CITY OF MARINE CITY

Pension Board Meeting Agenda

Marine City Fire Hall, 200 South Parker Street

Regular Meeting: Tuesday, July 26, 2016 4:30 PM

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1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:** Mayor Raymond Skotarczyk; 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 26, 2016 Pension Board Meeting

6. **COMMUNICATIONS**

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, June, 2016

11. **ADJOURNMENT**

The City of Marine City complies with the ADA. Should individuals with disabilities require special aids, please contact the City Clerk, 303 South Water Street, Marine City, MI 48039, telephone 810-765-8830, 48 hours prior to scheduled meeting.

City of Marine City
Pension Board ~ Pension Plan
April 26, 2016

A regular meeting of the Pension Board ~ Pension Plan held on Tuesday, April 26, 2016 in the Fire Hall, 200 South Parker Street, Marine City, Michigan, was called to order by Board Member David Scheel at 4:28 PM.

Present: **Mayor Skotarczyk; City Commissioner Turner; Board Members Itrich, Scheel, VanderMeulen, Zyrowski; Treasurer McDonald; City Manager Leven; and Deputy Clerk McDonald**

Absent: **None**

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 Mayor Skotarczyk, to approve the Minutes of the Regular Pension Board ~ Pension Plan Meeting of January 26, 2016, as presented. All Ayes. Motion Carried.

Communications

None.

Unfinished Business

Lump-Sum Distribution ~ Discussion

Frederick Miller communicated to the Board that the Pension Plan calculated the benefit as if the employee had retired the day prior and chose the 100% beneficiary plan. The other

option was for the Board to purchase coverage for the beneficiary through an insurance company using the annuity and insurance table quotes. He also clarified that by changing the current ordinance that the beneficiary will receive less money, but the Pension Plan will benefit.

The Board then discussed the pros and cons of changing the ordinance for calculating the lump-sum.

Motion by Mayor Skotarczyk, seconded by Board Member Itrich, to table the item until the July 26, 2016 meeting. All Ayes. Motion Carried.

New Business

None.

Open Discussion

Bob Klieman, a City Retiree, questioned the representation on the Board and the allocation of the representation of City employees on the Board.

The Board requested that Mr. Klieman submit his questions and concerns in writing to the Board.

Financial Business

Financial Reports

- **Investment Performance**

Financial Consultant, Frederick Miller, provided a Performance Analysis Summary, dated April 22, 2016. He reported that the Pension Plan Holdings year to date had a decrease of 4.28. Mr. Miller said the city had taken out $1.4 million since transitioning over from Wilmington Trust. His recommendation to the Board was to replace the Thornburg Investment Income Builder Fund Class A M/F with the Vanguard-Wellesley Income Fund (VWIAX).

Motion by Mayor Skotarczyk, seconded by Board Member Zyrowski, to accept and file the report as presented. All Ayes. Motion Carried.

Invoice Approval

Motion by City Commissioner Turner, seconded by Board Member Itrich, to approve Sullivan, Ward, Asher & Patton, P.C. Invoice #481774 in the amount of $45.00, as presented. All Ayes. Motion Carried.

Preliminary Financial Statements

Motion by Board Member Zyrowsk, seconded by City Commissioner Turner, to accept the Preliminary Financial Statements for January, February, and March 2016, and place on file. All Ayes. Motion Carried.

Adjournment

Motion by Mayor Skotarczyk, seconded by Board Member Zyrowski, to adjourn at 5:08 pm. All Ayes. Motion Carried.

Respectfully submitted,

Elizabeth McDonald
Deputy Clerk

Kristen Baxter
City Clerk

City of Marine City

Memo

To: Pension Board Members

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

Date 5/18/16

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR APRIL 2016**

Please include the attached **Preliminary Financial Statements for April 2016** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

BALANCE SHEET FOR CITY OF MARINE CITY
Period Ending 04/30/2016
PRELIMINARY FINANCIAL STATEMENTS-APRIL 2016

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	76,666.47
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	4,435,851.26
731-000.000-028.100	CONTRIBUTIONS RECEIVABLE	45,120.24
Total Assets		**4,557,637.97**
*** Liabilities ***		
Total Liabilities		**0.00**
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,361,771.36
Total Fund Balance		**5,361,771.36**
Beginning Fund Balance		**5,361,771.36**
Net of Revenues VS Expenditures		**(804,133.39)**
Ending Fund Balance		**4,557,637.97**
Total Liabilities And Fund Balance		**4,557,637.97**

