



Seattle Retirement

Seattle City Employees' Retirement System

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

Minutes, Thursday, January 9, 2025

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

SCERS Staff Present: Jeff Davis, Paige Alderete, Jason Malinowski, Nina Melencio, Ronda Iriarte, Mark Schimizze, George Emerson,

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Kevin Balaod (With.Intelligence), Alexandria Zhang (CBO), Bill Schrier (ARSCE), Andrew Robinson (FAS), Edie Jorgensen (ARSCE), Elizabeth Paschke (ARSCE)

Call to Order

Dan Strauss, Chair, called the meeting to order at 10:00 am.

Mr. Strauss asked for a moment of silence for the National Day of Remembrance for former president Jimmy Carter.

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement Board Packet were the minutes from the December 12, 2024 Retirement board regular meeting, ratification of Retired Payroll, Office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$23,733,770.08
Office Payroll*	306,375.69
Admin Expenses	255,291.35
Investment Expenses	2,385,207.89
Total Expenses – December 2024	\$26,680,645.01

*Includes estimated benefit costs

Retirements, Withdrawals, Other Payouts – December 2024			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	12	\$31,739.95	\$564,606.19
Withdrawals	34	n/a	\$1,237,586.74

Motion: Upon motion by Dan Strauss, seconded by Maria Coe, the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed (5-0-1, with Dan Strauss abstaining).

SCERS/Deferred Compensation Overhead Allocation Methodology

Paige Alderete reviewed the City Council Ordinance 127132 that was approved in 2024 and authorized the transfer of the administration of the City of Seattle Voluntary Deferred Compensation Plan (DCP) from the Seattle Department of Human Resources to Seattle Retirement. This ordinance maintains that both SCERS and the DCP will continue to report to their separate, independent oversight boards and will have separate funding and financial reporting. One exception is that the SCERS Board of Administration is authorized to approve reasonable allocations of expenses for the joint administration of the Deferred Compensation Plan and Trust.

Ms. Alderete reviewed staff's proposed methodology to allocate SCERS's overhead costs to the Deferred Compensation Plan. The overhead costs include a proportional allocation of the office rental costs and a small number of management hours and support staff hours from SCERS's accounting and information technology divisions. The proposed monthly overhead allocation for 2025 is \$4,924 which will be recorded monthly then billed to and reimbursed quarterly by the DCP Plan Administrator.

(10:05 am – Kimberly Loving joined the meeting)

Because of the way the City budgets and allocates central overhead costs, Seattle Human Resources (SHR) will still receive the DCP's portion of the citywide allocation for 2025-2026. SCERS staff are coordinating with SHR in capturing and billing those costs. Ms. Crawford confirmed that central cost allocations are established in the first quarter and the City does not revisit these allocations until the next budget cycle.

Mr. Strauss stated that he has a strict policy that he will not vote on things he has not been briefed on. He will be abstaining from voting at today's meeting.

Ms. Carnell asked if implementing SCERS's proposed overhead allocation justifies the cost. Ms. Alderete replied that SCERS is a fiduciary fund and there needs to be clear division of expenses. SCERS funds cannot be used to support the DCP and SCERS's auditors will be reviewing this. Mr. Monaco confirmed that SCERS is held in trust so there needs to be a reasonable account for expenses.

Ms. Loving stated that the methodology Ms. Alderete reviewed mirrors what SHR did internally. SHR is here to be a partner, and she expects this alignment between SCERS and DCP will bring improvements for members.

Motion: Upon motion by Dan Strauss, seconded by Maria Coe, the Board of Administration accepted and approved the Seattle City Employees' Retirement System/Deferred Compensation Program overhead allocation methodology as presented by staff and authorized by City of Seattle Ordinance 127132. The motion passed (6-0-1 with Dan Strauss abstaining).

Executive Director Update

Jeff Davis reviewed upcoming agenda items in future meetings. At the January Investment Committee meeting, staff will review the results of the investment consultant evaluation and report on the 2025 investment outlook and capital market assumptions. At the January Administrative Committee meeting, there will be a deep dive into member communications and the results of the 2024 Retired and Active Member Satisfaction survey. At the February Board meeting staff will review the 2024 SCERS Progress Report.

Good of the Order

There was nothing for the good of the order.

Executive Session

The Board of Administration entered executive session beginning 10:17 am for up to 90 minutes to consider entry into a lease for Seattle Retirement operations.

The Board entered regular session at 10:43 am.

Ms. Coe appreciated staff's diligence on this matter.

