

Spokane Employees' Retirement System (SERS)
Board Meeting, 1:00 p.m. February 7, 2024
Council Briefing Center

AGENDA

Executive Session

1. Director Position
 - Discussion

Open Session

1. Minutes of the January 3, 2024 Meeting
 - Motion
2. Director's Report
 - a Retirements
 - Motion
 - b Withdrawals
 - Motion
 - c Deaths
 - Information
 - d Schedule of Investments – December 2023
 - Information
 - e Cash Reconciliation – January 2024
 - Information
 - f Other Business
3. OPMA Training
 - Information
4. Other Business
5. Next Meeting - **Wednesday, March 6, 2024 at 1:00 p.m.**

**Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
January 3, 2024**

The meeting was called to order at 1:02 p.m. in the Council Briefing Center at City Hall.

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

Staff: Christine Shisler, Donald Brown, Lisa Laney, Tim Szambelan

Guests: Jon Barnhart, Dave Hanshaw

Jonathan Bingle joined the meeting via telephone.

Closed Session

The meeting was called to order and the Board immediately went into closed session to discuss the disability retirement.

Joe Cavanaugh moved and Richard Czernik seconded the motion to move into Open Session at 1:20 p.m. The motion passed unanimously.

Open Session

Joe Cavanaugh moved and Jonathan Bingle seconded the motion to send the separated employee for an evaluation with the Board's doctor. The motion passed unanimously.

Ms. Shisler will notify the separated employee of the Board's decision for a second medical opinion.

Election of Chairperson

Richard Czernik moved and Joe Cavanaugh seconded the motion to select Jim Tieken as the Board Chairperson for the year 2024. The motion passed unanimously.

Minutes of the December 6, 2023 Meeting

Richard Czernik moved and Joe Cavanaugh seconded the motion to approve the minutes of the December 6, 2023 meeting 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>
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No retirement applications made since last meeting

Withdrawals

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Sarah D. Pratt	1.6	12/23/2021
Joshua P. Weigelt	8.4	10/02/2022
Tracy A. Trejos	0.2	11/01/2023
Sean D. Hiatt	0.1	05/13/2023
Ian R. Fielder	0.1	06/01/2023
Harry D. Daniels-Schatz	80 hours	05/26/2023
Alan J. Pocan	24 hours	05/12/2023

Richard Czernik moved and Brian Myers seconded the motion to approve the requests for withdrawal as presented on the January 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>
Virginia L. Herbig	11/19/2019	89	11/02/2023	No Further Benefits
Martha J. Stevens	06/11/1998	86	12/01/2023	No Further Benefits
Martha J. Stevens	06/04/2002	86	12/01/2023	No Further Benefits
Leon E. Sproule	09/08/2021	75	12/06/2023	No Further Benefits

Death information provided to the Board for review.

Expenditure Summary Report – November 2023

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

Joe Cavanaugh moved and Richard Czernik seconded the motion to approve the November 2023 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – November 2023

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on November 30, 2023 was \$323.4 million with an estimated rate of return of 5.7% for the month.

Monthly Cash Reconciliation

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

Other Business

Jonathan Bingle notified the Board that he has been assigned to be on the Board for 2024.

Ms. Shisler informed the Board that the Open Public Meetings Act (OPMA) training will be conducted during the February meeting.

Richard Czernik moved and Brian Myers seconded the motion to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at 1:30 p.m.

Christine Shisler, Interim Retirement Director

DRAFT

SERS Retirement Transaction Report

February 2024

Retirements

	Name	Age	Retirement Date	Years of Service	Department	Option
1	Daniel E. Duffey	62	02/02/2024	30.1	Stormwater	E
2	Steven R. Obenland	60	02/02/2024	35.1	Solid Waste Disposal Community	E
3	Daniel B. Parker	69	02/03/2024	10.4	Development / Human Services Advanced	E
4	Cornelius F. Warren	67	02/24/2024	19.4	Wastewater Treatment	ST
5	Eric S. Finch	58	03/02/2024	8.9	IT	E
6	Kris M. Major	64	03/09/2024	14.0	Solid Waste Disposal	ST
7	Beth A. Gleason	64	04/02/2024	19.1	Police Code	C5
8	Deborah L. Logan	62	04/03/2023	30.4	Enforcement	ST
	Retirements YTD	4				
	2023 Total Retirements	36				

Withdrawals

	Name	Years of Service	Department	Termination Date
1	Chandler Faggiano	-	Beneficiary Payout	-

Deaths

	Name	Date Retired	Age	Date of Death	Information
1	Daniel J. Daling	09/06/2016	70	01/05/2024	No Further Benefits
2	Bill B. Huff	05/02/2005	86	01/10/2024	No Further Benefits
3	Joy-Lyn Cottam	12/24/2011	80	01/14/2024	No Further Benefits

