

**CITY OF KALAMAZOO
PERPETUAL CARE INVESTMENT COMMITTEE MINUTES
WEDNESDAY, AUGUST 15, 2007**

A meeting of the City of Kalamazoo Retirement Investment Committee was held on Wednesday, August 15, 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, Jan Van Der Kley, Ed Edwards, Bob Salisbury and Dan DeMent

Others Present: Susan Springgate, Randy Schau, Commissioner David Anderson, Commissioner Barbara Miller, Jeanette Meyer, and Chris Ruppel.

Approval of Minutes

A motion was made and seconded to approve the minutes of the May 16, 2007 meeting.

Motion passed by voice vote.

Investment Portfolio

Tom Skrobola stated that the market value for the period ending June 30, 2007, page IIA-1, were \$4,678,136; a total equity of \$3,345,297 (71.5% of total) and total fixed income of \$1,322,055 (28.47% of total).

Investment Portfolio

Chris Ruppel reported that the assets in the Perpetual Care Fund increased from \$4,444,804 to \$4,678,136, an increase of \$233,332 or 5.3%. The quarterly cash flow consisted of no operating contributions and no withdrawals. There were no capital expenditures in the period.

The portfolio investments returned 5.3% for the quarter and have returned 8.3% year –to-date. Since the transfer of custody from a book entry account at DFA to a custodial account at Schwab on December 5, 2006, the assets have returned 9.5%.

Reconciliation

Jeanette Meyer stated with the city books are in balance with the Schwab assets.

Cash Flow/Liquidation Needs

Public Services will advise what funds from the Perpetual Care fund will be needed for repairs. A total of approximately \$125,000 will need to be liquidated in September or October.

Expenses

The subsidy and Merion Capital fees are the only expenses.

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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, Bob Salisbury

No: **None**, motion carried

Audit

Tom Skrobola stated that the audit was completed and clean. There was some discussion about the auditing process, specifically the lack of the MD&A. He stated he would prefer to have this component, and it will be added next year.

Old/New Business

Election of new Chair

Chairman Elliott asked for nominations. **A motion to nominate Bob Salisbury was made and supported. No other nominations were made. The motion passed by voice vote with Bob Salisbury abstaining.**

Chairman Elliott asked for nominations for Vice Chair. **A motion to nominate Randy Eberts was made and supported. No other nominations were made. The motion passed by voice vote with Randy Eberts abstaining.**

The schedule for future meetings is as follows:

Wednesday, November 14, 2007 - 8:00 a.m.

Wednesday, February 20, 2008 – 9:00 a.m.

Wednesday, May 21, 2008 – 8:00 a.m.

Wednesday, August 20, 2008 – 9:00 a.m.

Around the Table

Commissioner Anderson asked a question about ratings. There was some discussion about how it affects the investment portfolio.

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

Respectfully submitted,

Thomas C. Skrobola
Secretary