

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MEETING
MINUTES OF WEDNESDAY, DECEMBER 3, 2003**

A meeting of the Pension Board was held December 3, 2003 in the third floor conference room of City Hall.

Chair John Nelson called the meeting to order at 7:30 a.m.

Trustees Present: John Nelson, Pat DiGiovanni, Mary Balkema, Steve Smith, Kris Martin
Others Present: Mark Stuhldreher, Kim Fink, Randy Schau, Bob Baxter, Fay Dorr

Approval of Minutes

A motion was made by Kris Martin and supported by Steve Smith to approve the minutes of the Pension Board meeting of August 27, 2003 with a correction of "Lead" to "Lend" on page two. The motion was carried by a voice vote.

Approval of Retirement Applications

The following regular retirement application was presented for approval:

<u>Retiree</u>	<u>Election</u>	<u>Benefit</u>	<u>FAC</u>	<u>Years of Service</u>
Ernest Moss	St Life	\$490.03	\$22,079.02	15.667

A motion was made by Kris Martin and supported by Steve Smith to approve the retirement application. The motion was carried by a voice vote.

Approval of Refund Applications

The following refunds were presented for approval:

<u>Name</u>	<u>Amount</u>	<u>Group</u>	<u>Method</u>	<u>Service Years</u>
Roger Oliver	\$14,766.16	NBU	Distribution	9 years
Frederick Brennan	\$617.33	NBU	Rollover	1 year
Ellen Chapman	\$582.70	Transit	Distribution	1.5 years
Bryan Allers	\$15,224.54	AFSCME	Distribution	12 years
Angelique Armstrong	\$1,630.46	Transit	Distribution	2 years
Michelle Devine	\$6,926.50	AFSCME	Distribution	8 years
William Troup	\$252.18	AFSCME	Distribution	6 months

A motion was made by Pat DiGiovanni and supported by Steve Smith to approve the refund applications. The motion was carried by a voice vote.

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EDRO: Bourgeois

Kim Fink explained the EDRO for Peter Bourgeois was drafted back in 1996. When he was ready to retire, we obtained the certification and the calculation letter from our actuary. Pat DiGiovanni asked if we would know if there was another court order after the first EDRO. Randy Schau responded that the interested parties (ex-spouse) would need to make us aware of the order. Kim Fink explained that she worked with the employee who was retiring so he is aware of the order being applied to his retirement. A motion was made by Pat DiGiovanni and supported by Kris Martin to approve the EDRO for Peter Bourgeois. The motion passed by a voice vote.

EDRO: Start

Kim Fink explained the EDRO for Larry Start was drafted back in 1992 and the certification and calculation letter were obtained in 1994 because the alternate payee wanted to know what her benefit would be if she chose to receive her benefit prior to his retirement. She did choose to wait until Larry Start actually retired. A motion was made by Pat DiGiovanni and supported by Steve Smith to approve the EDRO for Larry Start. The motion passed by a voice vote.

There was further discussion on EDRO's as to when the EDRO and the certification should be brought before the Pension Board. John Nelson asked if a recommendation could be brought to the Pension Board at the next meeting determining the procedure for presenting EDRO's to the Board. Kim Fink responded the recommendation would be ready for the next meeting.

Information: Changes due to Deaths

<u>Retiree</u>	<u>Date of Death</u>	<u>Benefit</u>	<u>Beneficiary Benefit</u>
Harry Jepkema	09/21/03	\$1,255.53	\$1,255.53
Lillian Corey	09/17/03	\$250.91	none
Howard Rock	11/04/03	\$498.07	none

Communications

John Nelson stated the audit scope for the Retirement System would remain the same for next year.

John Nelson reviewed the 3rd quarter investment performance noting that it was a good 3rd quarter with a return of 3.8%. The total year-to-date performance was 16.5%. He reviewed the total returns of the funds vs. their benchmark and noted that the two small cap funds were 9% and 10% over their benchmarks. John Nelson mentioned the Investment Committee would be meeting on Tuesday, December 16, 2003 for their annual reallocation meeting.

Mark Stuhldreher stated the general member election would be held in December, 2003. Our current general member trustee, Kris Martin, is running again.

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The next Pension Board meeting is Wednesday, February 26, 2004, at 7:30 a.m. in the 3rd Floor Conference Room of City Hall.

There being no further business, Chair John Nelson adjourned the meeting at 8:10 a.m.

Respectfully submitted,

Mark Stuhldreher
Secretary