

**Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
April 1, 2020**

The regular monthly meeting was called to order at 1:04 p.m. via conference call.

Present: Mike Coster, Jim Tieken, Joe Cavanaugh, Michael Cathcart, Dean Kiefer, Brian Brill, and J.D. Morscheck

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

Guests: Natalie Hilderbrand and Richard Czernik

Minutes of the March 4, 2020 Meeting

Joe Cavanaugh moved and Den Kiefer seconded the motion to approve the minutes of the March 4, 2020 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>
Michele Y. Vazquez	58	01/01/2020	1.8 (Portability)	ST
George G. Robb	72	03/20/2020	21.4	E
Rama D. Allen	57	04/04/2020	20.9	D
Dean L. Earls	61	04/04/2050	40.0	E
Michael V. Cash	54	05/02/2020	27.2	C-10
Bruce A. Brurud	61	09/02/2020	23.1	D

Dean Kiefer moved and Jim Tieken seconded the motion to approve the service retirements as amended on the April Retirement Transaction Report. The motion passed unanimously.

Withdrawals for April 2020

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Jake K. Burgess	1.8	02/11/2020

Jim Tieken moved and Dean Kiefer seconded the motion to approve the request for withdrawal as presented on the April Retirement Transaction Report. The motion passed unanimously.

Deaths

<u>Name</u>	<u>Date Retired</u>	<u>Age</u>	<u>Date of Death</u>	<u>Information</u>
Dorothy C. Frome	06/05/1999	76	03/04/2020	No Further Benefits
Priscilla D. Garland	Active	44	03/04/2020	Beneficiary Withdrawal
Molly L. Goldschmidt	Active	36	02/08/2020	Beneficiary Withdrawal

Death information provided to the Board for review.

Expenditure Summary Report – February 2020

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

Joe Cavanaugh moved and Dean Kiefer seconded the motion to approve the February 2020 Expenditure Summary Reports. The motion passed unanimously.

Schedule of Investments – February 2020

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on February 29, 2020 was \$299.5 million with an estimated monthly rate of return of -4.4%.

Mr. Tencick presented a rebalancing report showing the initial results for investment performance in March. Performance was shown for the publicly traded investments with market values available as of March 31st. Markets were down significantly for the month, with equities posting the largest losses. As a result, the portfolio will likely exceed the normal range for strategic allocation as of the end of the quarter. With the uncertainty of the economic impact of COVID-19 and the high market volatility, rebalancing to target weights will be postponed and done through regular cash flows in and out of the plan.

Monthly Cash Reconciliation

The monthly cash reconciliation report for March 2020 was presented to provide the Board with additional insight into the ongoing liquidity and cash position of the plan. Cash positions were higher during the month to provide liquidity for pension payments and reduce market risk.

Other Business

Mr. Tencick informed the Board that the Morrison Fund VI commitment was finalized at the end of February. The valuation was as of the end of the first quarter, March 1, 2020, but due to the drop in the market, SERS will delay finalizing until the second quarter.

Mr. Tencick also informed the Board that a trading error during the Mid Cap Growth transition was favorably settled. The sale order for the redeeming Vanguard fund was submitted before the daily cutoff on March 13th, but due to a system error, US Bank did not receive the order before markets closed. As a result, the sale occurred on March 16th, resulting in a loss of \$491 thousand compared to the prior close. US Bank will refund this difference with proceeds expected by the end of the week.

COVID-19 Update

Mr. Tencick informed the Board due to COVID-19 and Governor Inslee's 'Stay Home, Stay Healthy' order, the Retirement Staff is working remotely.

Other Business

The SERS Election for the term Joe Cavanaugh was appointed to is scheduled for April 14, 2020. City Legal and City Clerks' have recommended delaying the election due to COVID-19 and the 'Stay Home, Stay Healthy' order by Governor Inslee.

Jim Tieken moved and Dean Kiefer seconded the motion to delay the election two months, with nominations due June 9, 2020 and the election to occur on July 14, 2020, with implementation via mayoral proclamation. The motion passed unanimously.

There being no other business, the meeting adjourned at 1:30 p.m.

/s/

Phillip Tencick, Retirement Director