Seattle Retirement
Seattle City Employees' Retirement System

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

Minutes, Thursday, July 30, 2026

IC Members Present:	Maria Coe (Chair), Joseph Hoffman, Bill Schrier, Kimberly Loving
IAC Members Present:	Keith Traverse (Chair)
SCERS Staff Present:	Jeff Davis, Jason Malinowski, Paige Alderete, Leola Ross, Mengfei Cao, George Emerson, Nina Melencio, Rav, William Kee
Others Present:	Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Rose Dean (NEPC), Dan Hennessy (NEPC), Thao Nguyen (NEPC), Joe Ebisa (With.Intelligence), Lindsay Saienni (Fin News), Jeff Shields, Ben Sheng (FundFire)

Call to Order

Maria Coe, Chair, called the meeting to order at 11:00 am.

Public Comment

There was no public comment.

Minutes

Approved Minutes from the May 28, 2026 Investment Committee Meeting.

Motion:	Upon motion by Maria Coe, seconded by Bill Schrier, the Investment Committee approved the minutes from the May 28, 2026 Investment Committee Meeting. The motion passed unanimously (3-0).

NEPC Capital Markets Update

Dan Hennessy and Rose Dean of NEPC presented NEPC's Capital Markets Update.

(11:06 am – Kimberly Loving joined the meeting).

Global equities posted outsized returns in Q2 2026, especially Taiwan and Korea which was driven by the artificial intelligence boom. Bond markets started pricing in tighter federal reserve policy. Real asset performance has been volatile due to the Iran war.

Jason Malinowski stated that the August Investment Committee will cover SCERS quarterly performance but there will be a packed agenda with limited time for a market update.

Core & Long-Term Fixed Income Deep Dive

George Emerson presented the annual Core Fixed Income and Long-Term Fixed Income deep dives. He reintroduced both asset classes, discussed the market environment, reviewed the allocations and answered questions from committee members.

The primary role of Core Fixed Income in SCERS's portfolio is diversification and as a source of stability and liquidity to meet short-term cash flow needs and rebalance the portfolio. Core Fixed Income is represented by high-quality borrowers and has low expected volatility, return, and sensitivity to equity markets. SCERS's target allocation to Core Fixed Income is 14% with a current allocation of 16.0%. SCERS's Core Fixed Income allocation has modestly outperformed the index. Core Fixed Income is actively managed by PIMCO and Pugh Capital Management.

Long-Term Fixed Income is a relatively new asset class. The asset class has attractive risk properties in a liability-aware investing framework. SCERS's current allocation to Long-Term Fixed Income is at the 5.0% target. Long-Term Fixed Income is managed by Russell Investments. Russell Investments recently announced a sale to a consortium led by B Capital and CalPERS. Staff will be spending time with Russell Investments to understand the deal and implications.

Staff began surveying the Core Fixed Income manager landscape to assess whether the current investment managers remain preferred in terms of risk/return profile and cost effectiveness.

Mr. Davis reminded the committee that this is the last meeting at Pacific Building. The next committee meeting will be held on August 27th at SCERS's new location at Madison Centre.

Adjourn Meeting

The meeting was adjourned at 11:56 am.