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration authorized the Executive Director to conduct negotiations with 901 5th Avenue for a lease for Seattle Retirement's operations following the termination of its existing lease at the Pacific Building as of August 31, 2026. The motion passed unanimously (7-0).

Adjourn Meeting

Mr. Strauss adjourned the meeting at 10:46 am.



Seattle Retirement

Seattle City Employees' Retirement System

Minutes, Thursday, February 13, 2025

Board Members Present: Dan Strauss, Sherri Crawford, Judith Blinder, Maria Coe, Joseph Hoffman, Jamie Carnell, Kimberly Loving

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Elizabeth Paschke (ARSCE), Joe Ebisa (With.Intelligence), Andrew Robinson (FAS), Bill Schrier (ARSCE), Martha Burke

Call to Order

Dan Strauss, Chair, called the meeting to order at 10:00 am.

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement Board Packet were the minutes from the January 9, 2025 Retirement Board regular meeting, ratification of Retired Payroll, Office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$23,547,878.23
Office Payroll*	518,665.52
Admin Expenses	619,618.52
Investment Expenses	**
Total Expenses – January 2025	\$24,686,162.27

**Includes estimated benefit costs*

***Negative Investment Management fee is excluded since it is a Year-End accrual reversal*

Retirements, Withdrawals, Other Payouts – January 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	21	\$68,907.84	\$958,180.83
Withdrawals	26	n/a	\$1,030,696.21

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (7-0).

2024 SCERS Progress Report

Jeff Davis, Jason Malinowski, and Paige Alderete presented the 2024 SCERS Progress Report and reviewed 2024's key initiatives; assessed progress on strategic goals; and discussed planned initiatives for 2025. The report has been reformatted and revamped; the structure follows the strategic plan and how staff are meeting the goals of SCERS.

In 2024, staff conducted RFP processes for general investment consultant, auditing consultant, and actuarial consultant. The Board chose to retain the incumbent for each RFP: NEPC for the general investment consultant, CliftonLarsonAllen for the auditing consultant, and Milliman for the actuarial consultant. Other highlights from 2024 include: the consolidation of Seattle Retirement that will house SCERS and the Deferred Compensation Plan starting January 1, 2025; implementing phase 1 of a call center to improve transparency and customer service; completing a cyber security risk assessment; receiving an unmodified/clean opinion for the 2023 audit; and engaging in the City's new Workday implementation.

Mr. Malinowski and Ms. Alderete reviewed each of the strategic goals including the objectives and current status.

Ms. Crawford asked about historical contribution rates. The average employee contribution rate has been declining over time as there are fewer Plan 1 members who pay a fixed 10.03% and more Plan 2 members who pay a fixed 7.0%.

Mr. Strauss asked who decides the employer contribution rate and who sets the strategic policy benchmark. Mr. Davis replied that the SCERS Board recommends the employer contribution rate to the City based on Milliman's annual valuation report. The City ultimately determines the contribution rate. Mr. Malinowski replied that the strategic policy benchmark is based on the strategic asset allocation adopted by the Board..

2025 Key Initiatives include: relocating SCERS's offices by the lease expiration to achieve efficiencies and improvements; beginning the upgrade to SCERS's pension administration system ; improving membership experience, including expanding call center functionality; fully integrating SCERS's expanded investment toolkit; and achieving an unmodified/clean opinion on the 2024 audit.

The Board recognized Jason Malinowski who was named to Markets Group's Elite Institutional CIO list of 100 industry-leading chief investment officers across public pension funds, endowments, foundations, and corporate pension funds.

Investment Committee Report – January 30, 2025

Mr. Malinowski reported on the January 30, 2025 Investment Committee meeting. Mr. Malinowski briefly reviewed the results from the annual investment consultant evaluation. There were high response rates and strong marks across the board as was the case in prior years. NEPC reported on their 2025 Investment Outlook and Capital Market Assumptions.

Administrative Committee Report – January 30, 2025

Ms. Alderete reported on the January 30, 2025 Administrative Committee meeting. Three items were covered during the meeting: deep dive member communications, 2024 operations statistics, and the Investment Advisory Committee Charter review.

The Member Communications Deep Dive included the results of the 2024 Member Satisfaction Survey which was sent to a significantly larger pool of members than in previous years. Overall, satisfaction continues to increase for both active and retired members. For both groups, the biggest area for SCERS to improve continues to be the speed and responsiveness in addressing service requests.

Staff amended the form that the IAC members sign upon appointment or reappointment. There is a Washington state law requirement that IAC members can not be employed by investment firms that the fund does business with. IAC members also need to disclose if they have a potential or perceived conflict.

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration accepted the Administrative Committee's recommendation to approve the revised Investment Advisory Committee Charter. The motion passed unanimously (7-0).

