

**Regular Meeting
Board of Administration
Tacoma Employees' Retirement System**

1:00 p.m., Thursday, January 9, 2020
Tacoma Public Utilities
Administration Building North
Conference Room G1
3628 S. 35th Street
Tacoma, Washington 98409

Minutes

Call to Order

Sam Benscoter, Vice Chair of the Retirement Board, called the meeting to order on Thursday, January 9, 2020.

Roll Call

Members Present: Sam Benscoter, Gordon Cavanaugh, Andy Cherullo,
Matthew Hedges, Kim Moore, Jim Sant, Jonathan Schlaudraff
and Tadd Wille

Members Absent: Mayor Victoria Woodards and Wayne Reed

Others Present: Tim Allen, Retirement Director
Kathleen Mason, Recording Secretary
Catherine Marx, Assistant Retirement Director
Charles Lee, Deputy City Attorney

Citizen Comments

None.

Consent Agenda

Upon motion by Andy Cherullo, seconded by Gordon Cavanaugh, the Retirement Board moved to adopt the Consent Agenda and approved the drafted minutes of the November 14, 2019 Retirement Board meeting.

Before moving on to Old Business Tim explained the purpose of the two versions of the meeting agenda. The Board indicated they wanted future agendas to include the pre-scribed motions.

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Old Business

Investment Update

Tim reviewed Private Equity Fundraising Cycle charts and provided additional information; another chart documented the importance of making consistent investments in this asset class.

Tim reviewed his 2019 in-person or conference call meetings with TERS' current asset managers to review their investment performance and to discuss any organizational updates. These due diligence meetings will continue throughout 2020, and will include quarterly webcasts and conference calls, in-person meetings in Tacoma as well as onsite visits to some of the manager offices.

Tim then reviewed investment performance for the Seattle and Spokane Retirement Systems, and the Washington State Investment Board as of the 3rd quarter 2019.

New Business

Funding and Benefits Policy

Motion: Upon motion by Andy Cherullo, seconded by Tadd Wille, the Board of Administration adopted the revised Funding and Benefits Policy effective January 9, 2020 as presented and amended. Noted: Matthew Hedges abstained from voting.

TERS Bylaws

Motion: Upon motion by Andy Cherullo, seconded by Matthew Hedges, the Board of Administration adopted the revised TERS Bylaws effective January 9, 2020 as presented and amended.

TERS Education Policy

After a lengthy discussion of the proposed policy, dated January 9, 2020, the Board requested that Tim bring back the policy at a subsequent meeting with additional items for the Board to review.

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New Business continued

Vice Chair and 2nd Vice Chair

The one-year terms for the Vice Chair and Second Vice Chair are set to expire later in 2020.

Motion: Upon motion by Andy Cherullo, seconded by Matthew Hedges, the Board of Administration approved the extension of the one-year term for Sam Benscoter as Vice Chair of the Board of Administration.

Motion: Upon motion by Matthew Hedges, seconded by Tadd Wille, the Board of Administration approved the extension of the one-year term for Andy Cherullo as Second Vice Chair of the Board of Administration. Noted: Andy Cherullo voted NO.

Wilshire

Motion: Upon motion by Andy Cherullo, seconded by Jim Sant, the Board of Administration authorized TERS Staff to execute the two, one-year contract extensions with TERS' investment consultant, Wilshire permitted under the existing contract.

The Board also requested that TERS Staff undertake a Request For Proposal (RFP) for investment consulting services as the expiration of these extensions draws near.

Milliman 2019 Public Pension Funding Study

The Board was provided with this report in the Board Packet. Tim reviewed key elements of the Study with the Board.

Retirement Director's Report

The Retirement Director's report serves as an addendum to the minutes.

Tim announced that the term for the Alternate Board member position expires in 2020. Candidates for the position which has a three-year term will be interviewed at the February 13, 2020 Board meeting.

Good of the Order

Mayor's Letter to City Council

As required in the Tacoma Municipal Code, on a quarterly basis Mayor Victoria Woodards, Board Chair, provides a TERS update report to members of the City Council. A copy of the memo dated November 14, 2019 was distributed to the Board.

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Retirement Transactions Report – November 2019 and December 2019

The Retirement Transactions Reports – November 2019 and December 2019 were provided to the Board.

Additional Topics


The Board was provided an updated list of Board Education Opportunities for 2020.

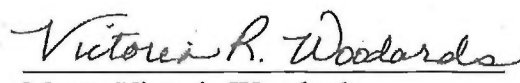
Kim Moore had indicated that he would like to attend the NCPERS Annual Conference. Upon motion by Andy Cherullo, seconded by Jonathan Schlaudraff, the Board approved.

Lynda Livingston, IAC member, had communicated to Tim that she would like to attend the DFA conference in Austin, TX. Upon motion by Andy Cherullo, seconded by Gordon Cavanaugh, the Board approved.

Adjourn

Sam Benscoter adjourned the meeting at 2.43 p.m.


Kathleen Mason
Recording Secretary


Mayor Victoria Woodards
Board Chair