

**CITY OF KALAMAZOO PERPETUAL CARE TRUST
INVESTMENT COMMITTEE MINUTES
WEDNESDAY, FEBRUARY 15, 2006**

A meeting of the Perpetual Care Investment Committee was held on Wednesday, February 15, 2006, in the room 207-A of the Kalamazoo County Administration Building. Chuck Elliott called the meeting to order.

Members Present: Chuck Elliott, Randy Eberts, Jan Van Der Kley, Ed Edwards, Dan DeMent

Others Present: Mary Balkema, Randy Schau, Larry Langer, Jim Koss, Mark Stuhldreher, Chris Ruppel, Bob Salisbury, and Jeanette Meyer

Approval of Minutes

A motion to approve the minutes of the November 14, 2005 meeting was made and seconded. The motion passed by voice vote.

Assets at June 30, 2005

Mark Stuhldreher stated that the allocation is 40% large cap, 27% small cap and 33% international. He stated that the Committee needs to formalize an asset allocation strategy.

Investment Performance Review

Chris Ruppel stated that the market value of the portfolio is just over \$4 million . There is a 100% equity allocation. He recommends adding two fixed products at DFA to diversity the holdings. **A motion to implement the recommendations was made and seconded. Roll call:**

Yes: Chuck Elliott, Randy Eberts, Jan Van der Kley, Ed Edwards, Bob Salisbury, Dan DeMent

No: None, **motion carried**

Expenses

A motion to approve expenses was made and seconded. The motion passed by voice vote.

A motion to authorize City Staff and Merion Capital to liquidate fund for the first quarter was made and seconded. Motion passed by voice vote.

Mr. Stuhldreher added that the liquidity needs would be approximately \$50,000.

Around the Table (for both RIC and PCIC meetings and noted in both)

Mark Stuhldreher stated the valuation draft was received for the retiree health care liability in the amount of \$171 million, totally unfunded. The City will need to begin accounting for this liability beginning in 2007. A presentation will be made to the City Commission in March.

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Jeanette Meyer passed out a membership list that included reappointment dates. Members will receive applications to fill out for reappointment several months in advance of submission to the City Clerk for presentation to the City Commission.

With no further business, the meeting was adjourned.

Respectfully submitted,

Mark Stuhldreher, Secretary