

Minutes

Seattle City Employees' Retirement System Regular Board Meeting

Wednesday, September 3, 2008 - 9:00 a.m.
Pacific Building, 10th Floor

Present: Jean Godden, Mark McDermott, Dwight Dively, Mary Norris, Rod Rich, Frank Mathews and Lou Walter.

Also Present: Ken Leaske – ARSCE; Walt North – ARSCE; Gwen Jensen – ARSCE; Rachel Mathisen – STAND Darfur, UW; Jake Sommer – STAND Darfur, UW; Joshua Newson – STAND Darfur, UW; Carol Silverstein – STAND Darfur, WSU; Kenny Yeger – “myself”

The Meeting was called to order at 9:00am

Public Comment: Public comment was given by Mr. Jake Sommer of University of Washington in support of sudandivestment.org. Representatives were invited to attend the Investment Committee meeting later in September. Board members expressed comment on the situation in the Darfur.

Mr. Richard Goss raised his concerns over the formula used to calculate the 2007 true-up and benefit increase calculations. The Board ascertained that Mr. Goss was receiving more than he had been receiving. Staff was instructed to investigate with the actuary on the calculation of Mr. Goss' true-up and benefit increase.

Minutes:

Upon motion by Dwight Dively, seconded by Rod Rich, the Retirement Board approved the minutes from the August 6, 2008 Retirement Board meeting.

Upon motion by Frank Mathews, seconded by Lou Walter, the Retirement Board approved the minutes from the August 15, 2008 Special Board meeting – as corrected – reflected Frank Mathews was in attendance via telephone and voted yeah authorizing the execution of all documents necessary to participate in the re-capitalization of an investment.

Ratification of Retired Payroll, Office Payroll, Other Payments and Withdrawals:

Information: The following items represent normal expenses and nothing extraordinary.

Service	\$ 7,637,551.39
Beneficiary	865,686.01
Disability	73,144.74
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Pension Payroll – August 2008	\$ 8,576,382.14
Office Payroll - pay periods ending August 5 and 19, 2008	\$ 51,945.31
Vouchers Processed – August 1 – August 29, 2008	\$780,812.13 *

* \$ 22,484.43 Expert and Consultant Services

Immediate Withdrawal of Contributions:

Member	Department	Position
Bankston, Sheryl G	City Light	Personnel Specialist
Betts, Gerald Robert	TES	Painter
Bonow, Terri L	Library	Librarian
Bowers, David A	City Light	Manager 3
Brannan, Rocky Morris	DAS	Buyer
Byrd, Gina N	Police	Parking Enforcement Officer
Clifton, Claus V	FFD	Warehouser

Derby, Wesley Cameron	Library	Library Assoc IV
Detchemendy, Williams B	SPU	WTR Pipe Woker
Doucette, Modonna G.	DEA	Admin Spec I
Dupuy, Johnathan M	Library	Library Associate
Dvorak, Scott D	DPD	Land Use Planner II
Elway, Alissa J	Police	Police Comm Dispatcher 1
Gilmore, Michael J	Mayors Office	Mayoral Staff Assist I
Gipson, Amy Carter	Library	Librarian
Guevarra, Robert Dela Pena	City Light	Janitor - DAS/CL
Jager, Christopher Michael	City Light	Info Technology Prof B
King Chie Wong	SPU	Utility Account Rep II
Little, Robert W.	DPD	Accountant
Luna, Autumn E	DEA	Animal Control I
Mills, Casey R	DPD	Planning & Dev Spec II
Mottern, Jay L	DOIT	IT Prof C
Mueller, Amy Susan	City Light	Info Technology Prof B
Nemens, Jessica R	DEA	Animal Control Officer
Pirak, John R	Police	Emergency Preparedness Mgr
Pitre, Shanise R	Parks	Cashier
Riley, Victoria Ellen	ESD	Video Spec II
Ruddell, Scott M	City Light	Line Worker
Thomas, Lloyd P	Police	Latent Print Examiner
Van Valkenburgh, M Cristina	SDOT	Strat Advisor II
Watson, Robert M	Sea Center	Laborer
Wright Jr., Willie Louis	City Light	Elec Power Systems Eng

32 Withdrawals for a total of: \$647,285.22

Upon motion by Dwight Dively, seconded by Mary Norris, the Board ratified the Retired Payroll, Office Payroll, other Payments and Withdrawals.