PRELIMINARY
FINANCIAL
STATEMENTS
APRIL 2016

PERIOD ENDING 04/30/2016

PRELIMINARY FINANCIAL STATEMENTS-APRIL 2016

GL NUMBER	DESCRIPTION	2015-16 ORIGINAL BUDGET	2015-16 AMENDED BUDGET	YTD BALANCE 04/30/2016 NORM (ABNORM)	ACTIVITY FOR MONTH 04/30/2 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	(718,405.24)	0.00	0.00	718,405.24	100.00
731-000.000-650.200	REALIZED GAIN/LOSS	0.00	0.00	79,582.62	0.00	0.00	(79,582.62)	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	162,483.30	16,248.33	0.00	(162,483.30)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	12,584.06	1,035.28	0.00	(12,584.06)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	116,711.77	0.00	0.00	(116,711.77)	100.00
Total Dept 000.000		0.00	0.00	(347,043.49)	17,283.61	0.00	347,043.49	100.00
TOTAL Revenues		0.00	0.00	(347,043.49)	17,283.61	0.00	347,043.49	100.00
Expenditures								
Dept 000.000								
731-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	1,645.00	0.00	0.00	(1,645.00)	100.00
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	24,863.14	0.00	0.00	(24,863.14)	100.00
731-000.000-955.000	RETIREMENT BENEFITS	0.00	0.00	381,996.00	38,199.60	0.00	(381,996.00)	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	457,089.90	38,199.60	0.00	(457,089.90)	100.00
TOTAL Expenditures		0.00	0.00	457,089.90	38,199.60	0.00	(457,089.90)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:								
TOTAL REVENUES		0.00	0.00	(347,043.49)	17,283.61	0.00	347,043.49	100.00
TOTAL EXPENDITURES		0.00	0.00	457,089.90	38,199.60	0.00	(457,089.90)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(804,133.39)	(20,915.99)	0.00	804,133.39	100.00

PRELIMINARY FINANCIAL STATEMENTS APRIL 2016

City of Marine City

Memo

To: Pension Board Members

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

Date 6/16/16

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR MAY 2016**

Please include the attached **Preliminary Financial Statements for May 2016** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

BALANCE SHEET FOR CITY OF MARINE CITY
Period Ending 05/31/2016
PRELIMINARY FINANCIAL STATEMENTS-MAY 2016

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	55,797.50
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	4,722,530.86
731-000.000-028.100	CONTRIBUTIONS RECEIVABLE	45,120.24
	Total Assets	**4,823,448.60**
*** Liabilities ***		
	Total Liabilities	**0.00**
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,361,771.36
	Total Fund Balance	**5,361,771.36**
	Beginning Fund Balance	**5,361,771.36**
	Net of Revenues VS Expenditures	**(538,322.76)**
	Ending Fund Balance	**4,823,448.60**
	Total Liabilities And Fund Balance	**4,823,448.60**

PRELIMINARY FINANCIAL STATEMENTS MAY 2016

PERIOD ENDING 05/31/2016

PRELIMINARY FINANCIAL STATEMENTS-MAY 2016

GL NUMBER	DESCRIPTION	2015-16 ORIGINAL BUDGET	2015-16 AMENDED BUDGET	YTD BALANCE 05/31/2016 NORM (ABNORM)	ACTIVITY FOR MONTH 05/31/2 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	(447,826.30)	0.00	0.00	447,826.30	100.00
731-000.000-650.200	REALIZED GAIN/LOSS	0.00	0.00	79,582.62	0.00	0.00	(79,582.62)	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	178,731.63	16,248.33	0.00	(178,731.63)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	13,655.99	1,071.93	0.00	(13,655.99)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	140,861.95	0.00	0.00	(140,861.95)	100.00
Total Dept 000.000		0.00	0.00	(34,994.11)	17,320.26	0.00	34,994.11	100.00
TOTAL Revenues		0.00	0.00	(34,994.11)	17,320.26	0.00	34,994.11	100.00
Expenditures								
Dept 000.000								
731-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	1,645.00	0.00	0.00	(1,645.00)	100.00
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	32,902.29	0.00	0.00	(32,902.29)	100.00
731-000.000-955.000	RETIREMENT BENEFITS	0.00	0.00	420,195.60	38,199.60	0.00	(420,195.60)	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	503,328.65	38,199.60	0.00	(503,328.65)	100.00
TOTAL Expenditures		0.00	0.00	503,328.65	38,199.60	0.00	(503,328.65)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:								
TOTAL REVENUES		0.00	0.00	(34,994.11)	17,320.26	0.00	34,994.11	100.00
TOTAL EXPENDITURES		0.00	0.00	503,328.65	38,199.60	0.00	(503,328.65)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(538,322.76)	(20,879.34)	0.00	538,322.76	100.00

