

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MINUTES
WEDNESDAY, December 6, 2017**

A meeting of the Pension Board of Trustees was held on Wednesday, December 6, 2017 at 8:00 a.m. in the Third floor Conference Room of City Hall.

Members Present: City Manager Jim Ritsema, Chair Randy Eberts, Thomas Maher and Robert Bauckham

Members Absent: Commissioner Shannon Sykes

Also Present: Melissa Fuller, Michelle Mater, Clyde Robinson, Tom Skrobola and Patricia Vargas

Jim Ritsema motioned and Robert Bauckham supported to excuse Commissioner Shannon Sykes. The motion was passed by voice vote:

Ayes: City Manager Jim Ritsema, Tom Maher, and Rob Bauckham

Nays: None

Approval of Minutes

Jim Ritsema motioned and Rob Bauckham supported to approve the Pension Board minutes of September 6, 2017. The motion was passed by voice vote:

Ayes: City Manager Jim Ritsema, Tom Maher, and Rob Bauckham

Nays: None

2017 Approval of Retirement Applications – 4th Qtr.

Last Name	First Name	Group	Date	Type	Benefit	Method	FAC	Yrs
Jenkins	Karen	KMEA	08/12/17	Regular	\$2,872.67	100% J & S	\$60,987.57	27.0833
Ochsenkehl	Marc	KPSOA	08/16/17	Regular	\$4,411.59	Straight Life	\$78,428.21	25.0000
Mack	Jeffrey	KPSA	08/19/17	Regular	\$4,936.51	100% J & S	\$93,276.49	25.0000
Webster	Donald	NBU	08/24/17	Regular	\$7,050.54	Straight Life	\$125,342.97	25.0000
Moore	William	KPSA	09/01/17	Regular	\$5,173.88	Straight Life	\$91,674.55	25.0833
Hill	Belinda	AFSCME	09/06/17	Regular	\$1,756.53	Straight Life	\$41,108.55	24.4167
Kneas	John	NBU	09/08/17	Regular	\$2,331.56	100% J & S	\$88,496.94	16.2500

Jim Ritsema motioned and Tom Maher supported to approve the retirement applications. The motion was passed by voice vote:

Ayes: City Manager Jim Ritsema, Tom Maher and Rob Bauckham

Nays: None

2017 Employee Refunds – 4th Qtr.

Last Name	First Name	Amount	Group	Date	Method	Service Time
Hall	Steven	\$19,264.34	KPSOA	09/28/17	Distribution	4 years 8 months
Fahey	William	\$4,382.22	NBU	09/28/17	Distribution	2 years 8 months

Jim Ritsema motioned and Tom Maher supported to approve the refund applications. The motion was passed by voice vote:

Ayes: City Manager Jim Ritsema, Tom Maher and Rob Bauckham

Nays: None

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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
Culter	Wayne	5/31/1946	5/14/1984	08/11/17	Straight Life		
Gates	Ted	8/3/1949	4/28/1980	08/11/17	Straight Life		
Lang	Wayne	5/26/1929	6/16/1953	07/19/17	100% J&S		
Loen	Helen	9/27/1931		08/15/17		\$2,395.56	
Vanatti	Pearlie	11/13/1927	5/27/1946	08/06/17	Straight Life		
Gooding	Edward	9/2/1948	3/4/1969	08/20/17	Straight Life	\$2,107.28	Sandra Gooding
Fooy	Donna	4/30/1931		09/20/17		\$500.99	
Thompson	Franklin	6/21/1926	5/17/1948	09/15/17	100% J&S		
Rice	Martha	12/20/1917		08/23/17	Straight Life	\$92.17	
Roberts	Connie	6/5/1943		04/24/17	50% Survivor	\$243.00	
Adams	Lois	6/8/1929		09/23/17	Straight Life	\$411.40	
Nelson	Darryl	3/15/1943	7/31/2001	10/22/17	50% Survivor	\$504.97	Lillian Nelson
Smith	Mathilda	2/13/1925		10/10/17	50% Survivor	\$284.65	