Ratification of Service Retirements:

Information: The following list represents the retirements that have been processed since the last Retirement Board meeting.

<u>Member</u>	<u>Retired</u>	<u>Years</u>	<u>Days</u>	<u>Department</u>	<u>Position</u>	<u>Age</u>	<u>Option</u>
Arora, Pushp L	08.06.2008	26	33	Muni Court	Court Cashier	62	S
Banks, Johnny Lee	08.06.2008	21	182	SDOT	Maintenance - Sr. Traff	62	D
Castor, David L	08.01.2008	5	316	Vested		62	C15, G-100
Eulenberg, Michael	07.24.2008	6	255	DoIT	Info Tech Prof A	67	E
Henzi, Bernadette M	07.25.2008	9	53	Personnel	Traing & Ed Coor - Sr.	62	B
Kordik, Robin Victoria	07.31.2008	6	252	Parks	Captl Prjts Coor - Sr.	61	S
Moody, Paul E	08.06.2008	26	333	City Light	Strucl Painter	67	D
Nicholson, Jay A	07.23.2008	10	15	Police	Police Comm Dispatch I	59	C15, G-100
Pioli, Paul L	07.12.2008	40	33	Metro		66	E
Reichelt, Gail	06.03.2008	22	205	Personnel	Acctg Tech II	54	C20
Ruby, Marie W	08.06.2008	16	316	SPU	Manager II	62	S
Shiple, Steven C	08.06.2008	27	129	SPU	Info Tech Prof B	61	S
Sonju, Marian L	07.23.2008	15	12	Muni Court	Probation Counselor	63	S
White-Dade, Mildred	08.05.2008	22	34	Human Servs	Counselor	58	A
Yates, Henry Alfred	07.29.2008	3	295	Vested		55	C10

Upon motion by Frank Mathews, seconded by Dwight Dively, the Retirement Board approved the service retirements listed above, pending final review.

Ratification of Investment Transactions and Statement of Securities and Cash:

Ms. Carter reviewed the fund's funding ratio and presented an outline of investment holdings and transactions for the month of July. For the month of July the fund experienced a 1.05% loss for the month; a 7.69% loss for year to date and held a funding level of 82.42%.

Upon motion by Dwight Dively, seconded by Rod Rich, the Retirement Board accepted the Investment Summary report.

Investment Committee Report:

The Investment Committee held its monthly committee meeting on Thursday, August 28, 2008 in the Retirement Office.

Report and actions taken during the September Board meeting as recommended from the August Investment Committee meeting are as follows:

a) Amendment to Contract with Pension Consulting Alliance

Motion: Upon motion by Dwight Dively, seconded by Lou Walter, the Retirement Board approves the recommendation of the Investment Committee to expand the service contract with Pension Consulting Alliance from a performance monitoring only and separate portfolio asset class review special project contract into a full service general investment consulting contract the sum of which will remain an aggregate of approximately \$1.2 million over a three year period.

b) Termination of Manager

Motion: Upon motion by Dwight Dively, seconded by Mark McDermott, the Retirement Board approves the recommendation of the Investment Committee to terminate the fixed income account relationship with Advent Capital, the funds of which are to be reallocated to an existing manager.

c) Search for a New Fixed-Income Manager

Motion: Upon motion by Lou Walter, seconded by Dwight Dively, the Retirement Board approves the recommendation of the Investment Committee to issue a search for a broadly diversified fixed income manager.

d) Liquidate Closed-end Fund Manager

Motion: Upon motion by Dwight Dively, seconded by Frank Mathews, the Retirement Board approves the recommendation of the Investment Committee to proceed with a liquidation opportunity from Tremont Core Strategies Hedge Fund.

Executive Director Report:

Ms. Carter reviewed for the Board the following reports:

- The Employee Six-month Buy Back Report

Old Business:

(1) Status of Benefit Enhancements

The estimated current funding level of the Retirement Fund is 82.42% as of July 31, 2008.

(2) Investment Policy Project

This item is to be continued.

(3) Sudan Divestment Request

This item is to be continued for discussion at the September Investment Committee meeting.

New Business:

Adjournment

Upon motion by Rod Rich, seconded by Lou Walter, the Retirement Board voted to adjourn the meeting at 9:50a.m.

Mark McDermott, Secretary