SERS Schedule of Cash and Investments
December 31, 2023

2/1/2024

	Type		Allocation		
			Target	Current	Diff.
Cash Held by Treasurer	Cash	\$ 191,389			
US Bank	Short-term Inv	264,020			
Total Cash		455,409	0.0%	0.1%	0.1%
Sterling Capital	Total Return	35,503,087			
Loomis Sayles Core-Plus	Total Return-Mutual Fund	26,430,398			
Fidelity Core	FI - Mutual Fund	-			
Total Total Return		61,933,485	17.0%	18.0%	1.0%
BlackRock	High Yield - Mutual Fund	6,494,554			
Hotchkis & Wiley	High Yield - Mutual Fund	16,768,398			
Total High Yield		23,262,952	8.0%	6.8%	-1.2%
Post Limited Term High Yield	Ltd Partnership	333,550		est hold back	
PIMCO Dynamic	Absolute Return	5,961,391			
Rimrock Low Volatility	Ltd Partnership	530,389		est hold back	
Polar	LLC	9,496,537			
Total Absolute Return		16,321,867	5.0%	4.7%	-0.3%
Total Capital Preservation		101,973,713	30.0%	29.6%	-0.4%
Hotchkis & Wiley	LC Value - Mutual Fund	10,915,244			
Fidelity S&P 500 Index	LC Core - Mutual Fund	35,454,801			
MFS Growth	LC Growth - Mutual Fund	10,990,835			
Total US Large Cap		57,360,880	16.0%	16.7%	0.7%
Sterling	MC Value	5,484,102			
Fidelity MC Index	MC Core - Mutual Fund	3,221,711			
Westfield MC Growth	MC Growth	5,779,805			
Fidelity SC Index	SC Core - Mutual Fund	545,130			
Champlain	SC Core	8,820,816			
Bridge City	SC Growth	8,049,544			
Allspring (FKA: Wells Fargo)	SC Value - Mutual fund	-			
Total US Small/Mid Cap		31,901,108	8.0%	9.3%	1.3%
Total US Equities		89,261,988	24.0%	25.9%	1.9%
Artisan	SMID Value - Mutual Fund	19,994,429			
Euro Pacific	LC Blend - Mutual Fund	14,972,874			
Fidelity International	LC Index - Mutual Fund	-			
Total International Large Cap		34,967,303	10.0%	10.2%	0.2%
Trivalent	SC Value - Mutual Fund	16,638,140			
Total International Small/Mid		16,638,140	5.0%	4.8%	-0.2%
Vanguard EM Index	EM - Mutual Fund	6,645,133			
ABS Emerging Markets	Ltd Partnership	10,233,299			
Total Emerging Markets		16,878,432	5.0%	4.9%	-0.1%
Total International Equities		68,483,875	20.0%	19.9%	-0.1%
Weatherlow Offshore	Ltd Partnership	21,817,592			
Royalty Opportunities I	Ltd Partnership	730,034			
Royalty Opportunities II	Ltd Partnership	244,487			
Total Long Biased		22,792,113	9.0%	6.6%	-2.4%
Metropolitan Real Estate Partners	Ltd Partnership	-			
Morrison Street Fund VI	LP	7,970,264			
Morrison Street Fund VII	LP	2,510,091			
Morrison Street Income Fund	LP	2,508,912			
Morgan Stanley Prime	LLC	7,462,311			
Principal (REITs)	REITs	7,967,080			
Total Real Estate		28,418,658	7.0%	8.3%	1.3%
Contrarian Capital Fund I	Ltd Partnership	11,683,824			
Beach Point	Ltd Partnership	14,872,344			
Total Private Credit		26,556,168	8.0%	7.7%	-0.3%
Contrarian EM Credit	LLC	6,616,897			
OrbiMed II	Ltd Partnership	-			
Total Master Ltd Partnerships		6,616,897	2.0%	1.9%	-0.1%
Total Cash and Investments		\$ 344,103,412	100.0%	100.0%	0.0%
	Monthly Contributions	2,143,045			
	Monthly Pension	\$ (3,093,129)			
	As of November 30, 2023	\$ 330,744,341			
	Estimated Rate of Return	4.3%			

SERS Cash Reconciliation-January 2024

Date	Transactions	Sources	Uses	Balance
12/28/2023	Beginning Balance			\$1,677,864.83
12/29/2023	Transferred from Artisan	1,600,000.00		3,277,864.83
12/29/2023	Transferred from Morgan Stanley RE	77,049.15		3,354,913.98
12/29/2023	December Pension Payments		(3,096,244.25)	258,669.73
12/29/2023	Retiree Medical Premiums	29,755.44		288,425.17
12/29/2023	Retiree Medical Premiums Wired to City		(29,755.44)	258,669.73
1/2/2024	Payroll Contributions	1,047,569.80		1,306,239.53
1/2/2024	Transferred from ABS	108,867.70		1,415,107.23
1/2/2024	Interest	5,349.33		1,420,456.56
1/10/2024	Redeposit Pension Checks	1,489.57		1,421,946.13
1/11/2024	Reissue Pension Checks		(1,234.19)	1,420,711.94
1/16/2024	Payroll Contributions	1,179,080.02		2,599,791.96
1/16/2024	Transferred from Morrison Street VII	37,558.03		2,637,349.99
1/22/2024	Transferred from Morrison Street IF	50,246.19		2,687,596.18
1/29/2024	Payroll Contributions	1,180,133.24		3,867,729.42
1/29/2024	Transferred from Morrison Street VI	437,419.87		4,305,149.29
1/31/2024	US Bank Fees		(26,581.57)	4,278,567.72
1/31/2024	January Pension Payments		(3,109,014.28)	1,169,553.44
1/31/2024	Retiree Medical Premiums	30,496.99		1,200,050.43
1/31/2024	Retiree Medical Premiums Wired to City		(30,496.99)	1,169,553.44
1/31/2023	Ending Balance			\$1,169,553.44