST FUND								
Revenues								
Dept 000.000								
736-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	8,778.20	0.00	0.00	(8,778.20)	100.00
736-000.000-653.002	EMPLOYER RET HEALTH INS CONT	0.00	0.00	235,346.13	22,447.67	0.00	(235,346.13)	100.00
736-000.000-665.000	INTEREST	0.00	0.00	5,042.20	0.00	0.00	(5,042.20)	100.00
Total Dept 000.000		0.00	0.00	249,166.53	22,447.67	0.00	(249,166.53)	100.00
TOTAL REVENUES		0.00	0.00	249,166.53	22,447.67	0.00	(249,166.53)	100.00
Expenditures								
Dept 000.000								
736-000.000-716.000	HOSPITAL INSURANCE	0.00	0.00	231,383.72	15,545.09	0.00	(231,383.72)	100.00
736-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	4,800.00	0.00	0.00	(4,800.00)	100.00
736-000.000-805.000	SERVICE CHARGES	0.00	0.00	1,606.82	0.00	0.00	(1,606.82)	100.00
Total Dept 000.000		0.00	0.00	237,790.54	15,545.09	0.00	(237,790.54)	100.00
TOTAL EXPENDITURES		0.00	0.00	237,790.54	15,545.09	0.00	(237,790.54)	100.00
Fund 736 - RETIREE HEALTH INS TRUST FUND:								
TOTAL REVENUES		0.00	0.00	249,166.53	22,447.67	0.00	(249,166.53)	100.00
TOTAL EXPENDITURES		0.00	0.00	237,790.54	15,545.09	0.00	(237,790.54)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	11,375.99	6,902.58	0.00	(11,375.99)	100.00