

CITY OF MARINE CITY

PENSION BOARD MEETING AGENDA

Pension Plan

Regular Meeting: Tuesday, January 26, 2016; 4:30PM

Marine City Fire Hall: 200 South Parker Street, Marine City, Michigan

1. **CALL TO ORDER**
2. **ROLL CALL** Mayor Raymond Skotarczyk; City Commission Rep. James Turner, Board Members Michael Itrich, David Scheel, James VanderMeulen and, Lynn Zyrowski; Treasurer Mary Ellen McDonald; and, City Manager Elaine Leven
3. **RE-APPOINTMENT OF PENSION BOARD TRUSTEE**
4. **APPROVE AGENDA (Additions / Deletions)**
5. **APPROVE MINUTES**
 - A. Pension Plan Board Meeting ~ October 27, 2015
6. **COMMUNICATIONS**
7. **UNFINISHED BUSINESS**
8. **NEW BUSINESS**
9. **OPEN DISCUSSION**
10. **FINANCIAL BUSINESS**
 - A. Financial Reports: Investment Performance ~ Review by Frederick Miller
 - B. Invoice Approval ~ Rodwan Consulting Company, Invoice #2132 - \$1,600.00
 - C. Preliminary Financial Statements ~ October, November & December, 2015
11. **ADJOURNMENT**

3)

CITY OF MARINE CITY

PENSION BOARD OF TRUSTEES APPLICATION

Name of Applicant: Mike Itrich

Address: 5602 King Rd China Mi 48054

Telephone: 810-650-8257

Email: MItrich@MARINECITY-MI.ORG

FOR CONSIDERATION OF: _____ APPOINTMENT

(Check One)

_____ X RE-APPOINTMENT

The Pension Board of Trustees meets on the last Tuesday of January, April, July and October at 4:30 PM in the Marine City Fire Hall, 200 South Parker Street, Marine City, Michigan. This is a four-year term appointment ~ term expires December 31st.

Mike Itrich
(Signature)

10-12-2015
(Date)

RETURN TO CITY CLERK'S OFFICE UPON COMPLETION

**City of Marine City
Pension Board ~ Pension Plan
October 27, 2015**

A regular meeting of the Pension Board ~ Pension Plan held on Tuesday, October 27, 2015 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by City Commission Representative James Turner at 4:30 PM.

Present: City Commissioner Turner; Board Members Itrich, VanderMeulen, Zyrowski; City Manager Leven; and Deputy Clerk McDonald

Absent: Mayor Skotarczyk; Board Member Scheel

Approve Agenda

Motion by Board Member Zyrowski, 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 ~ Pension Plan Meeting of July 28, 2015 and Special Pension Board ~ Pension Plan Meeting of September 1, 2015. All Ayes. Motion Carried.

Communications

The following Communication was received:

- Irene Antoniewicz ~ Deferment of Retirement due to her termination of employment

Motion by Board Member Itrich, seconded by Board Member Zyrowski, to accept and file the communication. All Ayes. Motion Carried.

Financial Business

Calculation of Lump-Sum Benefit

A discussion took place regarding calculation of lump-sum benefits. Financial Advisor, Frederick Miller, suggested two options:

- 1) Change interest rate.
- 2) Amend the Ordinance to remove the lump sum option entirely.

After discussion on how to proceed, the Board decided to direct Financial Advisor, Frederick Miller, to compile a package of three examples of how the changes would affect a varied age range of employees and bring the package back to the Board at its January 26, 2016 meeting.

Bank Resolution

Motion by Board Member Zyrowski, seconded by Board Member Itrich to accept and file the Raymond James Bank Resolution as presented. All Ayes. Motion Carried.

Financial Reports

▪ Investment Performance

Financial Consultant, Frederick Miller, provided a Performance Analysis Summary, dated October 23, 2015. He reported that the Pension Plan Holdings had a decrease of 4.45%; with an average of 4.78% from 9-30-14 to 9-30-15. Mr. Miller said the city needed to focus on the investment of money and to try to earn the actuarial equivalent, or better, so the city doesn't have to make up unfunded liability.

