



Seattle City Employees' Retirement System

Administrative Committee Meeting
Pacific Building, 720 3rd Avenue, Suite 900, Seattle, WA
(206) 386-1293

Minutes, Thursday, April 29, 2021

Due to the “Healthy Washington, Roadmap to Recovery” order issue by Governor Inslee, the meeting was held remotely.

AC Members Present: Robert Harvey, Jr., (Chair), Judith Blinder, Sherri Crawford, Bobby Humes

SCERS Staff Present: Jeff Davis, Paige Alderete, Jason Malinowski, Nina Melencio

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney’s Office)

Call to Order

Robert Harvey, Jr., Chair, called to order at 2:00 pm.

Public Comment

There was no public comment.

Minutes

Approved Minutes from the March 25, 2021 Administrative Committee.

Motion: Upon motion by Judith Blinder, seconded by Sherri Crawford, the Administrative Committee approved the minutes from the March 25, 2021 Administrative Committee meeting. The motion passed unanimously (3-0).

Investment Consultant Evaluation Process

NEPC made a recommendation in January that they would value receiving feedback on their performance as SCERS’s investment consultant and have provided staff an example of what another client uses to evaluate them.

SCERS could create a survey that members of the Investment Committee, Investment Advisory Committee, and staff would complete in the fall.

(2:03 p.m. – Bobby Humes joined the meeting)

The survey would be completed annually going forward.

Members of the Administrative Committee agreed that it would support best practices to implement a survey/evaluation of the investment consultant.

At the next committee meeting, committee members would review possible changes to the survey and what the process would look like. It was noted that the same survey was missing information on ESG.

Investment Advisory Committee (IAC) Appointment

Keith Traverse is coming to the end of his first 3-year term on the IAC. Mr. Traverse is the head of asset allocation and risk management at BMGI, which is the investment manager for the Bill & Melinda Gates Foundation Trust.

Joseph Boateng, chair of the IAC, has informed staff that he is willing to remain on the IAC when his term expires at the end of this year but thinks another committee member should serve as chair. RVK suggested that the IAC be chaired by a multi-asset class investment professional. Mr. Traverse is the only member of the IAC with those qualifications. In addition, Mr. Boateng has recommended that Mr. Traverse be vice chair until Mr. Boateng's term ends expires. He would then recommend Mr. Traverse to be chair.

Motion: Upon motion by Bobby Humes, seconded by Judith Blinder, the Administrative Committee recommended that the Board of Administration reappoint Keith Traverse to the Investment Advisory Committee with a three-year term commencing May 13, 2021. The motion passed unanimously (4-0).

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Administrative Committee recommended that the Board of Administration appoint Keith Traverse as Vice Chair of the Investment Advisory Committee with a three-year term commencing May 13, 2021. The motion passed unanimously (4-0).

Board Self-Evaluation

Mr. Harvey reviewed the board's response to their self-evaluation which will also be presented at the next full Board meeting. Specifically, he reviewed the areas which received the lowest scores from Board members which included:

- Each board meeting includes an opportunity for learning about the organization's activities.
- Board meeting presentations and discussions consistently reference the organization's mission statement.
- The Board evaluates the organization's performance on a regular basis by comparing the stated mission to actual operational achievements.
- The Board is actively engaged in the board development process.

There was discussion on why members of the Board thought certain areas were not be addressed.

Request from Association of Retired Seattle City Employees

The Association of Retired Seattle City Employees (ARSCE) submitted a written request for the public to be allowed access to the video link to the Board of Administration meetings. Members of the public are currently provided the phone link to listen to the meetings. ARSCE has also requested that the meetings be recorded so that they may be viewed at a later time.

Gary Smith, from the City Attorney's Office, stated that the current baseline requirement for remote meetings is to call in to a phone line. Mr. Smith had no concerns with members of the public being given access to the video link although it is not required.

The Administrative Committee members were fine with providing the video link.

There was discussion on recording the meetings. Mr. Smith stated that nothing requires that the meetings be recorded. The only requirement is that minutes are taken which they currently are.

Video access will be given if staff can secure the meetings from interruptions from the public. The meetings will not be recorded since minutes are provided and posted on SCERS's website.

SCERS Update

The 2020 Annual Report to Members will be presented at an upcoming Board of Administration meeting as well as a Deep Dive on Operations. The member satisfaction survey will be conducted this fall and towards the end of the year the SCERS employee satisfaction survey will be completed. The results will be reported to the Board at a future meeting.

Staff Compensation

A market survey on the executive and investment team was done in 2013. One of SCERS's goals is to ensure staff are well-trained, well supported, and well compensated. SDHR is aware that SCERS will be requesting another survey be conducted.

Members of the Administrative Committee expressed support for conducting another market survey.

Executive Session for a Personnel Matter

The Executive Session was canceled.

Adjourn Meeting

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Administrative Committee voted to adjourn the meeting at 2:39 p.m. The motion passed unanimously (4-0).