

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

10:00 a.m., Thursday, November 12, 2020  
The meeting was held online, with dial-in available for the public

**Minutes**

**Call to Order**

Sam Bencoter, Chair, called the meeting to order on Thursday, November 12, 2020.

**Roll Call**

Members Present: Sam Bencoter, Gordon Cavanaugh,  
Andy Cherullo, Kim Moore, Jim Sant,  
Jonathan Schlaudraff and Wayne Reed

Members Absent: Mayor Victoria Woodards, Matthew Hedges and Tadd Wille

Investment Advisory  
Committee Present: Dr. Kevin Boeh, Dr. Alva Butcher, Geoffrey Curran, Lynda Livingston,  
and Michael Thomas

Others Present: Tim Allen, Retirement Director  
Catherine Marx, Asst. Retirement Director  
Melanie Panui, Recording Secretary  
Charles Lee, Deputy City Attorney

Presenters: Felicia Bennett, Wilshire Associates  
Ali Kazemi, Wilshire Associates  
Brian Bubrick, Wilshire Associates

**Citizen Comments**

Will be accepted in written form at [TERSretirement@cityoftacoma.org](mailto:TERSretirement@cityoftacoma.org) and will receive written acknowledgement upon receipt. There were none received.

**Consent Agenda**

Upon motion by Andy Cherullo, seconded by Gordon Cavanaugh, the Board of Administration accepted and approved the Administrative Consent Agenda to include the drafted minutes of the October 8, 2020 Retirement Board meeting.

## **Old Business**

### **Investment Update**

Retirement Director Tim Allen provided updates on some of TERS' existing asset managers based on conference calls and virtual meetings he attended since the prior Board meeting. He talked about some of the near-term headwinds that have led to a difficult period of performance. Despite these challenges, the Plan's funded status remains solid.

### **New Business**

#### **Wilshire – Quarterly Investment Report**

The Retirement Board and Investment Advisory Committee received the Executive Summary – 3rd Quarter 2020 from Wilshire Associates in electronic format.

Felicia Bennett provided an overview of economic and market conditions, setting the context for recent results. Ali Kazemi then provided the Total Fund Overview and reported the Tacoma Employees' Retirement System's rates of return as follows: 3.16% for the Third Quarter, 0.33% for the one-year period, 4.19% for the three-year period, 6.83% for the five-year period, and 7.54% for the ten-year period ended September 30, 2020. Brian Bubrick presented further details of individual asset manager performance returns and attribution.

The Executive Summary of Performance for the period ending September 30, 2020 serves as an addendum to the minutes.

#### **Financial Schedule Audit Report**

Assistant Retirement Director Catherine Marx presented the State Auditor's review of TERS' 2019 Financial Schedules - no exceptions were noted.

#### **TERS 2021-2022 Budget Update**

Assistant Retirement Director Catherine Marx presented the Board with interim figures for the 2019-2020 Biennial Budget categories, providing context for notable variances. She then described the rationale used to establish the 2021-2022 Biennial Budget.

Upon motion by Andy Cherullo, seconded by Gordon Cavanaugh, the TERS Board approved the proposed 2021-2022 Biennial Budget. This will now be included in the overall Biennial Budget, which will be formally approved by the City Council.

**New Business - Continued**

**Retirement Director’s Report**

The Retirement Director’s report serves as an addendum to the minutes. Based on preliminary figures, the Plan’s funded status stood at approximately 90% as of the end of October 2020.

The racial/gender statistics for the Retirement Department were presented to the TERS Board.

It was reported that due to a City of Tacoma directive from the City Manager and TPU Director, the Retirement staff would continue to work remotely as much as possible through at least June 2021.

**Good of the Order**

**Retirement Transactions Report – October 2020**

The Retirement Transactions Report – October 2020 was provided electronically to the Board in the Board Packet.

**Additional Topics- None.**

**Adjourn**

Sam Bencoter adjourned the meeting at 11:29 a.m.

*Melanie Panui*  
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Melanie Panui  
Recording Secretary

*Victoria R. Woodards*  
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Mayor Victoria Woodards  
Board Chair