

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MINUTES
WEDNESDAY, JUNE 6, 2018**

A meeting of the Pension Board of Trustees was held on Wednesday, June 6, 2018 at 8:00 a.m. in the Third floor Conference Room of City Hall.

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

Members Absent: None

Also Present: Melissa Fuller, Michelle Mater, Patsy Moore, Clyde Robinson and Patricia Vargas

Approval of Minutes

Rob Bauckham motioned and Tom Maher supported to approve the Pension Board minutes of March 7, 2018. The motion was passed by voice vote:

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

Nays: None

2018 Approval of Retirement Applications – 2nd Qtr.

Last Name	First Name	Group	Date	Type	Benefit	Method	FAC	Yrs
Wawra	Walter	KPSOA KPSOA - ex	11/28/17	Regular	\$3,284.11	100% J & S w/ pop up EDRO - W.	\$79,122.69	25.3333
Wawra	Anna	spouse	11/28/17	Regular	\$1,035.44	Wawra		
Handlogten	Lance	KPSA	02/20/18	Regular	\$5,885.09	Straight Life	\$104,623.76	25.0000
Johnson	Jeff	KPSOA	02/20/18	Regular	\$4,601.96	Straight Life	\$81,812.64	25.0000
Sanderson	Scott	KPSA	02/20/18	Regular	\$4,898.07	100% J & S w/ pop up	\$92,503.11	25.0000
Hecht	Michael	KPSOA	02/24/18	Regular	\$4,620.10	Straight Life	\$82,135.06	25.000
				Deferred- Now Drawing-				
Goodman	Joseph	AFSCME	04/01/18	Early	\$1,019.32	Straight Life Joint & 100%	\$47,661.24	14.6667
Dyson	Joseph	AFSCME	04/11/18	Regular	\$2,424.13	survivor	\$63,986.07	24.1667

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

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

Nays: None

2018 Employee Refunds – 2nd Qtr.

Last Name	First Name	Amount	Group	Date	Method	Service Time
Hoekstra	James	\$15,005.55	NBU	02/27/18	Rollover	6 years 6 months
Pritchett	Rateya	\$2,534.80	AFSCME	02/27/18	Distribution	6 years 2 months
Simpson	Ryan	\$2,629.27	NBU	05/24/18	Distribution	1 years 6 months

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

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

Nays: None

Approval of Military Buy-Back Application

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

- Martin Jones

Jim Ritsema motioned and Rob Bauckham supported to approve the military buy-back application. The motion was passed by voice vote:

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

Nays: None

Approval of Prior Service Buy-Back Applications

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

- Brandon Noble
- Martin Jones

Rob Bauckham motioned and Tom Maher supported to approve the prior service buy-back applications. The motion was passed by voice vote:

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

Nays: None

2018 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
Knapp	Marilyn	05/03/1933		03/08/2018		\$366.08	
Shoemaker	Dwight	11/01/1944	03/01/1967	03/24/2018	\$2,411.45		
Hendrick	Shirley	04/01/1939		03/19/2017		\$641.63	
Crampton	James	02/01/1930	04/06/1959	04/23/2018	\$818.32		

2018 New Hires (Information only)

Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Conley	Karin	14751	03/12/18	F	White		77,500.00	NBU
Lancaster	Eric	14752	03/12/18	M	White		55,250.00	NBU
Montero	Amy	13267	03/12/18	F	White	13.89		KMEA
Swanson	Brenda	14753	03/19/18	F	Hispanic		41,000.00	NBU
Lawshea	Jermaine	14754	03/26/18	M	Black	17.04		AFSCME
Manjiyani	Sohil	14755	03/26/18	M	Asian		51,000.00	NBU
Lanham	Eric	14757	04/02/18	M	White	17.51		AFSCME
Lonsway III	Donald	14633	04/09/18	M	White	18.45		AFSCME
Thrush	Emily	14758	04/09/18	F	White		39,250.00	NBU

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Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Kling	Nicole	14756	04/17/18	F	White	13.93		KMEA
Pillow	Justin	14762	04/23/18	M	White	17.04		AFSCME
Zechlinski	Joel	14765	04/23/18	M	White		56,750.00	NBU
Parker	Gerald	14759	04/24/18	M	White	17.04		AFSCME
Ledbetter	Ryan	14766	04/30/18	M	White	17.04		AFSCME
Rush	Jared	14768	05/07/18	M	White	17.04		AFSCME
Talanda	Jean	14769	05/07/18	F	White		75,000.00	NBU
Landreville	William	14764	05/08/18	M	White	17.04		AFSCME
Brushaber	Brent	14770	05/14/18	M	White	17.51		AFSCME

First Quarter Investment Activity Period Ending March 31, 2018

The market value of portfolio assets decreased from \$809.2 million to \$791.5 million during the first quarter of 2018, a decrease of \$17.7 million or -2.19%.

The portfolio weighted average return for the quarter, net of manager fees, was -1.10%. The 1-year net return was 9.93%. The return since October 1982, net of manager fees, through the end of the quarter has been 11.06%.

Equities comprised 70.7% of the City portfolio at the end of the quarter. The equity portion of the City portfolio returned -0.88% for the quarter and 13.72% year-on-year.

Fixed income comprised 24.4% of the City portfolio at the end of the quarter. Total fixed income returned -1.42% for the quarter and 1.34% year-on-year.

At the end of the quarter, real estate investments were 4.8% of the portfolio. Real estate returned -2.92% for the quarter and 1.46% for one year.

The portfolio assets finished the quarter with 70.7% in equities, 24.4% in fixed income, 4.8% in real estate, and 0.03% 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 -2.33% as the inflation rate for the quarter was 1.23%. With a year-on-year inflation rate of 2.36%, the one year real return was 7.57%. Since October 1982, the return on the portfolio, net of manager fees, has been 11.06% nominal and 8.36% real.

Future Meetings:

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

There being no further business, Chair Randy Eberts adjourned the meeting at 8:18 a.m.

Respectfully submitted,



Patsy Moore, Secretary