



Seattle Retirement

Seattle City Employees' Retirement System

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

Minutes, Thursday, September 25, 2025

IC Members Present: Sherri Crawford (Chair), Judith Blinder, Maria Coe, Joseph Hoffman, Jamie Carnell

IAC Members Present: Dwight McRae

SCERS Staff Present: Jeff Davis, Jason Malinowski, Leola Ross, Paige Alderete, George Emerson, Mengfei Cao, Nina Melencio, William Kee

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Rose Dean (NEPC), Martha Burke, Kevin Balaod (With.Intelligence), Andrew Robinson (FAS), Lindsay Saenni (Fin News), Thao Nguyen (NEPC), Daniel Hennessy (NEPC), Ben Pocs, Sarah Goldblum (ACORE), Warren de Haan (ACORE), Mike Romo (ACORE)

Call to Order

Sherri Crawford, Chair, called the meeting to order at 11:00 am.

Public Comment

There was no public comment.

Minutes

Approved Minutes from the August 28, 2025 Investment Committee Meeting.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Investment Committee approved the minutes from the August 28, 2025 Investment Committee Meeting. The motion passed unanimously (5-0).

Credit Fixed Income Deep Dive

George Emerson and Mengfei Cao presented the annual deep dive of the Credit Fixed Income asset class and provided background information, including its role in the total portfolio and its attributes.

SCERS has an allocation of 7.0% to Credit Fixed Income as of June 30, 2025 which matches the target weight of 7.0%. The asset class is managed by Arcmont, Ares, Monarch, and PIMCO. SCERS's Credit Fixed Income

portfolio has performed in line with the asset class index. Public credit has outperformed private credit over the last 1 and 3 years.

In the last 12 months, SCERS committed \$40 million to Arcmont Direct Lending Fund V. Going forward, staff will continue evaluating private credit managers to gradually increase their sub-asset class weight to the 60% target and further diversify into other strategies and asset types. At today's meeting, staff and NEPC will recommend a commitment of up to \$20 million to ACORE Opportunistic Credit II.

Credit Fixed Income Manager Recommendation – ACORE Opportunistic Credit II

Staff recommended a commitment of up to \$20 million to ACORE Opportunistic Credit II (AOC II), a US real estate debt strategy. AOC II is managed by ACORE Capital (ACORE). ACORE is a private credit manager and would be SCERS's fourth private credit manager.

NEPC concurred with this recommendation and has selected AOC II as a preferred strategy on their Focused Placement List (FPL) with a top rating of 1.

Mr. Emerson and Ms. Cao reviewed the diligence process, organization, strategy, and ratings matrix.

Rose Dean, of NEPC, stated that this is an opportune time for this type of strategy, and the team is experienced. She noted a few areas to monitor, including team turnover.

Mr. Emerson introduced Mike Romo and Warren de Haan of ACORE who provided information about their firm and strategy and answered questions from committee members.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Investment Committee recommended that the Board of Administration commit up to \$20 million to ACORE Opportunistic Credit II, LP, pending satisfactory legal review. The motion passed unanimously (5-0).

Adjourn Meeting

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Investment Committee voted to adjourn the meeting at 11:49 am. The motion passed unanimously (5-0).