

# Minutes

## Seattle City Employees' Retirement System Regular Board Meeting

Wednesday, January 7, 2009 - 9:00 a.m.  
Pacific Building, 10<sup>th</sup> Floor

**Present:** Jean Godden, Dwight Dively, Mark McDermott, Lou Walter (via telephone), Mary Norris, and Rod Rich.

**Also Present:** Carlton Seu, City Attorney's Office; Mike Monaco, Song Mondress; Deborah Jones, Save Darfur WA State; Bill Kruller ARSCE; Ken Yeager, KECC; Robert Sugden, ARSCE; Walt North, ARSCE; Gwen Jensen, ARSCE; Mary Winslow, Member; Arlene Geist, Retiree; Larry Works, City Employee; Rachel Mathisen, STAND: UW; and Cecelia M. Carter, SCERS Executive Director.

### Jean Godden as Chair called the meeting to order at 9:01 am

**Public Comment:** Mr. Ned Leskowski of Save Darfur expressed his thanks to the Board for processing through this issue and reaching its conclusion.

Ms. Mary Winslow expressed to the Board her concerns regarding what she deemed to be speculative investments.

Ms. Arleen Geist expressed to the Board her concerns regarding what appeared to be a lack of attendance by Board members – she specifically referenced the November 2008 Board meeting.

### Minutes:

Upon motion by Rod Rich, seconded by Mark McDermott, the Retirement Board approved, Lou Walter abstained, the minutes from the December 3, 2008 Retirement Board meeting.

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

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

Service	\$7,792,336.91
Beneficiary	\$856,042.42
Disability	\$74,241.90

**Pension Payroll – PPE December 31, 2008** **\$8,722,621.23**

**Office Payroll** - pay periods ending Nov 25 & Dec 9 & Dec 23, 2008 **\$79,323.71**

**Vouchers Processed** – November 1 - 30, 2008 **\$ 234,637.98 \***

\* \$0 Expert and Consultant Services

### Immediate Withdrawal of Contributions:

Member	Department	Position
Healy, Erin A	Human Services	Sr. Planning & Dev Spec
Acierto, Natividad P	Parks	Cashier
Johnson, Renee D	FFD	Auto Mechinest
Tran, Arlene	Light	Accounting Tech 11
Moosavi, Mohammed	SPU	Strat Advisor 11
Kirk, Niema	SPU	Utility Account Rep
Hobson, Barbara A	SPU	Utility Account Rep
Sahli, Brian Douglas	Light	Safety & Health Spec
Glenn Jr, Maurice L	Parks	Laborer
Wotron, Mario Lynn	Parks	Golf Tech

Kokoszka, Tricia D	Parks	Volunteer Program Coordinator
Ahmed, Sofia M	Parks	Rec attendant
Merge, Jean A	Parks	Gardner
Westmorland, Janelle Suzanne	SPU	Sr. Accountant
DO, Quang Vinh	Law	Accounting Tech 111
Baker, John L	Light	Machinist
Anderson, Ethan M	Parks	Rec Leader
Griffiths, Graham R	Parks	Lifeguard

**18 Withdrawals for a total of: \$216,811.38**

**Motion:** Upon motion by Dwight Dively, seconded by Mary Norris, Lou Walter abstained, the Retirement Board ratified the Retiree 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>
Baker, Julie A	11.12.2008	29	122	SPU	Sr. Proj Fund & Agree	58
<b>Dickinson, Cleofe N</b>	11.05.2008	35	0	Personnel	Sr. Accountant	67
Dubberly, Ronald A	12.01.2008	11	160	Vested	Librarian	66
Fujita, Laurence L	11.04.2008	33	311	City Light	Sr. Power Dispatcher	55
Maequette, Lee A	10.30.2008	23	64	Vested		54
Miller, Linda G	12.11.2008	24	260	SDOT	Asphalt Raker	56
Kirkland, Susan L	11.24.2008	21	51	Vested	Admin Spec II	52

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

Last month 65 new members entered the System, 7 retired from the System, there were 6 retirement continuations due to death of retiree, 1 pop-up to retiree due to death of beneficiary and 18 others terminated City employment.

### **Ratification of Investment Transactions and Statement of Securities and Cash:**

**Information:** Provided in the Retirement Board packet is the Investment Summary report that represents the transaction summary and the market value of the investments as of November 30, 2008.

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

### **Investment Committee Report:**

Ms. Carter reported the next investment committee meeting will be Thursday, January 29, 2009. That the Committee did not meet in December.

### **Executive Director Report:**

- Employee buy-back report
  - As of December 20, 2008 -
    - \$829 members requested participation in the buy back program
    - \$ 2,186,255.95 dollars were committed by employees to this program
    - \$ 1,958,753.63 dollars have been paid by the various departments (\$227,502.32 still due)

- this represents 26.79% of eligible members participated in this program to date

## Old Business:

### (1) Status of Benefit Enhancements

**Information:** The estimated current funding level of the Retirement Fund is: 63.06% as of Nov. 30, 2008.

The above amount is an estimate calculated each month by the Retirement Office staff. As provided by Ordinance 120685, changes to the Floor COLA will occur once the funding level has reached at least 100% and has been confirmed by the Board after commissioning an actuarial valuation.

### (2) Investment Policy Project

## New Business:

Members of the Board opened the floor up for discussion of the current economic situation as the new year begins. Mr. McDermott expressed his concern regarding the lack of trust of the rating systems used in the financial services field (i.e., S&P and Moody's). Mr. Rich commented that the City's investments are fully reliant upon debt instruments for investing and was confident his credit analyst was competent in her duties. Mr. Monaco commented that this is a systemic problem that has impacted every institution. A member from the audience asked about an individual investment made by the Board – Imperium. Ms. Carter expressed that the company will be re-evaluated in 2009.

### (1) Executive Session

**The Board reserves the right to enter into executive session if necessary.**

**Motion:** At 9:40am – upon motion by Lou Walter, seconded by Mark McDermott, the Retirement Board voted to go into Executive Session to review legal issues relating to investments. The Board came out of Executive Session at 10:15am – no actions were taken during the Executive Session.

### Adjournment

**Motion:** Upon motion by Rod Rich, seconded by Frank Mathews, the Retirement Board voted to adjourn the meeting at 10:15:03 am.

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Mark McDermott, Secretary