

**Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
January 29, 2014**

Bill Todd called the regular monthly meeting to order at 1:30 p.m. in the 5th Floor Conference Room at City Hall.

Present: Bill Todd, Mike Coster, Steve Sather, Dean Kiefer, Jon Snyder and Jerry McFarlane

Absent: Brian Brill

Staff: Timothy Dunivant, Christine Shisler, Donald Brown and Tim Szambelan

Guests: Joan Hamilton, Jim Tieken, Bob Olsen, Natalie Hilderband, Mike Cavanaugh and Joe Cavanaugh

Election of Chairperson

Bill Todd turned the meeting over to Mr. Dunivant for the annual election of the Board Chairperson.

Steve Sather moved and Jerry McFarlane seconded the motion to elect Bill Todd as Board Chairperson for the year 2014. The motion passed unanimously.

Plan Assumption Review

Mr. Dunivant distributed information that summarized the Plan Assumptions used by SERS. The slides included brief bullet points that covered the interest rate on contributions, the actuarial cost method, asset smoothing, investment return assumption and the mortality tables used by the Plan.

Mr. Snyder voiced concern about starting a discussion on the Plan Assumptions while the discussion of changing the contribution rate is still on-going. Mr. Snyder proposed waiting to discuss any of the plan assumptions until the topic of changing the contribution rate has been resolved. Mr. Kiefer and Mr. Sather both concurred with Mr. Snyder's recommendation to wait. The Board decided to delay the review of the Plan Assumptions.

Minutes of the December 4, 2013 Meeting

Steve Sather moved and Mike Coster seconded the motion to approve the minutes of the December 4, 2013 meeting as distributed. The motion passed unanimously.

Service Retirements

<u>Name</u>	<u>Age</u>	<u>Retirement Date</u>	<u>Years of Service</u>	<u>Option</u>	<u>30-day Notice</u>
Roy C. Butts	79	01/01/2014	35.0	E	N
David L. DeLaMatter	51	01/07/2014	12.0	E	N

Ashley C. Hallam	62	01/11/2014	21.4	ST	N
Dennis M. Seipp	62	01/11/2014	35.0	ST	Y
Theresa M. Fisher	65	01/21/2014	25.3	ST	N
Theresa M. Giannetto	57	02/04/2014	7.5	ST	N
Kristen P. Griffin	57	02/08/2014	5.5	ST	N
Stephen J. Niemczyk	64	02/15/2014	31.9	E	Y
Debbie R. Wagner	58	02/15/2014	25.3	ST	Y
Marisa A. Kurtz	55	02/16/2014	26.7	ST	Y
Herschel A. Main	66	02/22/2014	19.4	D	Y
William H. Enger	51	03/01/2014	22.1	ST	Y
Michael A. Knight	59	03/04/2014	30.5	E	Y
Patrick D. Duncan	65	03/15/2014	15.7	ST	Y

Dean Kiefer moved and Jon Snyder seconded the motion to approve the service retirements as presented on the January Retirement Transaction Report. The motion passed unanimously.

Withdrawals for January 2014

Name	Termination Date
Aaron A. Crary	12/24/2010
Timothy M. Lusk	03/08/2012
Michael E. Haynes	11/12/2013
Chris D. Palmer	11/23/2013

Jerry McFarlane moved and Jon Snyder seconded the motion to approve the requests for withdrawal as presented on the January Retirement Transaction Report. The motion passed unanimously.

Deaths

Name	Date of Death	Age	Information
Jerry H. Peters	78	11/11/2013	No Further Benefits
John E. Dayharsh	88	11/15/2013	No Further Benefits
Patricia C. Brown	79	11/24/2013	No Further Benefits
Robert J. Benton	58	12/25/2013	No Further Benefits
Richard H. Yamamoto	91	12/31/2013	Option D Continues
Doris L. Allen	92	01/09/2014	No Further Benefits
Walter W. Johnson	79	01/19/2014	Option E Continues
Kenneth E. Vigue	79	01/20/2014	Option D Continues

This information was provided to the Board for review.

Director's Report
Expenditure Summary Report – November 2013

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

Steve Sather moved and Jerry McFarlane seconded the motion to approve the November 2013 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – December 2013

The monthly investment report was presented to the Board for review. The market value of the SERS portfolio on December 31, 2013 was approximately \$280.1 million.

Other Business

Mr. Dunivant inquired about adding an option to the Plan that would allow for a surviving spouse of an active employee to start collecting a pension, when the employee was not eligible for retirement due to age restriction. Mr. Joe Cavanaugh discussed the previous rules of the Plan, which included early retirement factors (ERF's) and not allowing spouses to vest in the system. Mr. Cavanaugh also reminded the Board that changing the rules of SERS would require negotiations with the labor groups. Ms. Hamilton suggested that the Board look at this type of change at the same time they address the Plan Assumptions. Mr. Snyder expressed an interest in looking at what other plans do in similar scenarios. Mr. Todd asked staff to contact the actuary and inquire how other clients of theirs handle this same type of scenario.

Other Business

Mr. Todd asked Mr. Dunivant for information regarding the status of the applications for the Retirement Director position. Mr. Dunivant commented that there was possibly a fourth applicant now and Mr. Todd asked that the applications be forwarded to the Board members for review. Mr. Joe Cavanaugh distributed a letter that Local 270 sent to Mr. Todd suggesting the Board pursue more information on employing a professional recruiter to help the City fill the position. Mr. Szambelan was asked if a request for proposal (RFP) was required due to the cost associated and Mr. Szambelan indicated that it would probably have to go through the RFP process. Mr. Todd asked the Board if after receiving the applications, if they would email him with their thoughts and if they needed to move forward on the RFP process for hiring a professional recruiter.

There being no other business, the meeting adjourned at 1:56 p.m.

/s/

Timothy Dunivant, Interim Retirement Director