

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MINUTES
WEDNESDAY, March 7, 2018**

A meeting of the Pension Board of Trustees was held on Wednesday, March 7, 2018 at 8:00 a.m. in the Third floor Conference Room of City Hall.

Members Present: Vice-Chair/City Manager Jim Ritsema, Thomas Maher and Robert Bauckham

Members Absent: Chair Randy Eberts and Commissioner Shannon Sykes

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

Approval of Minutes

Rob Bauckham motioned and Tom Maher supported to approve the Pension Board minutes of December 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
*Dahlinger III	Charles	KPSOA KPSOA	08/12/16	Regular	\$3,983.55	Straight Life EDRO-C.	\$81,674.37	26.0000
*Dahlinger	Dawn	(ex-spouse)	08/12/16	Regular	\$670.34	Dahlinger		
Allen	Mary	AFSCME	07/29/17	Regular	\$1,452.76	Straight Life	\$51,349.37	16.1667
**Jenkins	Karen	KMEA	08/12/17	Regular	\$2,672.67	100% J & S	\$60,987.57	27.0833
Graham	James	KMEA	08/17/17	Regular	\$394.54	100% J & S	\$40,662.90	6.3333
Goodell	Sheila	KPSOA	11/08/17	Regular	\$4,738.00	Straight Life	\$81,777.84	25.7500
Ledbetter	Victor	KPSA KPSOA-	11/16/17	Regular	\$6,152.84	Straight Life	\$108,300.84	25.2500
Loomis	Gary	CSO	11/28/17	Regular	\$2,933.29	100% J & S	\$78,310.98	25.5000
Randolph	Stacey	KPSA	11/29/17	Regular	\$6,188.44	Straight Life 50% J & S	\$108,213.24	25.4167
Carlson	Kyle	AFSCME	11/30/17	Regular	\$1,364.21	w/ pop up	\$49,757.99	17.1667
Gnatuk	Rebecca	KMEA	11/30/17	Regular	\$2,801.20	Straight Life 50% J & S	\$57,682.31	27.7500
Wisdom-Modert	Dena	KMEA	11/30/17	Regular	\$2,091.46	w/ pop up	\$49,927.74	25.5833
Jean II	James	NBU		Deferred			\$57,901.30	25.0000

*Note: Retiree Charles Dahlinger's Pension Benefit was approved by the Pension Board of Trustees in their regular March 2018 meeting as a single benefit payment to Mr. Dahlinger. This benefit is being re-submitted to the Board for approval, as a portion of the benefit is being provided to an "Alternate Payee" (ex-spouse of Mr. Dahlinger), Dawn Dahlinger, in accordance with an Eligible Domestic Relations Order (EDRO).

**Note: Retiree Karen Jenkins' pension benefit was approved by the Pension Board of Trustees in their regular December 2017 meeting as \$2,872.67. This benefit is being re-submitted to the Board for approval, as that amount was listed incorrectly (should be \$2,672.67).

Rob Bauckham 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
Morris	Jenelle	\$1,175.90	KMEA	12/04/17	Distribution	3 years 1 month
*Dahlinger III	Charles	\$6,122.33	KPSOA	12/04/17	Distribution	2 years

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*Note: Retiree Charles Military Buyback Refund was approved by the Pension Board of Trustees in their regular November 2017 meeting as a single refund to Mr. Dahlinger. This refund is being re-submitted to the Board for approval, as a portion of the refund is being provided to an "Alternate Payee" (ex-spouse of Mr. Dahlinger), Dawn Dahlinger, in accordance with an Eligible Domestic Relations Order (EDRO).

Tom Maher motioned and Rob Bauckham 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

2017 Changes Due to Death – 4th Qtr. (Information only)

Last Name	First Name	Date of Birth	Date of Hire	Date of Death	Retiree Benefit	Beneficiary Benefit	Beneficiary Name
Casey	Jimmy	3/21/1943	7/17/1972	08/12/17	15 Years Certain & Life		
Weaver	Paul	2/11/1922	4/15/1968	11/05/17	15 Years Certain & Life		
Tydeman	Ruth	1/7/1929	2/11/1975	11/07/17	Straight Life		
Channels	Pauline	4/7/1932		12/22/17		\$649.43	

