

**CITY OF KALAMAZOO
PERPETUAL CARE INVESTMENT COMMITTEE MINUTES
WEDNESDAY, MAY 16, 2007**

A meeting of the City of Kalamazoo Perpetual Care Investment Committee was held on Wednesday, May 16, 2007, in Room 207-A of the Kalamazoo County Administration Building. Chair Chuck Elliott called the meeting to order.

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

Others Present: Larry Langer of Gabriel Roeder, Jim Koss of Gabriel Roeder, Patrick Donohoe of State Street, Randy Schau, City Commissioner Barb Miller, Commissioner Mary Balkema, Patsy Moore, Jeanette Meyer and Chris Ruppel.

A motion was made and seconded to excuse Bob Salisbury. Motion passed by voice vote.

Approval of Minutes

A motion was made and seconded to approve the minutes of the February 21, 2007, meeting. Motion passed by voice vote.

A question was raised as to whether or not the new Finance Director will be added to the signature card. Jeanette Meyer said that he would be added.

Investment Portfolio

Patsy Moore stated that there was a fund balance of \$4,444,804. Seventy percent is in equities and 30% in fixed income.

Chris Ruppel reported that, in the first quarter of 2007, the fund increased from \$4,366,705 to \$4,444,804, an increase of \$70,099 or 1.9%. The quarterly cash flows consisted of no operating contributions and withdrawals of \$50,025. There were no capital expenditures in the period.

The portfolio investments returned 2.9% for the quarter and have returned 4.0% since the transfer of custody from a book-entry account at DFA to a custodial account at Schwab. Total gains for the quarter, after management fees, were \$124,727.

Reconciliation

Jeanette Meyer stated there were transfers to the City of \$50,000 and fees of \$25, which is Schwab's wiring fee.

Cash Flow

Jeanette Meyer discussed the fund. Liquidation of \$50,000 is needed. There was a sale of lots, which brought in \$5,444. Merion Capital was paid for the first and second quarter in the amount of \$10,000. Ending balance for the quarter is \$225,780.

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Expenses

The subsidy to the cemetery fund has not been debited.

There was no discussion about expenses; **motion to accept made and seconded.**

Roll call vote:

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

No: **None**, motion carried

Audit

Patsy Moore stated that the audit is almost complete and is going well. Jan Van der Kley will review the audit.

Old/New Business

Chuck Elliott stated that the Perpetual Care Investment Committee meeting will continue to be held prior to the Retirement Investment Committee meeting.

There being no further business, Chairman Elliott adjourned the meeting.

Respectfully submitted,

Patsy A. Moore
Secretary