

**City of Marine City  
Pension Board ~ Retiree Health Care Plan  
October 30, 2018**

A regular meeting of the Pension Board ~ Retiree Health Care Plan held on Tuesday, October 30, 2018 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by City Manager Leven at 5:17 pm.

**Present: City Commission Representative Turner; Board Members Itrich, VanderMeulen; Treasurer McDonald; City Manager Leven; Deputy Clerk Desmarais**

**Absent: Mayor Vandebossche; Board Members Heaslip and Scheel**

**Approve Agenda**

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

**Approve Minutes**

Motion by City Commissioner Turner, seconded by Board Member Itrich, to approve the Minutes of the Regular Pension Board ~ Retiree Health Care Plan Meeting of July 31, 2018. All Ayes. Motion Carried.

**Communications**

None.

**Unfinished Business**

***Ordinance Amendments Regarding Membership ~ Discussion***

The Board discussed this at the Pension Plan meeting and gave direction to City Manager Leven to work on drafting a revised Ordinance that would utilize a five member Board with language that states if there were no active members that the Board would consist of retirees.

**New Business**

None.

## **Open Discussion**

No residents addressed the Board.

## **Financial Business**

### ***Investment Performance ~ Review by Frederick Miller***

Financial Consultant, Frederick Miller, reviewed a Performance Analysis Summary, dated September 30, 2018. He reported the following:

- Year-to-date, the Annualized Performance was 3.94%
- Year-to-date, the beginning Market Value was \$187,343.82 and ending Market Value was \$189,612.25
- The Portfolio consisted of:
  - 12.80% Cash & Cash Alternatives
  - 27.03% Fixed Income
  - 57.42% Equity
  - 2.21% Alternative Investments
  - 0.55% Non-Classified

Financial Consultant Miller stated that he had no recommendations for the Board at this time.

The Board took no action.

### ***Actuarial Valuation for Period Ending June 30, 2018***

Treasurer McDonald stated that the Other Postemployment Benefits (OPEB) report changed from being required by the State every three years to every two years. She said the State requested that the City develop a corrective action plan and funding plan. She reported the following regarding the City's compliance to the State request:

- The City would continue to reimburse the retiree healthcare plan for monthly costs of providing healthcare benefits to retirees
- Requested that the City Commission approve an additional \$12,000 annually to achieve 40% funding by 6/30/2042 and a 100% funding by 6/30/2049. If approved, the corrective action and funding plans would be submitted to the State for approval

Treasurer McDonald reviewed the actuarial report and stated the following:

- The total OPEB Liability was \$4,271,964
- The plan was 4.4% funded

City Manager Leven stated that the City was ahead of other municipalities as far as working toward being completely funded.

Treasurer McDonald said that the retiree healthcare account should be a trust account and was a topic the Board needed to discuss in the future.

Motion by Board Member Itrich, seconded by City Commissioner Turner to accept the Actuarial Valuation for Period Ending June 30, 2018, and place on file. All Ayes. Motion carried.

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

Motion by Board Member Itrich, seconded by City Commissioner Turner, to accept the Preliminary Financial Statements for July & August, 2018, and place on file. All Ayes. Motion Carried.

### ***Invoice Approval***

Motion by City Commissioner Turner, seconded by Board Member Itrich, to approve Nyhart Invoice #R143599 in the amount of \$4,000.00. All Ayes. Motion Carried.

### **Adjournment**

Motion by City Commissioner Turner, seconded by Board Member Itrich, to adjourn at 5:33 pm. All Ayes. Motion Carried.

Respectfully submitted,

*Elizabeth Desmarais*

Elizabeth Desmarais  
Deputy Clerk

*Kristen Baxter*

Kristen Baxter  
City Clerk