New Hires (Information only)

Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Buitron	Conrad	14684	08/28/17	M	Hispanic	13.19		KMEA
Hampton	Nicholas	14685	08/28/17	M	White	12.47		KMEA
Jones	Martin	14180	08/28/17	M	White	16.71		AFSCME
Aldering	Randall	14686	09/05/17	M	White	22.15		KMEA
Huls	Dylan	14687	09/05/17	M	White	21.63		KMEA
Christy	Nicholas	14688	09/06/17	M	White		95,000.00	NBU
Connelly	David	14696	09/11/17	M	White	16.71		AFSCME
Noble	Brandon	12915	09/11/17	M	White	30.25		KPSOA
Strong	Nancy	14692	09/11/17	F	White	15.82		KMEA
Hambright	John	14693	09/18/17	M	White		57,209.00	NBU
Munn	Justun	14697	09/18/17	M	White	23.24		KMEA
Giles	Scott	14699	09/25/17	M	White	16.71		AFSCME
Heckelman	Laura	13599	09/25/17	F	White	21.52		KPSOA
Stygar	Brian	14700	09/25/17	M	White	16.71		AFSCME
Lillibridge	William	14701	10/10/17	M	White	17.04		AFSCME
Baranoski	James	14707	10/23/17	M	White	17.04		AFSCME
Terprening	Timothy	14708	10/23/17	M	White	17.04		AFSCME
Crist	Larry	14710	11/06/17	M	White		54,902.00	NBU
Reilly	Kathleen	14711	11/06/17	F	White		47,637.00	NBU
Polmateer	Ethen	14713	11/06/17	M	White	17.04		AFSCME
Sagers	Steve	14714	11/06/17	M	White	17.04		AFSCME
Williams	Gerard	14715	11/06/17	M	Black	17.04		AFSCME
Goertler	Diane	14709	11/13/17	F	White		60,416.00	NBU

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Duty Disability (Information only)

Last Name	First Name	Group	Date	Benefit \$ Method	FAC	Yrs	PRA Effective Date
Keyes	Amber	KPSOA	07/01/17	\$1,577.20 100% J & S w/ pop up	\$44,096.55	23.083	7/31/2018
Merren	Angelique	KPSOA	07/01/17	\$4,310.84 100% J & S w/ pop up	\$77,489.51	12.250	1/1/2018

Second Quarter Investment Activity Period Ending September 30, 2017

The market value of portfolio assets increased from \$763.2 million to \$784.8 million during the third quarter of 2017, an increase of \$21.6 million or 2.83%.

The portfolio weighted average return for the quarter, net of manager fees, was 4.05%. The 1-year net return was 14.75%. The return since October 1982, net of manager fees, through the end of the quarter has been 11.13%.

Equities comprised 70.6% of the City portfolio at the end of the quarter. The equity portion of the City portfolio returned 5.46% for the quarter and 21.25% year-on-year.

Fixed income comprised 24.5% of the City portfolio at the end of the quarter. Total fixed income returned 0.73% for the quarter and negative 0.01% year-on-year.

At the end of the quarter, real estate investments were 4.9% of the portfolio. Real estate returned 1.17% for the quarter and 3.75% for one year.

The portfolio assets finished the quarter with 70.6% in equities, 24.5% in fixed income, 4.9% in real estate, and 0.04% 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 3.29% as the inflation rate for the quarter was 0.76%. With a year-on-year inflation rate of 2.23%, the one year real return was 12.52%. Since October 1982, the return on the portfolio, net of manager fees, has been 11.13% nominal and 8.42% real.

Future Meetings:

Wednesday, March 7, 2018
Wednesday, June 6, 2018
Wednesday, September 5, 2018
Wednesday, December 5, 2018

There being no further business, Chair Randy Eberts adjourned the meeting at 8:41 a.m.

Respectfully submitted,



Thomas C. Skrobola, Secretary