PRELIMINARY FINANCIAL STATEMENTS MAY 2016

City of Marine City

Memo

To: Pension Board Members

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

Date 7/14/16

Re: **PRELIMINARY FINANCIAL STATEMENTS FOR JUNE 2016**

Please include the attached **Preliminary Financial Statements for June 2016** on the agenda of the next Pension Board Meeting. If you have any questions, please contact me.

Thank you

BALANCE SHEET FOR CITY OF MARINE CITY
Period Ending 06/30/2016
PRELIMINARY FINANCIAL STATEMENTS-JUNE 2016

Fund 731 MARINE CITY RETIREMENT SYSTEM

GL Number	Description	Balance
*** Assets ***		
731-000.000-001.001	CASH	135,440.43
731-000.000-017.000	PENSION FUND TRUST ACCOUNT	4,622,530.86
731-000.000-028.100	CONTRIBUTIONS RECEIVABLE	45,120.24
Total Assets		**4,803,091.53**
*** Liabilities ***		
Total Liabilities		**0.00**
*** Fund Balance ***		
731-000.000-390.000	FUND BALANCE	5,361,771.36
Total Fund Balance		**5,361,771.36**
Beginning Fund Balance		**5,361,771.36**
Net of Revenues VS Expenditures		**(558,679.83)**
Ending Fund Balance		**4,803,091.53**
Total Liabilities And Fund Balance		**4,803,091.53**

PRELIMINARY
FINANCIAL
STATEMENTS
JUNE 2016

PERIOD ENDING 06/30/2016

PRELIMINARY FINANCIAL STATEMENTS-JUNE 2016

GL NUMBER	DESCRIPTION	2015-16 ORIGINAL BUDGET	2015-16 AMENDED BUDGE	YTD BALANCE 06/30/2016 NORM (ABNORM)	ACTIVITY FOR MONTH 06/30/1 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	(447,826.30)	0.00	0.00	447,826.30	100.00
731-000.000-650.200	REALIZED GAIN/LOSS	0.00	0.00	79,582.62	0.00	0.00	(79,582.62)	100.00
731-000.000-653.000	EMPLOYER RETIREMENT CONT.	0.00	0.00	194,979.96	16,248.33	0.00	(194,979.96)	100.00
731-000.000-654.000	EMPLOYEE RETIREMENT CONT.	0.00	0.00	15,249.18	1,593.19	0.00	(15,249.18)	100.00
731-000.000-665.000	INTEREST	0.00	0.00	140,862.96	0.00	0.00	(140,862.96)	100.00
Total Dept 000.000		0.00	0.00	(17,151.58)	17,841.52	0.00	17,151.58	100.00
TOTAL Revenues		0.00	0.00	(17,151.58)	17,841.52	0.00	17,151.58	100.00
Expenditures								
Dept 000.000								
731-000.000-801.000	PROFESSIONAL SERV.	0.00	0.00	1,645.00	0.00	0.00	(1,645.00)	100.00
731-000.000-808.000	PENSION TRUST FEE	0.00	0.00	32,902.29	0.00	0.00	(32,902.29)	100.00
731-000.000-955.000	RETIREMENT BENEFITS	0.00	0.00	458,395.20	38,199.60	0.00	(458,395.20)	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	541,528.25	38,199.60	0.00	(541,528.25)	100.00
TOTAL Expenditures		0.00	0.00	541,528.25	38,199.60	0.00	(541,528.25)	100.00
Fund 731 - MARINE CITY RETIREMENT SYSTEM:								
TOTAL REVENUES		0.00	0.00	(17,151.58)	17,841.52	0.00	17,151.58	100.00
TOTAL EXPENDITURES		0.00	0.00	541,528.25	38,199.60	0.00	(541,528.25)	100.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	(558,679.83)	(20,358.08)	0.00	558,679.83	100.00

PRELIMINARY FINANCIAL STATEMENTS JUNE 2016