

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MINUTES
FRIDAY, DECEMBER 12, 2008**

A meeting of the Pension Board of Trustees was held on Friday, December 12, 2008 in the Third floor Conference Room of City Hall.

Members Present: Randy Eberts, Ken Collard, Barb Miller, Chuck Dahlinger and Nick Lam

Also Present: Jeanette Meyer, Tom Skrobola, John Buchtrup, Randy Schau and Bob Baxter.

Approval of Minutes

A motion was made and supported to approve the minutes of the Pension Board meeting of August 27, 2008. The motion passed by voice vote.

Approval of Refund Applications

<u>Employee Name</u>	<u>Amount</u>	<u>Group</u>	<u>Method</u>	<u>Service Time</u>
Janis Smits	\$138,926.44	KPSOA	Distribution	18 years
Janet Campbell (Fuller)	\$21,835.78	AFSCME	Distribution	18 years
Raymond Perry	\$2,493.35	ATU	Distribution of prior service buyback	
Donald McLennan	\$6,732.84	KPSOA	Distribution of military buyback	
Doreen Brinson	\$2,578.87	NBU	Distribution of PRA contribution	
Cathy Lawson	\$2,442.03	NBU	Distribution of PRA contribution	
Rayline Manni	\$2,090.87	KMEA	Distribution	5 years

Ken Collard asked whether or not a military refund should be given before a disability is approved. Brief discussion followed in which Mr. Schau noted that the request had properly come before the Board and should be considered regardless of the other requests the employee was making.

A motion was made and supported to approve all refunds. The motion passed by voice vote.

Approval of Retirement Applications

The following retirement applications were submitted for approval:

<u>Last Name</u>	<u>First Name</u>	<u>Group</u>	<u>Type</u>	<u>Benefit Amount</u>	<u>Method</u>	<u>FAC</u>	<u>Years</u>
Metzler	Thomas	AFSCME	Regular	\$2,188.80	Straight Life	\$38,583.27	32.417
Myers	Marty	KPSOA	Regular	\$4,492.05	Straight Life	\$76,787.20	32.583

A motion was made and supported to approve all regular retirement applications. The motion passed by voice vote.

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Approval of Duty Disability for Mark Porter

Jeanette Meyer summarized the details of Mr. Porter's condition.

A motion was made and supported to approve the duty disability. The motion passed by voice vote.

Approval of Duty Disability for Donald McLennan

Jeanette Meyer summarized the details of Mr. McLennan's condition. There was a brief discussion.

A motion was made and supported to approve the duty disability. The motion passed by voice vote.

Approval of Duty Disability for William Reidenbach

Mr. Reidenbach's attorney discussed this matter with Mr. Schau and after that conversation Mr. Reidenbach called Jeanette Meyer and asked that his application for a duty disability retirement not be considered at this time. Some additional information was distributed with regard to Mr. Reidenbach's condition. The matter was tabled.

Approval of Non-Duty Disability for Katherine Gosnell

Jeanette Meyer summarized the details of Ms. Gosnell's condition and referred to a memo from Thomas Skrobola recommending that the non-duty disability be granted.

A motion was made and supported to approve the duty disability. The motion passed by voice vote.

Approval of Retirement Applications for Disability Retirements

<u>Last Name</u>	<u>First Name</u>	<u>Group</u>	<u>Type</u>	<u>Benefit Amount</u>	<u>Method</u>	<u>FAC</u>	<u>Years</u>
Porter	Mark	AFSCME	Duty Disability	\$1,405.18	Joint & 100% survivor	\$33,747.31	16.500
McLennan	Donald	KPSA	Duty Disability	\$44,77.59	Straight Life	\$79,601.63	19.083
Gosnell	Katherine	AFSCME	Non-Duty Dis.	\$681.62	Straight Life	\$31,268.94	12.417

A motion was made and supported to approve the duty disability amounts. The motion passed by voice vote.

Approval of Bagley EDRO

Jeanette Meyer summarized the facts of the EDRO.

A motion was made and supported to approve the EDRO. The motion passed by voice vote.

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Approval of Military Buyback – Veltman

Jeanette Meyer summarized the facts for the Committee.

A motion was made and supported to approve the buyback. The motion passed by voice vote.

<u>Retiree</u>	<u>Date of Death</u>	<u>Beneficiary Benefit</u>	<u>Benefit</u>	<u>Retiree's DOB</u>
Phyllis DeBor	08/21/08	0.00	579.12	04/05/46
Duane Corts	08/17/08	610.01	1,220.02	12/03/40
Herman Boltjes	09/18/08	944.97	1,889.93	01/04/36
Alfred Reist	10/06/08	0.00	429.98	04/25/18
Helen Walbridge	10/29/08	0.00	332.28	
Irene Clapp	10/29/08	0.00	162.14	
John Minehart	11/24/08	1,437.90	2,875.79	10/05/46

Changes Due to Death: Information Only

Third Quarter Investment Activity

Tom Skrobola reported that the market value of portfolio assets decreased from \$473.1 million to \$431.4 million during the third quarter of 2008, a decrease of \$41.7 million or 8.8%. The market value is net of approximately \$3.9 million in benefit payments and \$164,234 in withdrawals. Employee contributions for the quarter were \$377,923. The City made no contribution in the quarter.

The weighted average return of the portfolio for the quarter, net of manager fees, was a negative 1.0%. The portfolio year-on-year return was -.4%. The annualized return since October 1982, net of manager fees, through the end of the quarter has been a positive 11.6%.

Other

Ken Collard brought three things to the attention of the Board which he felt needed to be made clearer:

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- Disability applications needed to be distinguished as either duty or non-duty prior to being considered by the Pension Board;
- Whether the disability is duty-related, as it relates to the proximate result test in the Pension Ordinance, should be determined by a medical doctor;
- Staff recommendations must deliver a consistent "yes/no" for the consideration of the Pension Board.

There was some discussion about these points.

Chuck Dahlinger brought Public Act 317 of 1969 to the attention of the board. This act allows public safety officers to draw worker's compensation if they have heart attacks either on or off the job. Mr. Schau explained that this act does not apply to a duty disability retirement benefit which is granted based on requirements set forth in our pension ordinance.

There being no further business, Chairman Eberts adjourned the meeting.

Respectfully submitted,

Thomas C. Skrobola, Secretary