

**Spokane Employees' Retirement System (SERS)**  
**Board Meeting Minutes**  
**March 29, 2017**

The regular monthly meeting was called to order at 1:32 p.m. in the 5<sup>th</sup> Floor Conference Room at City Hall.

**Present:** Mike Coster, Jim Tieken, Mike Cavanaugh, Candace Mumm, Dean Kiefer, and Brian Brill

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

**Guests:** Joe Cavanaugh, Natalie Hilderbrand, Joan Hamilton, Richard Czernik, Bob Olsen, J.D. Morscheck, and John Bjork

Mr. Tencick introduced Mr. J.D. Morscheck to the Board and guests. Mr. Morscheck briefly shared his background.

**Minutes of the February 22, 2017 Meeting**

Candace Mumm moved and Jim Tieken seconded the motion to approve the minutes of the February 22, 2017 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>
Robert D. Wall	66	04/04/2017	16.0	E
Scott M. Emmerson	50	04/23/2017	24.1	E
Daniel J. Hirst	70	04/29/2017	15.3	E
Lisa G. Porter	57	05/02/2017	19.4	ST
Margaret A. Schussler	66	05/06/2017	33.0	ST
Rebecca L. Davis	62	06/02/2017	20.2	ST
Wilford B. Hardy, Jr.	75	07/04/2017	19.2	D

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

**Vesting**

<i>Name</i>	<i>Department</i>	<i>Years of Service</i>
Robert Crow	CD/HS Operations	4.0 Portability

### Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Margaret P. Bomben	07/30/2010	86	02/19/2017	No Further Benefits
Gerald J. Harnois	01/08/1999	81	02/21/2017	E Option Continues

Vesting and Death information provided to the Board for review.

### Expenditure Summary Report – February 2017

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

Mike Cavanaugh moved and Jim Tieken seconded the motion to approve the February 2017 Expenditure Summary Report. The motion passed unanimously.

### Schedule of Investments – February 2017

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on February 28, 2017 was \$286 million with an estimated rate of return of 1.8% for the month.

### Monthly Cash Reconciliation

The monthly cash reconciliation report was presented to provide the Board with additional insight into the ongoing liquidity and cash position of the plan.

### OrbiMed Partners Review

Mr. Tencick presented a review of the OrbiMed Partners II investment's performance. The investment severely underperformed in 2016 and the factors and strategies contributing to the underperformance were discussed. Staff and the Hyas Group recommended placing the investment on watch for performance related reasons.

Dean Kiefer moved and Brian Brill seconded the motion to place OrbiMed Partners II on watch. The motion passed unanimously.

### Ethics in Practice

Mr. Tencick led a discussion on ethics with the Board. The slides he prepared discussed ethic principles and contained practice exercises. The Board requested that a formal ethics policy be drafted for future review.

### Other Business

There being no other business, the meeting adjourned at 2:44 p.m.

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**Phillip Tencick, Retirement Director**