



# Seattle City Employees' Retirement System

**Board of Administration Meeting**  
Pacific Building, 720 3<sup>rd</sup> Avenue, Suite 900, Seattle, WA 98104  
(206) 386-1293

## Minutes, Thursday, December 8, 2022

**Board Members Present:** Teresa Mosqueda, Robert Harvey, Jr. (Acting Chair), Sherri Crawford, Judith Blinder, Jamie Carnell, Lou Walter

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

**Others Present:** Mike Monaco (MMPL), Gary Smith City Attorney's Office), Tim Atwill, Joe Ebisa (With.Intelligence), Lindsay Saienni (Fin News), Edie Jorgensen (ARSCE), Matt Courtois (FAS), "Carl"

### Call to Order

Robert Harvey, Jr., Acting Chair, called the meeting to order at 10:02 am.

### Public Comment:

There was no public comment.

### Administrative Consent Agenda

Provided in the Retirement Board Packet were the minutes from the November 10, 2022 Retirement Board regular meeting, ratification of Retired Payroll, Office Payroll, and other payments and withdrawals.

<b>The following items represent normal expenses:</b>	
Pension Payroll	\$22,362,456.30
Office Payroll	375,664.55*
Admin Expenses	348,612.42
Investment Expenses	1,415,220.83
<b>Total Expenses – November 2022</b>	<b>\$24,501,954.10</b>

*\*Includes estimated benefit costs*

<b>Retirements, Withdrawals, Other Payouts – November 2022</b>			
	<b>Count</b>	<b>Monthly Pension</b>	<b>Lump Sum Distribution</b>
Retirements	21	\$66,076.88	\$1,535,037.44
Withdrawals	15	n/a	\$600,574.87

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

### **Investment Committee Report – November 17, 2022**

Leola Ross reported on the November 17, 2022 Investment Committee meeting. The Investment Advisory Committee members were present at the meeting.

Agenda items at the November 17, 2022 meeting included market outlook, a quarterly performance update, and a public equity manager recommendation. Phil Nelson of NEPC presented the market update. Don Stracke of NEPC presented the Q3 2022 Performance Update.

Leola Ross and Mengfei Cao presented staff’s recommendation to invest \$80 million in the Arrowstreet Global Equity Fund. NEPC concurred with staff’s recommendation,

Jeff Davis stated that there was an unusual situation during the Investment Committee meeting in which there was a quorum throughout the Arrowstreet presentation, but the quorum was lost just before the committee members were set to take a vote. There was no vote on the motion at the Investment Committee meeting. An Investment Committee motion is not necessary for the full board to act.

***(10:13 am – Lou Walter joined the meeting.)***

Mr. Harvey, Investment Committee Chair, confirmed that there were no concerns from committee members and that they were in support of the motion.

**Motion:** Upon motion by Jamie Carnell, seconded by Sherri Crawford, the Board of Administration will invest \$80 million in the Arrowstreet Global Equity Fund, pending satisfactory legal review . The motion passed unanimously (6-0).

### **Administrative Committee Report – November 17, 2022**

Paige Alderete reported on the November 17, 2022 Administrative Committee meeting. The committee discussed the new proposed board policy on underpayments.

The draft Underpayments Policy is a policy that establishes how SCERS will handle underpayments to members. This policy mirrors parameters established in the Overpayments Policy which was approved by the Board at the November 12, 2020 Board of Administration meeting. Interest will be paid on underpayments resulting from administrative errors using the same interest rate applied to overpayments . The interest rate is the actuarial assumed rate of return.

**Motion:** Upon motion by Sherrri Crawford, seconded by Judith Blinder, the Board of Administration accepted the Administrative Committee's recommendation to approve the Underpayments policy. The motion passed unanimously (6-0).

### **Executive Director Update**

There was no update.

### **Executive Session – Actual or Pending Litigation/Quasi-judicial matter**

The Board convened to Executive Session at 10:20 am to discuss actual or pending litigation with legal counsel. Executive Session is expected to conclude in 30 minutes. The Board will then return to open session.

*(10:20 am – Jamie Carnel left the meeting).*

The Board reconvened to open session at 10:50 am.

### **Adjourn Meeting**

**Motion:** Upon motion by Sherrri Crawford, seconded by Judith Blinder, the Board of Administration voted to adjourn the meeting at 10:50 am. The motion passed unanimously (4-0).