

**Spokane Employees' Retirement System (SERS)  
Board Meeting Minutes  
April 26, 2017**

The regular monthly meeting was called to order at 1:29 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, Donald Brown, and Tim Szambelan

**Guests:** Bill Reid, Bill Dowd, Joan Hamilton, Joe Cavanaugh, Bob Olsen, Natalie Hilderbrand, Marcus Eveland, Kim Bustos, and Michelle Hughes

**Minutes of the March 29, 2017 Meeting**

Jim Tieken moved and Dean Kiefer seconded the motion to approve the minutes of the March 29, 2017 meeting as presented. The motion passed unanimously.

Candace Mumm arrived at 1:30 pm

**Bill Dowd and Bill Reid, SageView Consulting – 2016 Actuarial Valuation**

Mr. Dowd and Mr. Reid presented the December 31, 2016 Actuarial Valuation.

The actuarial funded status as of December 31, 2016 was 53.0%, using the blended discount rate required by GASB 67. Without GASB 67, the funding status would have decreased from 68.1% to 66.7%. The Plan's current funded status is in line with the long-term glide path strategy implemented in 2012 to ensure the Plan returns a fully funded status; however the long-term projections fall below the glide path based on the current contribution rate and assumed rate of return.

**Ad-Hoc Increase**

In accordance with SERS Board policy, SageView recommended not granting an ad hoc pension increase since the current funding ratio is below the minimum 90% threshold.

**Director's Report**

**Service Retirements**

<i>Name</i>	<i>Age</i>	<i>Retirement Date</i>	<i>Years of Service</i>	<i>Option</i>
William J. Brown	50	04/18/2017	20.5	B
Joel K. Cook	50	04/19/2017	11.9	E

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

Withdrawals for April 2017

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Allen Simon	6.2	09/03/2004
Sarah P. Scott	1.0	10/11/2016
Matthew E. Thordarson	0.2	10/21/2016
Collin W. Maguire	0.6	01/10/2017
Michael H. Morgan	0.4	02/16/2017

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

Vesting

<i>Name</i>	<i>Department</i>	<i>Years of Service</i>
Christopher L. King	Solid Waste Management	8.4
Sean M. Girard	Library	5.7

Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Robert P. Willson	12/25/1983	94	03/30/2017	No Further Benefits
David H. Rodgers	02/01/1994	93	04/18/2017	No Further Benefits

Vesting and Death information provided to the Board for review.

Expenditure Summary Report – March 2017

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

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

Schedule of Investments – March 2017

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on March 31, 2017 was \$286.5 million with an estimated rate of return of 0.2% for the month.

Monthly Cash Reconciliation

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

### **Ethics Policy Review**

Mr. Tencick presented to the Board a comparison of ethics policies of other government pension plans and the SERS policy as established by Spokane Municipal Code. Mike Coster suggested the Board review the comparison for future discussion.

### **Other Business**

The Board adjourned to executive session at 2:42 p.m. to discuss the candidates for the vacant Board position. Guests were asked to leave room.

The Board resumed open session at 2:57 p.m. and invited the guests back into the room.

Jim Tieken moved and Mike Cavanaugh seconded the motion to seat J.D. Morscheck in the vacant Board position. The motion passed with Brian Brill abstaining and Candace Mumm voting nay in support of the other candidate.

There being no other business, the meeting adjourned at 2:58 p.m.

/s/

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**Phillip Tencick, Retirement Director**