Executive Director Update

Jeff Davis reviewed upcoming agenda items in future meetings. At the February Investment Committee meeting, the annual Investment Advisory Committee Report and staff's response will be presented as well as the annual 2024 Investment Review and planning for 2025. NEPC will present the fourth quarter performance report. At the February Administrative Committee, the 2024 Board Self-Evaluation survey and 2024 Executive Director evaluation timeline will be reviewed. The committee will also review the Conflicts of Interest policy for reaffirmation. At the March Board of Administration meeting, staff will present the ESG Semi-Annual Report and the proposed lease for 901 Fifth Avenue.

SCERS has an active member trustee election this year for Maria Coe's seat. The application period will be in April and the election will be held in May.

Closed Session for Quasi-judicial Matter and Potential Litigation – Review of Disability Retirement Application

The Board entered closed session for approximately 30 minutes to discuss a quasi-judicial matter and actual or pending litigation with legal counsel at 11:13 am.

The Board entered regular session at 11:35 am.

Motion: Upon motion by Dan Strauss, seconded by Jamie Carnell, the Board of Administration voted to refer Lowrie Longacre's disability retirement application for further medical review to fully address all issues raised in the October 2024 appeal. The motion passed unanimously (7-0).

Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

The meeting was adjourned at 11:37 am.



Seattle Retirement

Seattle City Employees' Retirement System

Board of Administration Meeting

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

Minutes, Thursday, March 13, 2025

Board Members Present: Dan Strauss (Chair), Judith Binder, Maria Coe, Sherri Crawford, Joseph Hoffman, Jamie Carnell

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Bill Schrier (ARSCE), Elizabeth Paschke (ARSCE), Kevin Balaod (With. Intelligence)

Call to Order

Sherri Crawford called the meeting to order at 10:05 am.

(10:06 am - Dan Strauss arrived at the meeting.)

Public Comment

Bill Schrier of ARSCE provided public comment. Mr. Schrier thanked Jeff Davis and Paige Alderete for attending ARSCE's quarterly luncheon and providing information on the COLA. Mr. Schrier is editor of ARSCE's newsletter and has interviewed Judith Binder and Mr. Davis. He would like to invite other trustees to contribute to the newsletter.

Administrative Consent Agenda

Provided in the Retirement board Packet were the minutes from the February 13, 2025 Retirement Board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$23,929,094.58
Office Payroll*	465,525.68
Admin Expenses	454,078.62
Investment Expenses	573,407.46
Total Expenses – February 2025	\$23,929,094.58

*Includes estimated benefit costs

Retirements, Withdrawals, Other Payouts – February 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	25	\$60,672.49	\$831,170.87
Withdrawals	24	n/a	\$1,040,503.65

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

ESG Semi-Annual Report

Mr. Davis stated that this ESG (Environmental, Social & Governance) report will focus on Diversity, Equity & Inclusion (DEI). Staff briefed Kimberly Loving in February and gave her a preview of today's presentation. Unfortunately, Ms. Loving is unable to join us for today's meeting. She has passed along her comments to Ms. Crawford.

Jason Malinowski delivered the report. SCERS believes that diverse, equitable, and inclusive organizations make better decisions, contributing to improved company and investment manager performance. SCERS incorporates DEI considerations into the investment process for the sole purpose of improving upon our financial mission. SCERS established a DEI positive action strategy in 2022 that consists of company voting and engaging, and manager research.

While company boards have become increasingly diverse over time, there have been several recent negative developments. For example, the 5th US Circuit Court of Appeals ruled that Nasdaq could not impose rules seeking to increase diversity of corporate boards listed on its exchange. Many US companies have also announced scaling back their DEI efforts due to the evolving US regulatory and legal environment.

SCERS, as a public company shareholder, emphasizes DEI in electing board directors and voting on shareholder or management resolutions. SCERS relies on a proxy voting policy that is offered by ISS. ISS's recommendations under these guidelines had supported improved board diversity, reduced workforce pay gaps and other DEI-related activities. ISS announced on February 11th that it would no longer consider DEI factors when making vote recommendations for US Board Directors. Staff is concerned about this development. Leola and Kimberly met with them earlier this week at the Council of Institutional Investors' conference and voiced our displeasure with their change. Staff is currently considering next steps.

SCERS incorporates DEI considerations in each step of the manager research process, including sourcing, due diligence and monitoring. Investment managers are selected from a broad and qualified universe with NEPC serving as the primary sourcing channel. When the investment consultant RFP was conducted last year, a section of the questionnaire asked about how the investment consultant incorporates DEI-related considerations in their manager research process.

