



Seattle Retirement

Seattle City Employees' Retirement System

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

Minutes, Thursday, March 26, 2026

IC Members Present: Sherri Crawford (Chair), Judith Blinder, Joseph Hoffman, Dwight Dively, Dan Strauss

IAC Members Present: Keith Traverse (Chair), Dwight McRae

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Rose Dean (NEPC), Dan Hennessy (NEPC), Thao Nguyen (NEPC), Martha Burke (ARSCE), Joe Ebisa (With.Intelligence), Lindsay Saienni (Fin News), Peter Roegge (JP Morgan), Akash Patel (JP Morgan), Brett Johnson (PEI), David Lebovitz (JP Morgan)

Call to Order

Sherri Crawford, Chair, called the meeting to order at 11:00 am.

Public Comment

There was no public comment.

Minutes

Approved Minutes from the February 26, 2026 Investment Committee Meeting.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Investment Committee approved the minutes from the February 26, 2026 Investment Committee Meeting. The motion passed unanimously (5-0)

Overlay Deep Dive

Leola Ross presented a deep dive of SCERS's overlay program which is covered every other year. SCERS has had an overlay program in place since 2014.

Russell Investments manages SCERS's overlay program where they monitor future cash flows and trade, as required, to invest idle cash and perform portfolio rebalancing. Futures securities are employed in managing the

program. The overlay program is expected to increase performance incrementally over the long-term by keeping the portfolio fully invested. The program allows for more efficient rebalancing and portfolio transitions. The overlay program has achieved its primary goal of reducing tracking error.

Investing Past and Future – Staff and JP Morgan Asset Management

(12:01 pm - Dan Strauss left the meeting.)

Jason Malinowski delivered a staff presentation entitled Investing Past and Future. The presentation is a response to the Investment Advisory Committee (IAC) Annual Report's recommendation to reflect on how the 2025-2035 period will differ from the 2015-2025 period.

The last ten years included the Brexit Referendum, Donald Trump's first election as President, US-China Trade War, Hurricane Maria and Harvey, Covid Pandemic, Russia invading Ukraine, Inflation peaks at 9%, ChatGPT's release, and Trump's announcement of global tariffs.

Mr. Malinowski mentioned the difficulty in making market predictions and noted that SCERS's investment strategy does not rely upon them as reflected in the investment beliefs. Staff's response to the IAC recommendation include:

1. Core fixed income performance will be stronger in the 2025-2035 period than it was in 2016-2025
2. US Equity performance will be less exceptional in the 2026-2035 period than it was in 2016-2025
3. There will be a longer drawdown in the equity market during the 2026-2035 period than previous period.

Mr. Hennessy shared NEPC's perspective that they agree with the first market prediction but have mixed views on the other two.

Dwight Dively stated that this presentation shows the types of topics that the IAC and the Board should be thinking about in terms of strategy and diversification.

Mr. Malinowski introduced Akash Patel and David Lebovitz of JP Morgan Asset Management.

(12:08 pm – Dwight Dively left the meeting)

Mr. Lebovitz presented research from JP Morgan's 2026 Long-Term Capital Market Assumptions (LTCMA), which compares the last 30 years and some of the emerging trends for the next 30 years.

Some of the emerging trends in the next 30 years include: expensive capital, technology, gig economy, wealth transfers, savings culture, faith in networks/ideas, multipolar world, populism, and disinformation age. Diversification remains critical although its benefits have waned over time. Cash continues to be the least attractive asset class.

Adjourn Meeting

Motion: Upon motion by Sherrri Crawford, seconded by Judith Blinder, the Investment Committee voted to adjourn the meeting at 12:32 pm. The motion passed unanimously (3-0).