Preliminary Financial Statements

Motion by Board Member Zyrowski, seconded by Board Member Itrich, to accept the Preliminary Financial Statements for July, August, and September, 2015, and place them on file. All Ayes. Motion Carried.

Adjournment

Motion by Board Member Zyrowski, seconded by Board Member Itrich, to adjourn at 4:59 pm. All Ayes. Motion Carried.

Respectfully submitted,

Elizabeth McDonald
Deputy Clerk

Kristen Baxter
City Clerk

Memo

To: Kristen Baxter, City Clerk
 From: Mary Ellen McDonald, CPFA/MiCPT
 Finance Director/Treasurer
 Date: December 4, 2015
 Re: Invoice Approval

Please include the attached invoice on the agenda of the next Pension Board Meeting for approval.

Rodwan Consulting Company Invoice #2132 \$1,600.00

(Additional Actuarial Services required per GASB67/68 as of 6/30/15)

A/C #731-000.000-801.000 \$1,600.00

If you have any questions, please contact me.

Thank you

RODWAN CONSULTING COMPANY
 2310 E. ELEVEN MILE ROAD
 ROYAL OAK, MI 48067

INVOICE

DATE	INVOICE NO.
11/27/2015	2132

BILL TO:

Mary Ellen McDonald
 Finance Director/Treasurer
 City of Marine City
 303 S. Water Street
 Marine City, MI 48039

DESCRIPTION	AMOUNT
-------------	--------

Re: Marine City Employees Retirement System-- GASB 67/68

For additional actuarial services rendered in connection with information for reporting purposes pursuant to Governmental Accounting Standards Board Statement 67 as of June 30, 2015. Includes roll-forward valuation, 2 additional valuations based on alternate discount rates for sensitivity testing, projections of future contributions and benefits payments, projection of Net Fiduciary Position, computation of actuarial present values of funded and unfunded projected benefit payments, computation of the GASB 67 discount rate, and other disclosures as required. For GASB 68, additional actuarial information was also provided regarding the projection of average future service years and deferred inflows (outflows) of expense for reporting purposes.

1,600.00

RECEIVED
 NOV 30 2015

City of Marine City

We appreciate working for you.

TOTAL

\$1,600.00

10c

Memo

To: Pension Board Members
From: Mary Ellen McDonald, CPFA/MiCPT
Finance Director/Treasurer
Date 11/14/15
Re: **PRELIMINARY FINANCIAL STATEMENTS FOR OCTOBER 2015**

Please include the attached **Preliminary Financial Statements for October 2015** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	102,857.09
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	4,914,712.66
731-000.000-028.100	CONTRIBUTIONS RECEIVABLE	52,827.03
Total Assets		<u>5,070,396.78</u>
*** Liabilities ***		
Total Liabilities		<u>0.00</u>
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	6,092,593.86
Total Fund Balance		<u>6,092,593.86</u>
Beginning Fund Balance - 14-15		6,092,593.86
Net of Revenues VS Expenditures - 14-15		(723,115.71)
*14-15 End FB/15-16 Beg FB		5,369,478.15
Net of Revenues VS Expenditures - Current Year		(299,081.37)
Ending Fund Balance		5,070,396.78
Total Liabilities And Fund Balance		5,070,396.78

