

**Spokane Employees' Retirement System (SERS)**  
**Board Meeting Minutes**  
**May 4, 2022**

The regular monthly meeting was called to order at 1:03 p.m. via conference call.

**Present:** Jim Tieken, Joe Cavanaugh, Richard Czernik, Jonathan Bingle, and Brian Brill

**Absent:** J.D. Morscheck

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

**Guests:** Bill Dowd, Bill Reid, Natalie Hilderbrand, Jon Barnhart, Nicolette Ocheltree Teri Stripes, Joe Ebisa (Journalist), and Lauren Albanese (Journalist)

The regular meeting of the Spokane Employees' Retirement System was called to order at 1:03 p.m. and immediately went into Closed Session with Board and staff to discuss a legal update.

Jonathon Bingle joined via WebEx at 1:21 p.m.

The Closed Session adjourned at approximately 1:22 p.m., and the Board immediately reconvened into Open Session

**Bill Dowd, SageView Consulting – 2021 Actuarial Valuation**

Mr. Dowd presented the December 31, 2021 Actuarial Valuation.

The actuarial funded status as of December 31, 2021 was 70.7%, up from 65.8% at the end of 2020. The total Actuarially Determined Contribution (ADC) rate, including employer and employee contributions, was 20.00% for 2021.

**Contribution Rate**

Joe Cavanaugh moved and Richard Czernik seconded the motion to leave the contribution rate at the current rate of 10.25% given the fluctuation in the markets and inflation. The motion passed unanimously.

**Ad-Hoc Increase**

In accordance with the SERS Board Policy, SageView Consulting recommended not granting an ad-hoc pension increase since the current funding ratio is below the minimum 90% threshold.

Richard Czernik moved and Joe Cavanaugh seconded the motion to follow SageView Consulting's recommendation to not grant an ad-hoc pension increase. The motion passed unanimously.

### **Minutes of the April 6, 2022 Meeting**

Joe Cavanaugh moved and Richard Czernik seconded the motion to approve the minutes of the April 6, 2022 meeting as presented.

### **Director's Report**

#### **Service Retirements**

<i>Name</i>	<i>Age</i>	<i>Retirement Date</i>	<i>Years of Service</i>	<i>Option</i>
Kathryn Lewis	66	04/30/2022	30.0	A
David E. Lund	50	05/01/2022	11.5	E
Rodney M. Glasser	66	05/14/2022	30.0	E
Stephen G. Mullerleile	66	06/03/2022	7.1	ST
Randy N. Barry	63	06/04/2022	30.5	ST

Richard Czernik moved and Joe Cavanaugh seconded the motion to approve the service retirements as amended on the May Retirement Transaction Report. The motion passed unanimously.

#### **Withdrawals for May 2022**

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Aaren R. Carnline	1.4	09/15/2021
Nicholas W. Anderson	4.0	09/24/2021
Pamela M. Bergin	5.8	01/21/2022
Wayne S. Desautel	2.4	02/26/2022
Casey L. LaPrath	0.7	03/24/2022

Richard Czernik moved and Brian Brill seconded the motion to approve the request for withdrawal as presented on the May Retirement Transaction Report. The motion passed unanimously.

#### **Deaths**

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Stephen Weathermon	01/09/2016	71	04/01/2022	No Further Benefits
Ronald H. Gibford	02/15/1986	89	04/06/2022	No Further Benefits
Gary L. Lindsey	01/20/1996	82	04/16/2022	D Option Continues

Death information provided to the Board for review.

#### **Expenditure Summary Report – March 2022**

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

Brian Brill moved and Richard Czernik seconded the motion to approve the March 2022 Expenditure Summary Reports. The motion passed unanimously.

Schedule of Investments – March 2022

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on March 31, 2022 was \$354 million with an estimated monthly rate of return of 1.0%.

Monthly Cash Reconciliation

The monthly cash reconciliation report for April 2022 was presented to provide the Board with additional insight into the ongoing liquidity and cash position of the plan.

**SERS Board Member Search**

Mr. Tencick shared with the Board that the search for the Board seat vacated by Dean Kiefer has been restarted. The job description will be posted to the City's website by the end of May, and interviews to be held in June in a special meeting.

**Other Business**

Mr. Tencick gave an update on Investment Thesis 2022/1. The markets have continued to change since this topic was deferred from the April Board meeting. Hymas and Mr. Tencick no longer recommend this action.

Mr. Tencick also updated the Board on the Investment Consultant RFP. The answers to questions have been posted on the SERS website.

Beach Point has expanded the lockout period for withdrawals, increasing the time to 8 quarters. Both Hymas Group and the plan's investment attorney do not see an issue with this change.

There being no other business, the meeting adjourned at 2:15 p.m.

/s/

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**Phillip Tencick, Retirement Director**