



Seattle Retirement

Seattle City Employees' Retirement System

Board of Administration Meeting
Pacific Building, 720 3rd Avenue, Suite 900, Seattle, WA
(206) 386-1293

Minutes, June 12, 2025

Board Members Present: Sherri Crawford (Chair), Judith Blinder, Maria Coe, Joseph Hoffman, Jamie Carnell, Kimberly Loving

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Bill Schrier (ARSCE), Cyril Espanol (With.Intelligence), Andrew Robinson (FAS)

Call to Order

Sherri Crawford, Chair, called the meeting to order at 10:00 am.

Public Comment

Bill Schrier of ARSCE was present to provide public comment. Mr. Schrier introduced himself to the board and stated that ARSCE is shifting its focus to 100% funding for the plan. Mr. Schrier edits the ARSCE newsletter and encourages active members to join the association.

Ms. Coe asked how dues are deducted for active members. Mr. Schrier replied that active members still need to write a check. Ms. Carnell will follow up with FAS to look into active member dues deduction.

Administrative Consent Agenda

Provided in the Retirement Board packet were the minutes from the May 8, 2025 Retirement board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$24,956,476.91
Office Payroll*	468,741.34
Admin Expenses	396,337.44
Investment Expenses	1,001,960.96
Total Expenses – May 2025	\$26,823,516.65

**Includes estimated benefit costs*

Retirements, Withdrawals, Other Payouts – May 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	30	\$96,138.89	\$2,203,238.39
Withdrawals	27	n/a	\$712,552.53

Motion: Upon motion by Sherri Crawford, seconded by Maria Coe, the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (6-0).

Investment Committee Report – May 29, 2025

Leola Ross reported on the May 29, 2025 Investment Committee meeting.

The Investment Advisory Committee joined the May meeting. Staff did a deep dive of the Real Estate asset class and presented a recommendation for an investment with the Hines European Property Partners Fund. NEPC concurred with staff's recommendation.

The first quarter performance report was deferred to the June Investment Committee meeting.

Motion: Upon motion by Sherri Crawford, seconded by Kimberly Loving, the Board of Administration accepted the Investment Committee recommendation to invest up to €60 million in the Hines European Property Partners Fund ("HEPP"), pending satisfactory legal review. The motion passed unanimously (6-0).

Administrative Committee Report – May 29, 2025

Paige Alderete reported on the May 29, 2025 Administrative Committee meeting. The committee approved recommendations to reappoint Cathy Cao and Steven Hill to the Investment Advisory Committee for another three-year term.

The committee approved recommendations to reaffirm the ESG Policy and the Investment Committee Charter. The Private Funds Exemption Policy had a slight revision in reference to the Revised Code of Washington (RCW).

Ms. Blinder mentioned that the Board Charter, which was recently reaffirmed, does not have a statement of what constitutes a quorum. She would like that added when the Board Charter comes up again for review in three years.

Motion: Upon motion by Sherri Crawford seconded by Maria Coe, the Board of Administration accepted the Administrative Committee's recommendation to reappoint **Dr. Cathy Cao** to the Investment Advisory Committee for a three-year term commencing July 1, 2025. The motion passed unanimously (6-0).

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration accepted the Administrative Committee's recommendation to reappoint **Steven Hill** to the Investment Advisory Committee for a three-year term commencing July 1, 2025. The motion passed unanimously (6-0).

Motion: Upon motion by Sherri Crawford, seconded by Maria Coe, the Board of Administration accepted the Administrative Committee's recommendation to reaffirm the ESG Policy. The motion passed unanimously (6-0).

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration accepted the Administrative Committee's recommendation to revise the Private Funds Exemption Policy. The motion passed unanimously (6-0).

Motion: Upon motion by Sherri Crawford, seconded by Maria Coe, the Board of Administration accepted the Administrative Committee's recommendation to reaffirm the Investment Committee Charter. The motion passed unanimously (6-0).

Lease

Jeff Davis stated that SCERS's current lease expires on August 31, 2026. The current space does not meet SCERS's needs. The department has grown significantly since the lease was signed in 2010. There are better, less expensive alternatives. The Board directed staff to start negotiations with Madison Centre. These negotiations have concluded successfully, and we are ready to move forward. The cost is less than the current lease with Pacific Building.

The fifth floor is available, and tenant improvements can begin immediately. The building is located two blocks north of the Seattle Municipal Tower on 5th Avenue. Members will have access to the space with direct elevator access. There is underground parking, and staff can utilize validation services for members who have appointments. Staff plan to have an open house for members to tour the space once the move is completed.

Ms. Carnell appreciated the staff's effort with negotiations and stated that they did reach a better deal. Ms. Coe appreciated the diligence that was conducted. Ms. Crawford stated that she thought it was a good deal and asked if there was an inflation factor. Mr. Davis responded that there was a 3% flat inflator for the base rent and operating expenses for the 12-year period.

Motion: Upon motion by Sherri Crawford, seconded by Kimberly Loving, the Board of Administration authorized execution of the lease at Madison Centre, 920 Fifth Avenue in Seattle, and submittal to Seattle City Council. The motion passed unanimously (6-0).

Executive Director Update

Mr. Davis reviewed upcoming agenda items. For the June Investment Committee, NEPC will review Q1 2025 fund performance and staff will review investment reference materials. This was an initiative started by Ms. Crawford to come up with reference guides for terms or basic information. Ms. Crawford worked with staff on the materials.

The June Administrative Committee has been canceled. For the July Board meeting, the Valuation Study and Final Audit Report will be presented. There will be a motion on the ARC and another one on the credit interest rate.

The Active Member elections have been completed. Maria Coe has been re-elected with 80% of the vote.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration appointed Maria Coe to the Active Member seat of the Board of Administration for a three-year term (July 1, 2025 – June 30, 2028). The motion passed 5-0-1 with Maria Coe abstaining.

Closed Session for Quasi-judicial Matter and Potential Litigation

The Board entered a closed session at 10:29 am for the discussion of a quasi-judicial matter and potential litigation. The closed session is expected to last until 10:45 am when the Board will return to open session.

The Board returned to regular session at 10:37 am.

Motion: Upon motion by Sherri Crawford, seconded by Jamie Carnell, the Board of Administration affirmed the conclusion of the independent medical examination and approved the retirement disability application of Lowrie Elaine Longacre. The motion passed unanimously (6-0).

Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

Motion: Upon motion by Sherri Crawford, seconded by Jamie Carnell, the Board of Administration voted to adjourn the meeting at 10:37 am. The motion passed unanimously (6-0).