

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

The regular monthly meeting was called to order at 12:04 p.m. in the Council Briefing Center at City Hall.

Present: Mike Coster, Mike Cavanaugh, Dean Kiefer, and Candace Mumm

Absent: J.D. Morscheck, Brian Brill, and Jim Tieken

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

Guests: Joe Cavanaugh, Natalie Hilderbrand, Bob Olsen, Richard Czernik, Jon Barnhart, Adam Miles, and John Bjork

Election of Chairperson

Candace Mumm moved and Mike Cavanaugh seconded the motion to elect Mike Coster as Board Chairperson for the year 2019. The motion passed unanimously

Minutes of the December 5, 2018 and January 22, 2019 Meetings

Candace Mumm moved and Mike Cavanaugh seconded the motion to approve the minutes of the December 5, 2018 and January 22, 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>
Andrew E. Worlock	56	01/01/2019	18.4	E
Jean M. Dart	64	01/01/2019	10.5	ST
Brian L. Rose	65	01/12/2019	12.5	ST
Don R. Arndt	69	01/12/2019	11.1	E
Albert M. Thompson	67	02/01/2019	12.0	ST
Donna A. Smith	70	02/02/2019	13.1	E
Timothy J. Coles	67	02/02/2019	34.1	E
Janet L. Davey	67	02/08/2019	18.2	ST
Linda G. Shafer	67	02/09/2019	10.1	E
Linda L. Hendrix	62	02/14/2019	21.1	B
Ellen Hung	50	04/01/2019	12.3	ST
Lee Ann Reid	67	04/05/2019	19.6	D
Deborah Y. Bisenius	65	04/06/2019	26.4	ST

Mike Cavanaugh moved and Dean Kiefer seconded the motion to approve the service retirements as amended on the January Retirement Transaction Report. The motion passed unanimously.

Withdrawals for January 2019

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Heather L. Lowe	5.1	07/22/2016
Mary M. Reinbold	0.1	06/29/2018
Patrick B. Wanberg	0.3	08/24/2018
David M. Christenson	0.5	11/21/2018
Robert S. Oberst	4.1	11/21/2018
Misty A. Smiley	4.5	12/03/2018

Dean Kiefer moved and Mike Cavanaugh seconded the motion to approve the requests for withdrawal as presented on the January Retirement Transaction Report. The motion passed unanimously.

Vesting

<i>Name</i>	<i>Department</i>	<i>Years of Service</i>
Michael D. Froemming	Development Services Center	13.6

Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Deloris J. Ellis	09/07/1985	95	12/22/2018	No Further Benefits
Karen S. Thornton	01/12/2017	64	12/23/2018	No Further Benefits
Gregory A. Smith	02/02/2013	71	12/25/2018	No Further Benefits
Howard J. Brendel	03/26/1983	92	12/30/2018	No Further Benefits
Roy C. Butts	01/01/2014	84	01/01/2019	E Option Continues

Vesting and death information provided to the Board for review.

Expenditure Summary Report – November 2018

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

Mike Cavanaugh moved and Candace Mumm seconded the motion to approve the November 2018 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – December 2018

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on December 31, 2018 was \$295.7 million with an estimated monthly rate of return of -4.3%.

Monthly Cash Reconciliation

The monthly cash reconciliation reports for December 2018 and January 2019 were presented to provide the Board with additional insight into the ongoing liquidity and cash position of the plan.

SB 5240 Update

Mr. Tencick updated the Board on the SB 5240 hearing before the Ways and Means Committee on January 23, 2019. All of the testimony, including Mr. Tencick's on behalf of SERS, was opposed to the bill due to governance and risk management issues. The Committee has taken no action on the bill since the hearing.

Investment Advisory Committee Update

Mr. Tencick presented the Investment Advisory Committee minutes.

Dean Kiefer moved and Mike Cavanaugh seconded the motion to acknowledge the minutes of the January 24, 2019 SERS Investment Advisory Committee Meeting. The motion passed unanimously.

Annual Board Agenda

Mr. Tencick distributed a draft annual agenda for the year to the Board and asked for input on education topics within the next couples of weeks.

Spokane Regional Emergency Communications (SREC)

Mike Cavanaugh moved and Dean Kiefer seconded the motion to defer taking any action until further information is available. The motion passed unanimously.

City of Spokane Bond Rating

Mr. Tencick led a discussion on the bond rating provided by S & P for the City of Spokane.

There being no other business, the meeting adjourned at 1:00 p.m.

/s/

Phillip Tencick, Retirement Director