

**CITY OF KALAMAZOO EMPLOYEES' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES MINUTES
WEDNESDAY, SEPTEMBER 5, 2018**

A meeting of the Pension Board of Trustees was held on Wednesday, September 5, 2018 at 8:05 a.m. in the Third floor Conference Room of City Hall.

Members Present: Chair Randy Eberts, Robert Bauckham and Thomas Maher

Members Absent: City Manager Jim Ritsema

Also Present: Ken Collard, Melissa Fuller, Patsy Moore, Neena Porter, Clyde Robinson and Patricia Vargas

Approval of Minutes

Rob Bauckham motioned and Tom Maher supported to approve the Pension Board minutes of June 6, 2018. The motion was passed by voice vote:

Ayes: Chair Randy Eberts, Rob Bauckham, and Tom Maher

Nays: None

2018 Approval of Retirement Applications – 3rd Qtr.

Last Name	First Name	Group	Date	Type	Benefit	Method	FAC	Yrs
Kirtley II	Gary	KPSA	08/01/17	Deferred- Now Drawing	\$1,149.52	Straight Life	\$88,670.40	16.083
Baker	Julianne	KPSA - ex spouse	08/01/17	Deferred- Now Drawing	\$1,149.52	EDRO - G Kirtley II		

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

Ayes: Chair Randy Eberts, Rob Bauckham, and Tom Maher

Nays: None

2018 Employee Refunds – 3rd Qtr.

Last Name	First Name	Amount	Group	Date	Method	Service Time
Markos	Martin	\$6,965.60	NBU	07/31/18	Distribution	4 years 6 months
Khillah	Amir	\$7,667.34	KPSOA	07/31/18	Distribution	2 years 10 months

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

Ayes: Chair Randy Eberts, 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	Retiree/Beneficiary Benefit	Beneficiary Name
Cross	Randall	6/24/1935	5/15/1958	05/16/18	Straight Life	\$1,843.96	
Foust	Roger	2/7/1924	8/30/1965	05/17/18	100% survivor	\$619.79	Sheila Foust
Mann	Helen	12/23/1932		05/28/18		\$719.85	

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Dunfield	Robert	12/22/1937	10/14/1968	05/31/18	50% survivor	\$1,717.23
McGaw	Thomas	10/14/1950	3/8/1999	06/30/18	Straight Life	\$1,989.42

2018 New Hires (Information only)

Last Name	First Name	EMP #	DOH	Sex	Ethnicity	Wage	Annual Wage	Group
Mason	Charles	13626	05/15/18	M	White	29.97		KPSOA
Anthony	Ryan	14776	05/21/18	M	White	19.95		KPSOA
Betts	Jamie	14777	05/21/18	F	White	16.96		KPSOA
Hogan	Michael	14778	05/21/18	M	White	16.96		KPSOA
Jenkins	Samuel	14780	05/21/18	M	White	16.96		KPSOA
Klemesrud	Joseph	14803	05/21/18	M	White		68,500.00	NBU
Kubacki	David	14773	05/21/18	M	White	19.95		KPSOA
Morgan	Colin	14774	05/21/18	M	White	19.95		KPSOA
Pena	Joshua	14781	05/21/18	M	Hispanic	16.96		KPSOA
Schmeltz	Samantha	14771	05/21/18	F	White	19.95		KPSOA
VanTiem	Raymond	14772	05/21/18	M	White	19.95		KPSOA
Vorick	Mitchell	14779	05/21/18	M	White	16.96		KPSOA
Weston	Emily	14775	05/21/18	F	White	19.95		KPSOA
Burke	Chad	14835	06/18/18	M	White	19.25		KMEA
Johnson	Michael	14843	08/06/18	M	Black		29,500.00	NBU

Second Quarter Investment Activity Period Ending June 30, 2018

The market value of portfolio assets decreased from \$791.5 million to \$791.3 million during the second quarter of 2018, a decrease of \$0.2 million or -0.03%.

The portfolio weighted average return for the quarter, net of manager fees, was 1.19%. The 1-year net return was 8.51%. The return since October 1982, net of manager fees, through the end of the quarter has been 11.01%.

Equities comprised 70.5% of the City portfolio at the end of the quarter. The equity portion of the City portfolio returned 1.36% for the quarter and 11.99% year-on-year.

Fixed income comprised 24.4% of the City portfolio at the end of the quarter. Total fixed income returned -0.09% for the quarter and -0.35% year-on-year.

At the end of the quarter, real estate investments were 5.0% of the portfolio. Real estate returned 5.14% for the quarter and 5.02% for one year.

The portfolio assets finished the quarter with 70.5% in equities, 24.4% in fixed income, 5.0% in real estate, and 0.0% 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 0.21% as the inflation rate for the quarter was 0.98%. With a year-on-year inflation rate of 2.87%, the one year real return was 5.64%. Since October 1982, the return on the portfolio, net of manager fees, has been 11.01% nominal and 8.30% real.

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Future Meetings:

Wednesday, December 5, 2018
Wednesday, March 6, 2019
Wednesday, June 5, 2019
Wednesday, September 4, 2019

There being no further business, Chair Randy Eberts adjourned the meeting at 8:33 a.m.

Respectfully submitted,



Patsy Moore, Secretary