

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

The regular monthly meeting was called to order at 1:03 p.m. via WebEx conference call.

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

Staff: Phill Tencick, Christine Shisler, and Donald Brown

Guests: Tammy Erickson and Ashlee Lent (Moss Adams), Richard Czernik, and Natalie Hilderbrand

Jim Tieken joined the meeting at 1:05 p.m.

Moss Adams – December 31, 2019 Audit Report

Moss Adams presented the 2019 SERS independent audit report. The auditors explained how they test critical areas such as the investment assets, investment income, contributions, benefit payments and participant data. Moss Adams issued an unqualified (clean) opinion. They had no negative comments or areas of concern in the management letter, which reflects the continuing diligence of staff.

Minutes of the June 3, 2020 Meeting

Joe Cavanaugh moved and Jim Tieken seconded the motion to approve the minutes of the June 3, 2020 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>
Vicki R. Brown	61	06/30/2020	22.5	E
Daniel W. Archer	50	07/01/2020	8.2	E
Daniel H. Eaton	56	07/11/2020	32.9	E
Susan M. Walton	62	07/14/2020	23.0	ST
Brent H. Thrash	62	08/04/2020	12.7	E

Jim Tieken moved and Brian Brill seconded the motion to approve the service retirements as presented on the July Retirement Transaction Report. The motion passed unanimously.

Withdrawals for June 2020

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Ceaira K. K. Rigmaiden	1.5	10/08/2019

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

Vesting

<i>Name</i>	<i>Department</i>	<i>Years of Service</i>
Sarah K. Bain	Library	6.3

Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Gary L. Miller	05/08/2003	79	05/29/2020	No Further Benefits
David L. Byrnes	08/02/2011	73	06/14/2020	E Option Continues

Vesting and Death information provided to the Board for review.

Expenditure Summary Report – May 2020

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

Dean Kiefer moved and J.D. Morscheck seconded the motion to approve the May 2020 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – May 2020

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on May 31, 2020 was \$284.9 million with an estimated rate of return of 4.2% 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. Items of note included the redemption of the Frontier Phocus fund on June 26, 2020 following the motion from June's meeting and an additional distribution from Royalty Opportunitites I.

Other Business

Mr. Tencick informed the Board that the budget would be presented at the August meeting as long as the Budget Department has the reports released.

Mr. Tencick updated the Board on the RFP for Investment Consulting. He plans to include a summary of the firms who have responded in the August Board packet.

Contribution Interest Rate

Mr. Tencick presented information on the US Treasury rates used to determine the Plan interest rate on member contributions. From July 1, 2019 to June 30, 2020, the average 5-year US Treasury Note rate, rounded to the nearest 25 basis points, was 1.25%. This rate will become effective July 1, 2020, and is a decrease from the previous rate of 2.50%.

Joe Cavanaugh moved and Jim Tieken seconded the motion to change the contribution interest rate from 2.50% to 1.25%. The motion passed unanimously.

There being no other business, the meeting adjourned at 1:50 p.m.

/s/

Phillip Tencick, Retirement Director