

**City of Marine City
Pension Board ~ Pension Plan
January 30, 2018**

A regular meeting of the Pension Board ~ Pension Plan held on Tuesday, January 30, 2018 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by Board Member Scheel at 4:30 PM.

Present: City Commission Representative Turner; Board Members Heaslip, Itrich, Scheel, VanderMeulen; Treasurer McDonald; Deputy Clerk McDonald

Absent: Mayor Vandebossche; City Manager Leven

Appointment of Pension Board Trustee

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

Approve Agenda

Motion by City Commission Representative Turner, seconded by Board Member Itrich, to approve the Agenda, as presented. All Ayes. Motion Carried.

Approve Minutes

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to approve the Minutes of the Regular Pension Board ~ Pension Plan Meeting of July 25, 2017, as presented. All Ayes. Motion Carried.

Communications

Received:

- Lynn Zyrowski – Letter of Resignation

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to accept and file the Communication. All Ayes. Motion Carried.

Unfinished Business

None.

New Business

None.

Open Discussion

Financial Consultant, Frederick Miller, advised the Board that Treasurer Mary Ellen McDonald, had approached him to seek out other actuarial companies for the City to contract with. He stated that Gabriel Roeder Smith & Company could be asked to submit a proposal to the Board, and that he would facilitate the discussion with them.

Treasurer McDonald stated that the reason she approached Mr. Miller was due to the current company, Rodwan Consulting Company, not being time efficient in providing the City and City Auditors information necessary to meet State submittal deadlines. She noted that this had been an issue on several occasions, and that the primary reason the City had chosen the company was to cut costs. It was stated that approximately ninety-seven percent of municipalities used Gabriel Roeder Smith & Company for actuarial services.

The Board talked about the option of returning to Gabriel Roeder Smith & Company, and the following was discussed:

- City Manager Leven could authorize the decision to change actuarial companies
- Did the Board want to have the Actuarial Evaluation presented in person
- When would the search process need to begin

The Board decided to have Treasurer McDonald and Financial Consultant Miller proceed with researching actuarial companies, and bring the results back to the Board at the April 24, 2018 meeting.

Financial Business

Investment Performance ~ Review by Frederick Miller

Financial Consultant, Frederick Miller, reviewed a Performance Analysis Summary, dated January 17, 2018. He reported the following:

- The total Net Worth of the Plan was \$1,800,000.00 as of December 30, 2017.
- Year-to-date, the beginning Market Value was \$5,059,527.23 and ending Market Value was \$5,151,669.24.
- 2017's Annualized Performance was 5.60% and Year-to-Date was 5.98%.
- In 2017 \$200,510.45 had been withdrawn from the Plan.
- The Pension Plan Holdings year-to-date was up 1.82% and up 5.98% since inception.
- The Plan was made up of 28.69% Healthcare Sector Equity.

Mr. Miller recommended that the Board transfer \$100,000.00 from Blackrock Health Sciences to T. Rowe Price Global Industrials, in addition to transferring \$100,000.00 from Principal Global Diversified to Fidelity Select Defense and Aero.

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to transfer \$100,000.00 from Blackrock Health Sciences to T. Rowe Price Global Industrials. All Ayes. Motion Carried.

Motion by Board Member Itrich, seconded by City Commission Representative Turner, to transfer \$100,000.00 from Principal Global Diversified to Fidelity Select Defense and Aero. All Ayes. Motion Carried.

Preliminary Financial Statements

Motion by Board Member Itrich, seconded by Board Member Heaslip, to accept the Preliminary Financial Statements for June, July, August, September, October, November, December, 2017, and place on file. All Ayes. Motion Carried.

Invoice Approval

Motion by City Commission Representative Turner, seconded by Board Member Itrich, to approve Rodwan Consulting Company Invoice #2424 in the amount of \$1,600.00, as presented. All Ayes. Motion Carried.

Adjournment

Motion by City Commission Representative Turner, seconded Board Member Scheel, to adjourn at 5:04 pm. All Ayes. Motion Carried.

Respectfully submitted,

Elizabeth McDonald

Elizabeth McDonald
Deputy Clerk

Kristen Baxter

Kristen Baxter
City Clerk