

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MINUTES
MONDAY, November 9, 2015**

A meeting of the Pension Board of Trustees was held on Monday, November 9, 2015 at 8:05 a.m. in the Third floor Conference Room of City Hall.

Members Present: Acting Chair City Manager Jim Ritsema, Deputy City Manager Patsy Moore and James Mallery

Members Absent: Chair Randy Eberts and Commissioner Barb Miller

Also Present: Clyde Robinson, Tom Skrobola, Patricia Vargas

Jim Mallery motioned and Patsy Moore supported to excuse Chair Randy Eberts and Commissioner Barb Miller.

Ayes: Acting Chair Jim Ritsema, Deputy City Manager Patsy Moore and Jim Mallery

Nays: None

Approval of Minutes

Patsy Moore motioned and Jim Mallery supported to approve the Pension Board minutes of August 12, 2015, with correction of misprint. The motion was passed by voice vote:

Ayes: Acting Chair Jim Ritsema, Deputy City Manager Patsy Moore and Jim Mallery

Nays: None

2015 Approval of Retirement Applications – 3rd Qtr.

Last Name	First Name	Group	Date	Type	Benefit	Method	FAC	Yrs
Nord	Douglas	NBU	05/08/15	Deferred			\$70,125.49	9.750
Carlson	Wade	NBU	06/24/15	Regular	\$2,163.86	Joint & 50%	\$78,156.82	16.100
Khadiwi	Behrooz	AFSCME	07/02/15	Regular	\$2,908.76	Straight Life	\$65,182.40	25.600
Dorr	Marcella	NBU	09/20/15	Deferred			\$42,916.23	15.583
Hess	Nancy	KMEA	09/12/15	Early	\$1,712.74	Straight Life	\$53,733.07	22.167

2015 Employee Refunds – 3rd Qtr.

Last Name	First Name	Amount	Group	Date	Method	Service Time
Underwood	Curt	\$1,140.20	AFSCME	07/28/15	Distribution	2 years 9 months
Konkle	Matthew	\$9,188.82	KPSOA	09/01/15	Distribution	3 years 3 months
Porter	Reginald	\$25,457.99	ATU	9/1/215	Distribution	20 years 8 months
Franklin	Quatisa	\$1,227.44	ATU	10/13/15	Distribution	3 years 4 months
Kronovich	Christopher	\$9,077.29	KPSOA	10/13/15	Rollover	2 years 7 months
Noble	Brandon	\$26,927.58	KPSOA	10/13/15	Rollover	6 years 8 months

Jim Mallery motioned and Patsy Moore supported to approve the refund applications. The motion was passed by voice vote:

Ayes: Acting Chair Jim Ritsema, Deputy City Manager Patsy Moore and Jim Mallery

Nays: None

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Approval of Military Buy-Back Application

The Committee reviewed the supporting documentation for the following military buy-back applicant:

- Roger Iveson

Jim Mallery motioned and Patsy Moore supported to approve the military buy-back application.

The motion was passed by voice vote:

Ayes: Acting Chair Jim Ritsema, Deputy City Manager Patsy Moore and Jim Mallery

Nays: None

Approval of Prior Service Buy-Back

The Committee reviewed the supporting documentation for the following prior service buy-back applicant:

- Laura Loviska

Jim Mallery motioned and Patsy Moore supported to approve the prior service buy-back application. The motion was passed by voice vote:

Ayes: Acting Chair Jim Ritsema, Deputy City Manager Patsy Moore and Jim Mallery

Nays: None

Changes Due to Death (Information only)

Last Name	First Name	Date of Birth	Date of Hire	Date of Death	Retiree Benefit	Beneficiary Benefit	Beneficiary Name
Haws-Johnson	Mary Ann	5/31/1938		05/12/15	\$101.68		
Brown	Margaret	5/9/1927		07/22/15	\$442.34		
Lectka	Stephen	6/13/1940	5/14/1962	08/03/15	\$2,382.35	\$1,191.75	Judith
Thompson	Eugenia	8/13/1925	2/24/1969	08/05/15	\$703.38		
Beach	Raymond	1/1/1938	6/17/1976	08/09/15	\$1,044.26	\$522.13	Janet Miller
McIntyre	Grace	4/12/1934			\$113.59		
Followell	Jack	8/16/1935	11/20/1962	11/20/1987	\$1,793.82	\$896.91	Priscilla

New Hires (Information only)

Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Baucom	Danielle	14278	08/03/15	F	White	16.86		KMEA
Greenwald	Julia	14288	08/03/15	F	Asian	11.78		KMEA
Hassing	Scott	14277	08/04/15	M	White	15.71		AFSCME
Loviska	Laura	12884	08/06/15	F	White	14.52		KMEA
Fleckenstein	Stephen	14291	08/10/15	M	White	16.86		KMEA
Funk	Carrie	14289	08/10/15	F	White	14.52		KMEA
Iveson	Roger	13919	08/10/15	M	Black	23.57		KMEA
Barstow	Matthew	14292	08/17/15	M	White	15.71		AFSCME
Manning	Joshua	14293	08/17/15	M	White	16.15		AFSCME
Bailey	Shimeka	14294	08/25/15	F	Black	16.86		KMEA
Walker	Princessd Aryal PS	14298	09/08/15	F	Black	13.10		KMEA

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New Hires (Continued, Information only)

Last Name	First Name	EMP	DOH	Sex	Ethnicit	Wage	Annual Wage	Group
Echtinaw	Laura	14299	09/15/15	F	White		36,085.00	NBU
Youmans	Heath	14307	10/12/15	M	White	15.87		AFSCME
French	Eric	14001	10/26/15	M	Black	16.95		ATU

Third Quarter Investment Activity Period Ending September 30, 2015

The market value of portfolio assets decreased from \$722.9 million to \$669.0 million during the third quarter of 2015, a decrease of \$53.9 million or 7.46%.

The portfolio weighted average return for the quarter, net of manager fees, was -6.58%. The 1-year net return was -2.19%. The return since October 1982, net of manager fees, through the end of the quarter has been 10.98%.

Equities comprised 68.4% of the City portfolio at the end of the quarter. The equity portion of the City portfolio returned -9.94% for the quarter and -5.19% year-on-year.

Fixed income comprised 26.4% of the City portfolio at the end of the quarter. Total fixed income returned 1.29% for the quarter and 3.29% year-on-year.

At the end of the quarter, real estate investments were 5.1% of the portfolio. Real estate returned 2.93% for the quarter and 11.61% for one year.

The portfolio assets finished the quarter with 68.4% in equities, 26.4% in fixed income, 5.1% in real estate, and 0.1% in cash. The portfolio target allocation is 70% equities, 25% fixed income, and 5% real estate.

The inflation-adjusted, or real return, for the quarter was -6.29% as the inflation rate for the quarter was -0.29%. With a year-on-year inflation rate of -0.04% the one year real return was -2.15%. Since October 1982, the return on the portfolio, net of manager fees, has been 10.98% nominal and 8.25% real.

Future Meetings:

Wednesday, February 10, 2016
Wednesday, May 11, 2016
Wednesday, August 10, 2016
Wednesday, November 9, 2016

There being no further business, Acting Chair Ritsema adjourned the meeting at 8:25 a.m.

Respectfully submitted,



Thomas C. Skrobola, Secretary