

Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
September 24, 2014

Bill Todd called the regular monthly meeting to order at 1:29 p.m. in the 5th Floor Conference Room at City Hall.

Present: Bill Todd, Mike Coster, Jon Snyder, Mike Cavanaugh, Dean Kiefer, Brian Brill and Jerry McFarlane

Staff: Christine Shisler, Donald Brown and Tim Szambelan

Guests: Joan Hamilton, Joe Cavanaugh, Richard Czernik and Natalie Hilderbrand

Minutes of the August 27, 2014 Meeting

Jon Snyder moved and Mike Coster seconded the motion to approve the minutes of the August 27, 2014 meeting as distributed. The motion passed unanimously.

Retirements

Name	Age	Retirement Date	Years of Service	Option
Loretta M. Carman	73	09/06/2014	23.7	ST
Donna M. Harvey	65	10/12/2014	16.6	ST
Dale F. Larsen	60	10/17/2014	21.8	ST

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

Withdrawals for September 2014

Name	Termination Date
Joseph D. Dunsmoor	04/13/2014
Eric S. Bramel	04/18/2014
Jean H. O'Donnell	08/14/2014
Janell R. Pogachar	08/28/2014

Jon Snyder moved and Mike Cavanaugh seconded the motion to approve the requests for withdrawal as presented on the September Retirement Transaction Report. The motion passed unanimously.

Deaths

Name	Age	Date of Death	Information
Shirley K. Miller	81	08/15/2014	No Further Benefits
Warren J. Richards	76	08/30/2014	No Further Benefits

Death information was provided to the Board for review.

Director's Report

Expenditure Summary Report – August 2014

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

Mike Cavanaugh moved and Jon Snyder seconded the motion to approve the August 2014 Expenditure Summary Report. The motion passed unanimously.

2015 Budget

The 2015 Budget was presented to the Board and discussed.

Mike Cavanaugh moved and Mike Coster seconded the motion to adopt the 2015 Budget as presented. The motion passed unanimously.

Schedule of Investments – August 2014

The monthly investment report was presented to the Board for review. The market value of the SERS portfolio on August 31, 2014 was \$290 million.

November/December 2014 Board Meeting

Ms. Shisler recommended to the Board to combine the November and December Board meetings due to the regularly scheduled meetings occurring near the Thanksgiving and Christmas holidays.

The Board decided to hold a combined November/December meeting on Wednesday, December 3, 2014 beginning at 12:30 pm.

Jayson Davidson from Hyas Group will present the third quarter 2014 performance report at the December meeting.

Other Business

The Board had inquired at the August meeting about changing the contribution interest rate from 2.5% to 2.3%. After a brief discussion, the Board decided to not make any changes and wait until next year when they are scheduled to perform their annual review of the interest rate in conjunction with the Actuaries annual valuation report.

Mike Cavanaugh inquired about the frequency at which the Board performs an asset allocation study and how often the Board reviews the rate of return. The Board decided to revisit the asset allocation once a new director was hired and the rate of return is discussed annually when the Actuaries present the valuation. Joe Cavanaugh suggested reviewing the assumptions and allocation presentation that was last discussed approximately 5 years ago.

Mr. Brown informed the Board that the contract with EFL Associates, for the assistance in recruiting a Retirement Director, has been signed and filed with the City Clerks. He also informed the Board that he will be working with EFL Associates during the recruitment process and they have already begun their work.

Ms. Shisler informed the Board that the change in contribution rate went into effect the previous pay period with no issues from PeopleSoft. She also informed the Board that the amended contract with Graviton had been filed with the City Clerks' for the work needed in PeopleSoft to implement the "Rule of 80". Ms. Shisler reminded the Board that she would not be at the October meeting since she will be attending the Public Pension Financial Forum (P2F2) conference.

The Board was notified, per Asset Management, that it was necessary, for security reasons, to move the SERS Board meetings. Starting with the October meeting, the Board meetings will be held in the City Council Briefing Center Conference Room located on the lower level of City Hall. Ms. Shisler offered to escort the Board members and guests to where the new conference room was located after the adjournment of the meeting.

There being no other business, the meeting adjourned at 2:00 p.m.

Christine Shisler, Assistant Retirement Director