

**Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
October 30, 2019**

The regular monthly meeting was called to order at 11:58 p.m. in the Council Briefing Center at City Hall.

Present: Mike Coster, Jim Tieken, Mike Cavanaugh, Candace Mumm, Dean Kiefer, and J. D. Morscheck

Absent: Brian Brill

Staff: Phill Tencick, Christine Shisler, Donald Brown, and Tim Szambelan

Guests: Joe Cavanaugh, Natalie Hilderbrand, Dave Henshaw, Richard Czernik, Jon Barnhart, and John Bjork

Candace Mumm arrived at 12:01 p.m.

Minutes of the August 28, 2019 and October 9, 2019 Meetings

Jim Tieken moved and Mike Cavanaugh seconded the motion to approve the minutes of the August 28, 2019 and October 9, 2019 meetings as presented. The motion passed unanimously.

Director's Report

Service Retirements

<i>Name</i>	<i>Age</i>	<i>Retirement Date</i>	<i>Years of Service</i>	<i>Option</i>
Frances I. Perkins	62	10/05/2019	13.3	ST
Roberta G. Moxley	50	11/01/2019	18.7	A
Scott A. Stewart	59	11/06/19	25.8	D
Susanne Miller	66	01/04/2020	12.0	E

Dean Kiefer moved and Jim Tieken seconded the motion to approve the service retirements as presented on the September and October Retirement Transaction Reports. The motion passed unanimously.

Withdrawals

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Scott A. Lowell	6.0	05/25/2017
Todd L. Churchill	9.4	07/03/2017
Molly R. Ostheller	1.4	03/15/2019
Arthur E. Hartman	4.0	07/15/2019
Stephanie C. Radecke	1.1	07/24/2019

Withdrawals (cont'd)

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Christina M. Wolfe	0.6	08/02/2019
Chariti A. Gagne	4.6	08/30/2019

Jim Tieken moved and Mike Cavanaugh seconded the motion to approve the request for withdrawal as presented on the September and October Retirement Transaction Reports. The motion passed unanimously.

Vesting

<i>Name</i>	<i>Department</i>	<i>Years of Service</i>
Jeremy J. Atwood	Combined Communications Center	20.8
Crystal J. Marchand	Finance	6.7

Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Ollie J. Bennett	04/02/1991	82	08/29/2019	No Further Benefits
Richard L. Olsen	12/12/2009	74	09/09/2019	E Option Continues
Roxanne Rodgers	02/03/2001	83	09/09/2019	No Further Benefits
Frank W. Benson	02/10/1996	79	09/19/2019	E Option Continues
Darrel C. Klein	08/05/2008	73	09/19/2019	No Further Benefits
Lorraine Schmeling	03/27/1985	95	10/07/2019	No Further Benefits
Abraham F. Ferris	06/03/2003	73	10/11/2019	Option D Continues
Mary Kay Dayharsh	12/19/2014	85	10/12/2019	No Further Benefits
Gerald M. Danielson	11/02/1999	83	10/19/2019	No Further Benefits

Vesting and Death information provided to the Board for review.

Expenditure Summary Report – August 2019 and September 2019

The Expenditure Summary Report was presented to the Board and discussed.

Mike Cavanaugh moved and Candace Mumm seconded the motion to approve the August 2019 and September 2019 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – August 2019 and September 2019

The August investment report was presented to the Board for review. The estimated market value of the SERS portfolio on August 31, 2019 was \$301.5 million with an estimated rate of return of (1.6%) for the month.

The September investment report was presented to the Board for review. The estimated market value of the SERS portfolio on September 30, 2019 was \$304 million with an estimated rate of return of 0.9% for the month.

Monthly Cash Reconciliation

The monthly cash reconciliation reports for August 2019 and September 2019 were presented to provide the Board with additional insight into the ongoing liquidity, transactions, and cash position of the plan.

Other Business

Mr. Tencick updated the Board on the renegotiation of the most favored nation clause and the fees charged from Bridge City. The new annual base fee will be 0.35% of assets. Bridge City will also disclose the lowest blended fee percentage charged to clients on each bill to verify that it is not less than SERS current fee.

Multiple Employer Plan Amendments

Discussion ensued and changes were suggested regarding the treatment of employees from SREC in layoff status. Candace Mumm moved and Dean Kiefer seconded the motion to defer the topic to the December meeting. The motion passed unanimously.

Proposed Salary Ordinance

Mr. Tencick shared that Councilmember Kinnear indicated she was not prepared to move forward and sponsor an ordinance that the SERS Board did not support. Candace Mumm provided an update that the draft of the proposed salary ordinance that the SERS Board had been reviewing, has been removed from the proposed salary ordinance.

Portfolio Risk Review

Mr. Tencick presented a portfolio-wide review of the holdings and risk factors for the SERS investments. The portfolio's asset allocation, sector, style, geography and risk factor exposures were shown and compared to the policy benchmark and peer groups.

There being no other business, the meeting adjourned at 12:37 p.m.

/s/

Phillip Tencick, Retirement Director