2018 Changes Due to Death – 1st Qtr. (Information only)

Last Name	First Name	Date of Birth	Date of Hire	Date of Death	Retiree Benefit	Beneficiary Benefit	Beneficiary Name
Monroe Sr.	Daniel	3/5/1949	5/1/1989	01/24/2018	Straight Life	01/24/2018	\$1,191.19
Lindley	Marilyn	4/1/1937		01/15/2018		01/15/2018	
Roseboom	Marilyn	9/12/1935		01/11/2018		01/11/2018	

2017 New Hires – 4th Qtr. (Information only)

Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Overholser	Nathan	14719	11/20/17	M	White	17.51		AFSCME
Hills	Matthew	14720	12/04/17	M	White	17.04		AFSCME
Rickstad	Nicholas	12502	12/04/17	M	White	17.04		AFSCME
Tazelaar	Zachery	14721	12/04/17	M	White	17.04		AFSCME
Coeur	Aaron	14722	12/11/17	M	White	23.55		KMEA
LeClercq	Kerrie	14723	12/11/17	F	White	15.07		KMEA
Dubois	Timothy	14738	12/18/17	M	White		95,000.00	NBU
Everett	Nicholas	14739	12/18/17	M	White	17.04		AFSCME
Kitts	Grant	14724	12/18/17	M	2+	18.95		KPSOA

2018 New Hires – 1st Qtr. (Information only)

Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Misner	Brian	14743	01/02/18	M	White	17.04		AFSCME
Munch	Kayla	14741	01/02/18	F	White	15.07		KMEA
Wright	Deborah	14742	01/02/18	F	Black	15.00		KMEA
Alvarez	Daniel	14736	01/16/18	M	Hispanic	18.95		KPSOA
Brignall	Spencer	14729	01/16/18	M	White	20.83		KPSOA
Britten	Zachary	14728	01/16/18	M	White	20.83		KPSOA

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Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Bugarin	Raul	14734	01/16/18	M	Hispanic	18.95		KPSOA
Chrysler	Megan	14735	01/16/18	F	White	18.95		KPSOA
Coallier	Austin	14732	01/16/18	M	White	18.95		KPSOA
Howe	Bradley	14726	01/16/18	M	White	20.83		KPSOA
Morgan	Patrick	14730	01/16/18	M	White	20.83		KPSOA
Spieldenner	Bradley	14737	01/16/18	M	White	18.95		KPSOA
Terburg	Thomas	14733	01/16/18	M	White	20.83		KPSOA
VanDyken	Jason	14731	01/16/18	M	White	20.83		KPSOA
VerMeulen	Samuel	14727	01/16/18	M	White	20.83		KPSOA
Visser	Aaron	14725	01/16/18	M	White	20.83		KPSOA
Brinkert	Erik	14747	01/29/18	M	White	17.04		AFSCME
Morales	Oscar	13087	01/29/18	M	Hispanic	17.04		AFSCME
Taverna	Preston	14748	01/29/18	M	White	17.04		AFSCME

Fourth Quarter Investment Activity Period Ending December 31, 2017

The market value of portfolio assets increased from \$784.8 million to \$809.2 million during the fourth quarter of 2017, an increase of \$24.4 million or 3.11%.

The portfolio weighted average return for the quarter, net of manager fees, was 4.21%. The 1-year net return was 15.83%. The return since October 1982, net of manager fees, through the end of the quarter has been 11.17%.

Equities comprised 70.9% of the City portfolio at the end of the quarter. The equity portion of the City portfolio returned 5.70% for the quarter and 21.32% year-on-year.

Fixed income comprised 24.3% of the City portfolio at the end of the quarter. Total fixed income returned 0.44% for the quarter and 3.57% year-on-year.

At the end of the quarter, real estate investments were 4.8% of the portfolio. Real estate returned 1.70% for the quarter and 5.66% for one year.

The portfolio assets finished the quarter with 70.9% in equities, 24.3% in fixed income, 4.8% in real estate, and 0.06% 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 4.33% as the inflation rate for the quarter was -0.12%. With a year-on-year inflation rate of 2.11%, the one year real return was 13.72%. Since October 1982, the return on the portfolio, net of manager fees, has been 11.17% nominal and 8.49% real.

Future Meetings:

Wednesday, June 6, 2018
Wednesday, September 5, 2018
Wednesday, December 5, 2018
Wednesday, March 6, 2019

There being no further business, Vice-Chair Jim Ritsema adjourned the meeting at 8:08 a.m.

Respectfully submitted,

Patricia Vargas

Patricia Vargas, Recording Secretary