

**CITY OF KALAMAZOO  
PERPETUAL CARE INVESTMENT COMMITTEE MINUTES  
WEDNESDAY, MAY 20, 2008**

A meeting of the City of Kalamazoo Perpetual Care Investment Committee was held on Wednesday May 20, 2009, in Room 207-A of the Kalamazoo County Administration Building. Chair Robert Salisbury called the meeting to order.

Members Present: Robert Salisbury, Jan Van Der Kley, Chuck Elliott , Dan DeMent, Randy Eberts and LaJune Montgomery-Tabron.

Others present: Tom Ponto, Jeanette Meyer, Tom Skrobola, Chris Ruppel, Kathy Nelson, Curt Powell, Jim Koss and Jeff Bye.

**February 18, 2009 Meeting**

A summary was distributed with two motions to be approved at this meeting since there was not a quorum for the February 18 meeting.

**A motion was made and seconded to approve the minutes of the November 11, 2008 meeting.**

**Motion passed by voice vote.**

**A motion was made and seconded to approve the cash flow and expense report for the fourth quarter.**

**Motion passed by voice vote.**

**A motion was made and seconded to approve the manner of trading with Schwab.**

**Motion passed by voice vote.**

The committee members who attended the meeting will be added to the summary.

**Investment Portfolio**

Tom Skrobola stated that for the period ending March 31, 2009 the total U.S. equities are in the amount of \$1,019,908. International stock is \$804,540. Total equities are \$1,824,448. PIMCO Total Return Fund is \$841,685. Total Perpetual Care Fund at March 31 was \$2,666,707.

**Investment Performance**

Chris Ruppel reported that during the first quarter of 2009, the assets in the Perpetual Care Fund decreased from \$2,899,207 to \$2,666,707 a decrease of \$232,500 or -8.02%. There were no operating contributions or withdrawals during the quarter.

The portfolio investments returned -8.9% for the quarter and have returned -30.6% year-on-year.

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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 -13.5%.

The beginning balance of \$2,899,207 shown by the custodian is \$27,245 lower than that shown in the Morningstar reports of \$2,926,452. An explanation of this reconciling item is included at the end of the Morningstar report section.

**Reconciliation**

Jeanette Meyer stated that at the beginning of the period there was \$2.926 million. Dividends and interest received of \$19,464 and an unrealized loss of \$279,000. There was a difference of \$232,000 between the City books and Schwab. \$259,000 of that is the journal that had not yet posted and the balance is explained on Chris Ruppel's review. The account is in balance.

**Cash Flow/Liquidation Needs**

Jeanette Meyer reported as follows: Sale of lots brought in \$8,453 in the quarter. Expenses for the quarter were outside contractual services in the amount of \$5,000. Liquidation anticipated for the 2<sup>nd</sup> quarter will be approximately \$75,000. Public Services has budgeted \$10,000 for capital improvements.

**Expenses**

Merion Capital fees of \$5,000 are the only expenses.

There was no discussion about expenses; **motion to accept made and seconded. Roll call vote:**

**Ayes: Dan DeMent, Jan van Der Kley, Bob Salisbury, Chuck Elliott, Randy Eberts and LaJune Montgomery-Tabron.  
Nays: None**

**The motion passed.**

**Audit**

Tom Skrobola stated that statement for review should be received within the next two weeks. A draft of the audit and the MD&A (Management Discussion and Analysis) that he will write will be given to Jan Van der Kley for review.

**Old/New Business**

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None.

**Closing Items**

**Future Meetings (all room 207A Kalamazoo County Administration Building)**

Wednesday, August 19, 2009	10:00 a.m.
Wednesday, November 18, 2009	8:00 a.m.
Wednesday, February 17, 2010	10:00 a.m.
Wednesday, May 19, 2010	8:00 am.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Thomas C. Skrobola  
Secretary