* Year Not Closed

PRELIMINARY
FINANCIAL
STATEMENTS
OCTOBER 2015

PERIOD ENDING 10/31/2015

PRELIMINARY FINANCIAL STATEMENTS-OCTOBER 2015

GL NUMBER	DESCRIPTION	2015-16 ORIGINAL BUDGET	2015-16 AMENDED BUDGET	YTD BALANCE 10/31/2015 NORM (ABNORM)	ACTIVITY FOR MONTH 10/31/2 INCR (DECR)	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
Fund 731 - MARINE CITY RETIREMENT SYSTEM								
Revenues								
Dept 000.000								
731-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	(181,096.59)	0.00	0.00	181,096.59	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	64,993.32	16,248.33	0.00	(64,993.32)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	5,435.50	1,293.79	0.00	(5,435.50)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	22,046.32	0.00	0.00	(22,046.32)	100.00
Total Dept 000.000		0.00	0.00	(88,621.45)	17,542.12	0.00	88,621.45	100.00
TOTAL Revenues		0.00	0.00	(88,621.45)	17,542.12	0.00	88,621.45	100.00
Expenditures								
Dept 000.000								
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	9,075.76	0.00	0.00	(9,075.76)	100.00
731-000.000-955.000	RETIREMENT BENEFITS	0.00	0.00	152,798.40	38,199.60	0.00	(152,798.40)	100.00
731-000.000-964.000	REFUND/REBATE	0.00	0.00	48,585.76	0.00	0.00	(48,585.76)	100.00
Total Dept 000.000		0.00	0.00	210,459.92	38,199.60	0.00	(210,459.92)	100.00
TOTAL Expenditures		0.00	0.00	210,459.92	38,199.60	0.00	(210,459.92)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:								
TOTAL REVENUES		0.00	0.00	(88,621.45)	17,542.12	0.00	88,621.45	100.00
TOTAL EXPENDITURES		0.00	0.00	210,459.92	38,199.60	0.00	(210,459.92)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(299,081.37)	(20,657.48)	0.00	299,081.37	100.00

PRELIMINARY
 FINANCIAL
 STATEMENTS
 OCTOBER 2015

loc

City of Marine City

Memo

To: Pension Board Members

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

Date 12/11/15

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR NOVEMBER 2015**

Please include the attached **Preliminary Financial Statements for November 2015** on the agenda of the next Pension Board Meeting December 17, 2015. If you have any questions, please contact me.

Thank you

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	81,933.28
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	4,914,712.66
731-000.000-028.100	CONTRIBUTIONS RECEIVABLE	52,827.03
Total Assets		5,049,472.97
*** Liabilities ***		
731-000.000-200.000	ACCOUNTS PAYABLE	1,600.00
Total Liabilities		1,600.00
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	6,092,593.86
Total Fund Balance		6,092,593.86
Beginning Fund Balance - 14-15		6,092,593.86
Net of Revenues VS Expenditures - 14-15		(723,115.71)
*14-15 End FB/15-16 Beg FB		5,369,478.15
Net of Revenues VS Expenditures - Current Year		(321,605.18)
Ending Fund Balance		5,047,872.97
Total Liabilities And Fund Balance		5,049,472.97