SCERS recently conducted an inaugural survey for SCERS-invested managers on gender and racial diversity and compared results with the broader investment management industry. The inaugural survey serves as an important baseline to evaluate future trends. Most SCERS-invested managers have greater gender and racial diversity than the median investment manager, although there is less diversity than the US labor force. Staff is aware of the few managers with less diverse teams and will continue to engage with them.

Ms. Crawford shared a statement from Ms. Loving. As the board continues integrating ESG risks and opportunities into its investment process, Ms. Loving encouraged the board to continue enhancing its ESG framework by keeping abreast of emerging ESG trends and adapting its strategies to meet evolving standards and stakeholder expectations. As stewards of the fund, the SCERS's board is responsible for balancing financially sound investments with ethical and social responsibility. The board's positive action strategy prioritizes climate change, diversity, equity, and inclusion to improve our financial mission. Ms. Loving trusts that the Board will continue to

think strategically about integrating these elements into its broader investment approach, ensuring that SCERS remains a leader in responsible investing.

Leola Ross reviewed recent staff activity.

Mike Monaco reported on an ESG-related case where American Airlines was found by a U.S. federal district judge to have breached its fiduciary duty of loyalty to its 401(k) participants by permitting investments in BlackRock-managed funds while maintaining a conflicted corporate relationship with BlackRock. Mr. Monaco concluded that the facts of this case are highly unique and unlikely to apply to SCERS who cannot have the same conflicts that were present in the case.

Investment Committee Report – February 27, 2025

Mr. Malinowski reported on the February 27, 2025 Investment Committee meeting. The committee members were joined by the Investment Advisory Committee (IAC). The IAC shared their annual report for 2024, which included strategic guidance and recommendations for 2025.

NEPC reviewed the portfolio's performance through December 31, 2024. For the one-year period, the fund returned 8.7% net of fees. Staff gave their annual presentation looking back at activity from the prior year and what the team is planning for 2025.

Administrative Committee Report – February 27, 2025

Paige Alderete presented the Administrative Committee report for February 27, 2025.

The committee reviewed the Board's self-evaluation timeline and the survey questions. They also reviewed the Executive Director evaluation timeline. All board members received a request to complete the Executive Director survey.

The Committee approved the reaffirmation of the Conflicts of Interest policy.

Motion: Upon motion by Dan Strauss, seconded by Judith Blinder, the Board of Administration accepted the Administrative Committee's recommendation to approve the reaffirmed Conflicts of Interest Policy. The motion passed unanimously (6-0),

Executive Director Update

Jeff Davis acknowledged the passing of long-time board member Lou Walter who served on the SCERS Board for 25 years.

Mr. Davis reviewed upcoming agenda items in future meetings. At the March Investment Committee meeting, the staff will do an Infrastructure Deep Dive and have an investment manager recommendation. At the March Administrative Committee, the 2024 Board Self-evaluation survey will be finalized, and the Credit Interest Policy will be reviewed. At the April Board of Administration meeting, staff will give an update on office space and there will be a motion on the Credit Interest Policy.

The Board had approved entering final negotiations on office space in 901 Fifth but, as Mr. Davis communicated in an email to the Board, the deal fell through. Staff are now looking at two other options, both close to Seattle Municipal Tower. Staff will discuss the options with the Board in April during an Executive Session.

The candidacy period for Trustee Elections will be April 10, 2025 through April 24, 2025. There is a notice on the website as well as the annual active member statements. An ad was also placed in the Daily Journal of Commerce.

Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

The meeting was adjourned at 11:26 am.



Seattle Retirement

Seattle City Employees' Retirement System

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

Special Meeting of the Board

Minutes, Wednesday, April 9, 2025, 11:30 am to 1:00 pm

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

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

Others Present: Mike Monaco (MMPL), Joe Levan (City Attorney's Office), Lindsay Saienni (Fin News), Andrew Robinson (FAS)

Call to Order

Judith Blinder, Chair, called the special meeting to order at 11:30 am.

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement board packet were the minutes from the March 13, 2025 Retirement Board regular meeting, ratification of Retired Payroll, office payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$23,490,450.11
Office Payroll*	506,468.83
Admin Expenses	356,679.73
Investment Expenses	760,268.20
Total Expenses – March 2025	\$25,113,866.87

**Includes estimated benefit costs*

Retirements, Withdrawals, Other Payouts – March 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	35	\$129,352.10	\$3,088,194.14
Withdrawals	13	n/a	\$504,607.97

Motion: Upon motion by Judith Binder, seconded by Joseph Hoffman, the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (5-0).

