



# 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, August 13, 2020

Due to the "Safe Start Washington" order issued by Governor Inslee, the meeting was held remotely.

**Board Members Present:** Robert Harvey, Jr. (Chair), Judith Blinder, Sherri Crawford, Glen Lee

**SCERS Staff Present:** Jeff Davis, Paige Alderete, Jason Malinowski, Tony Smith, Jill Johnson, Cecelia Chen, Nina Melencio, Mark Schimizze, Avery Lee

**Others Present:** Mike Monaco (MMPL), George Emerson (CBO), Gary Smith (City Attorney's Office)

### Call to Order

Robert Harvey, Jr., chair, called the meeting to order at 10:07 a.m.

### Public Comment

There was no public comment.

### Administrative Consent Agenda

- Minutes of July 9, 2020 Board Meeting
- Ratification of Retired Payroll, Office Payroll, Other Payments and Withdrawals
- Ratification of Service Retirements for the Months of July 2020

The following items represent normal expenses:	
Pension Payroll	\$19,536.695
Office Payroll	376,382*
Admin & Investment Expenses	880,022
<b>Total Expenses – July 2020</b>	<b>\$20,793,099</b>

*\*includes estimated benefit costs*

<b>Retirements, Withdrawals, Other Payouts – July 2020</b>			
	<b>Count</b>	<b>Monthly Pension</b>	<b>Lump Sum Distribution</b>
Retirements	20	\$45,963.23	\$421,666.50
Withdrawals	17	n/a	\$860,615.00

**Motion:** Upon motion by Sherri Crawford, seconded by Glen Lee, the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (4-0).

### **Credit Interest**

Paige Alderete presented on Credit Interest. The new credited interest rate for contributions after December 31, 2011 is calculated by taking the average daily rate of the thirty-year treasury bond. The credit interest is 2.04%, down from 3.07% in the current year. Under the policy enacted by the SCERS Board, in 2021, contributions received on or before December 31, 2011 will earn 5.75% annual interest, compounded annually. Contributions received after that date will earn 2.04% interest, also compounded annually. The Board reviews and adjusts the interest rates annually, based on market conditions.

**Motion:** Upon motion by Sherri Crawford, seconded by Glen Lee, the Board of Administration set the 2021 credit interest on all employee contribution into the pension after December 31, 2011 at 2.04%. The motion passed unanimously (4-0).

### **Investment Committee Report – July 30, 2020**

Tony Smith reported on the July 30, 2020 Investment Committee meeting.

Staff and NEPC presented the annual deep dive reviews of the Credit Fixed Income and Infrastructure asset classes.

### **Executive Director Update**

Paige Alderete updated the Board on the progress of data clean-up. Currently, priority focus is being given to addressing overpayments to five retirees who did not have their Option F reduction applied timely in the old system. This error occurred due to the manual nature of the old system and processes. Under the new pension system, SCERS does not anticipate such issues continuing.

### **Adjourn Meeting**

**Motion:** Upon motion by Sherri Crawford, seconded by Glen Lee, the Board of Administration voted to adjourn the meeting at 10:20 a.m. The motion passed unanimously (4-0).