* Year Not Closed

PRELIMINARY
FINANCIAL
STATEMENTS
NOVEMBER 2015

PERIOD ENDING 11/30/2015

PRELIMINARY FINANCIAL STATEMENTS-NOVEMBER 2015

GL NUMBER	DESCRIPTION	2015-16 ORIGINAL BUDGET	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 NORM (ABNORM)	ACTIVITY FOR MONTH 11/30/2 INCR (DECR)	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% B DGT USED
Fund 731 - MARINE CITY RETIREMENT SYSTEM								
Revenues								
Dept 000.000								
731-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	(181,096.59)	0.00	0.00	181,096.59	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	81,241.65	16,248.33	0.00	(81,241.65)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	6,462.96	1,027.46	0.00	(6,462.96)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	22,046.32	0.00	0.00	(22,046.32)	100.00
Total Dept 000.000		0.00	0.00	(71,345.66)	17,275.79	0.00	71,345.66	100.00
TOTAL Revenues		0.00	0.00	(71,345.66)	17,275.79	0.00	71,345.66	100.00
Expenditures								
Dept 000.000								
731-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	1,600.00	1,600.00	0.00	(1,600.00)	100.00
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	9,075.76	0.00	0.00	(9,075.76)	100.00
731-000.000-955.000	RETIREMENT BENEFITS	0.00	0.00	190,998.00	38,199.60	0.00	(190,998.00)	100.00
731-000.000-964.000	REFUND/REBATE	0.00	0.00	48,585.76	0.00	0.00	(48,585.76)	100.00
Total Dept 000.000		0.00	0.00	250,259.52	39,799.60	0.00	(250,259.52)	100.00
TOTAL Expenditures		0.00	0.00	250,259.52	39,799.60	0.00	(250,259.52)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:								
TOTAL REVENUES		0.00	0.00	(71,345.66)	17,275.79	0.00	71,345.66	100.00
TOTAL EXPENDITURES		0.00	0.00	250,259.52	39,799.60	0.00	(250,259.52)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(321,605.18)	(22,523.81)	0.00	321,605.18	100.00

PRELIMINARY
 FINANCIAL
 STATEMENTS
 NOVEMBER 2015

10C

City of Marine City

Memo

To: Pension Board Members

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

Date 1/14/16

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR DECEMBER 2015**

Please include the attached **Preliminary Financial Statements for December 2015** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	60,294.71
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	4,914,712.66
731-000.000-028.100	CONTRIBUTIONS RECEIVABLE	45,120.24
Total Assets		<u>5,020,127.61</u>
*** Liabilities ***		
Total Liabilities		<u>0.00</u>
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,361,771.36
Total Fund Balance		<u>5,361,771.36</u>
Beginning Fund Balance		5,361,771.36
Net of Revenues VS Expenditures		(341,643.75)
Ending Fund Balance		5,020,127.61
Total Liabilities And Fund Balance		5,020,127.61

PRELIMINARY
FINANCIAL
STATEMENTS
DECEMBER 2015

PERIOD ENDING 12/31/2015

PRELIMINARY FINANCIAL STATEMENTS-DECEMBER 2015

GL NUMBER	DESCRIPTION	2015-16 ORIGINAL BUDGET	2015-16 AMENDED BUDGET	YTD BALANCE 12/31/2015 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/2 INCR (DECR)	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
Fund 731 - MARINE CITY RETIREMENT SYSTEM								
Revenues								
Dept 000.000								
731-000.000-650.100	UNREALIZED GAIN/LOSS	0.00	0.00	(181,096.59)	0.00	0.00	181,096.59	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	97,489.98	16,248.33	0.00	(97,489.98)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	8,375.66	1,912.70	0.00	(8,375.66)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	22,046.32	0.00	0.00	(22,046.32)	100.00
Total Dept 000.000		0.00	0.00	(53,184.63)	18,161.03	0.00	53,184.63	100.00
TOTAL Revenues		0.00	0.00	(53,184.63)	18,161.03	0.00	53,184.63	100.00
Expenditures								
Dept 000.000								
731-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	1,600.00	0.00	0.00	(1,600.00)	100.00
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	9,075.76	0.00	0.00	(9,075.76)	100.00
731-000.000-955.000	RETIREMENT BENEFITS	0.00	0.00	229,197.60	38,199.60	0.00	(229,197.60)	100.00
731-000.000-964.000	REFUND/REBATE	0.00	0.00	48,585.76	0.00	0.00	(48,585.76)	100.00
Total Dept 000.000		0.00	0.00	288,459.12	38,199.60	0.00	(288,459.12)	100.00
TOTAL Expenditures		0.00	0.00	288,459.12	38,199.60	0.00	(288,459.12)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:								
TOTAL REVENUES		0.00	0.00	(53,184.63)	18,161.03	0.00	53,184.63	100.00
TOTAL EXPENDITURES		0.00	0.00	288,459.12	38,199.60	0.00	(288,459.12)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(341,643.75)	(20,038.57)	0.00	341,643.75	100.00