



# Seattle City Employees' Retirement System

**Board of Administration Meeting**  
Pacific Building, 720 3<sup>rd</sup> Avenue, Suite 900, Seattle, WA  
(206) 386-1293

## Minutes, Thursday, May 9, 2024

**Board Members Present:** Dan Strauss (Chair), Judith Blinder, Sherri Crawford, Joseph Hoffman, Jamie Carnell, Kimberly Loving

**SCERS Staff Present:** Jeff Davis, Paige Alderete, Jason Malinowski, Leola Ross, Mengfei Cao, Nina Melencio

**Others Present:** Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Joe Ebisa (With Intelligence), Edie Jorgensen (ARSCE), Elizabeth Paschke (ARSCE), Nick Pealy (ARSCE), Andrew Robinson (FAS), Lindsay Saienni (Fin News)

### Call to Order

Dan Strauss, Chair, called the meeting to order at 10:00 am.

### Public Comment

There was no public comment.

### Administrative Consent Agenda

Provided in the Retirement Board Packet were the minutes from the April 11, 2024 Retirement Board regular meeting, ratification of Retired Payroll, Office Payroll, and other payments and withdrawals.

| The following items represent normal expenses: |                        |
|--|------------------------|
| Pension Payroll                                | \$23,183,386.57        |
| Office Payroll*                                | 409,680.77             |
| Admin Expenses                                 | 316,677.75             |
| Investment Expenses                            | 883,630.76             |
| <b>Total Expenses – April 2024</b>             | <b>\$24,793,375.85</b> |

*\*Includes estimated benefit costs*

| <b>Retirements, Withdrawals, Other Payouts – April 2024</b> |              |                        |                              |
|---|--------------|------------------------|------------------------------|
|   | <b>Count</b> | <b>Monthly Pension</b> | <b>Lump Sum Distribution</b> |
| Retirements   | 31           | \$98,386.51            | \$223,399.46                 |
| Withdrawals   | 18           | n/a                    | \$389,391.96                 |

**Motion:** Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (5-0).

### **Investment Committee Report – April 25, 2024**

Jason Malinowski reported on the April 25, 2024 Investment Committee meeting.

There were two educational items on the agenda. The Chief Investment Officer of NEPC gave a presentation on Artificial Intelligence (AI) and its potential impact on investments. Staff provided a primer on SCERS's investment beliefs with the goal of supporting strategic continuity and providing the Investment Committee an opportunity to give feedback.

Mr. Malinowski previewed the agenda for the May 30, 2024 Investment Committee (IC) meeting. The IC will be holding interviews for the investment consultant finalists. Staff will provide the committee evaluations of each finalist but will not be making a specific recommendation. The selection will be made by the committee. Each finalist will give a presentation on their organization and service model with an opportunity for the committee to ask questions. The Investment Advisory Committee will also be present during this meeting.

### **Administrative Committee Report – April 25, 2024**

Paige Alderete reported on the April 25, 2024 Administrative Committee (AC) meeting.

Ms. Alderete presented SCERS's Q1 2024 operational statistics, including total retirements, payouts, expenditures, and services completed by type. Turn-around times for completing estimate requests are down.

The 2019-2024 Strategic Plan was reviewed for updates. Overall, it was found by staff and the AC to still be relevant and aligned with SCERS's values. Staff proposed and the AC approved the following changes:

- Revising the investment return objective under Strategic Goal 1 to align with the language from the updated investment policy that was approved in 2023.
- Adding an objective to Strategic Goal 1 to be fully funded by 2042. There was a friendly amendment to revise the metric language to, "monitor the annual employer contribution with the objective that it meets or exceeds the actuarially required rate."
- Removing the objective under Strategic Goal #2 to implement a pension administration system. The objective was met in 2019 when staff implemented the new system.

**Motion:** Upon motion by Sherri Crawford, seconded by Jamie Carnel, the Board of Administration accepted the Administrative Committee's recommendation to approve SCERS Strategic Plan as amended. The motion pass unanimously (5-0).

### **Executive Director Update**

Jeff Davis announced that there are three candidates for the Active Member Trustee Seat:

- Stephen Brantzeg
- Sherri Crawford
- Anika Klix

Elections will be held from May 9, 2024 through 5:00 pm (PST) on June 3, 2024. Members will receive ballots through the mail which gives them the opportunity to vote by mail or online. The results of the election will be announced at the June 13, 2024 Board of Administration meeting.

### **Good of the Order**

Mr. Strauss asked trustees if they had anything for the good of the order.

Nick Pealy of ARSCE requested that the City Council enhance the COLA for retirees. Mr. Strauss stated that the good of the order is reserved for board members and, in the future, please reserve comments for the Public Comment section of the agenda.

### **Adjourn Meeting**

**Motion:** Upon motion by Dan Strauss, seconded by Judith Blinder, the Board of Administration voted to adjourn the meeting at 10:26 am. The motion passed unanimously (5-0).