Investment Committee Report – March 27, 2025

Jason Malinowski reported on the March 27, 2025 Investment Committee meeting.

At the meeting, staff presented an Infrastructure Deep Dive. There were also two investment manager recommendations.

Staff recommended a commitment of up to \$20 million to Tiger Infrastructure Partners Fund IV (“Tiger IV”), a North American and European sector-diversified, mid-market infrastructure strategy. NEPC concurred with the recommendation and has selected Tiger IV as a preferred strategy on their Focused Placement List with a top rating of 1.

Motion: Upon motion by Judith Binder, seconded by Jamie Carnell, the Board of Administration accepted the Investment Committee’s recommendation to commit up to \$20 million to Tiger Infrastructure Partners Fund IV LP, pending satisfactory legal review. The motion passed unanimously (5-0).

Staff recommended a commitment of up to \$20 million to NOVA Infrastructure Partners Fund II (NOVA II), a North American, sector diversified, mid-market infrastructure strategy. NOVA II is managed by NOVA Infrastructure Partners (NOVA). This is a new manager relationship for SCERS. The NOVA co-founders presented to the Investment Committee.

NEPC concurred with the recommendation and has selected NOVA II as a preferred strategy on their Focused Placement List with a top rating of 1.

Ms. Coe appreciated the diligence process that the team goes through for their manager recommendations.

Motion: Upon motion by Judith Binder, seconded by Kimberly Loving, the Board of Administration accepted the Investment Committee’s recommendation to commit up to \$20 million to NOVA Infrastructure Fund II LP, pending satisfactory legal review. The motion passed unanimously (5-0).

Administrative Committee Report – March 27, 2025

Paige Alderete reported on the March 27, 2025 Administrative Committee meeting. The committee finalized the questions for the 2024 Board Self-Evaluation; the executive director reviewed his 2024 accomplishments and 2025 goals; and the committee reviewed the credited interest policy for member contributions. This policy establishes the methodology to apply interest for member contributions. Two rates are defined in the policy; a set rate of 5.75% for contributions made before December 31, 2011, and a variable rate that changes annually for contributions made after December 31, 2011. The variable rate is based on the average yield 30-year treasury bond.

Motion: Upon motion by Judith Blinder, seconded by Maria Coe, the Board of Administration accepted the Administrative Committee's recommendation to reaffirm the Credit Interest Policy for Member Contributions. The motion passed unanimously (5-0).

Executive Director Update

Jeff Davis provided the update. The office space conversation has been delayed to a special meeting of the board to be held April 24, 2025. An executive session will be convened for the discussion.

The April Investment Committee meeting will follow the special board meeting, followed by the Administrative Committee. Both of these meetings will be special meetings due to the change in their start and end times.

For the Investment Committee, agenda items include a public equity deep dive and discussion on the US public equity benchmark.

The Administrative Committee will cover the quarterly operations statistics and will review the charters for the Board of Administration, Administrative Committee, and Election Policy. There will also be an Executive Session on a Personnel Matter.

April 10th starts the two-week candidacy period for the Active Trustee seat. Any active member who is not employed in FAS may apply to become a trustee. Information is on the SCERS website, the Member Self-Service portal, and a broadcast message is being sent out as well.

Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

Motion: Upon motion by Judith Blinder, seconded by Jamie Carnell, the Board of Administration voted to adjourn the meeting at 11:44 am. The motion passed unanimously (5-0).



Seattle Retirement

Seattle City Employees' Retirement System

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

Special Meeting of the Board
Minutes, Thursday, April 24, 2025, 11:00 am to 12:00 pm

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

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Dan Flynn, Jack Story, Alexandria Zhang (CBO)

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 April 9, 2025 Board of Administration special meeting.

Motion: Upon motion by Sherri Crawford, seconded by Judith Binder, the Board of Administration approved the minutes from the April 9, 2025 Board of Administration special meeting. The motion passed unanimously (5-0).

Executive Session

The Board will now enter executive session at 11:01 am to consider the selection of a site or the acquisition of real estate by lease or purchase. Executive Session is expected to last up to 50 minutes.

The Board reconvened into regular session at 11:27 am.

Motion: Upon motion by Sherri Crawford, seconded by Joseph Hoffman, the Board of Administration authorized the Executive Director to conduct negotiations with Madison Centre for a lease for Seattle Retirement's operations following the termination of its existing lease at the Pacific building as of August 31, 2026. The motion passed unanimously (5-0).

Adjourn Meeting

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration voted to adjourn the meeting at 11:28 am. The motion passed unanimously (5-0).



Seattle Retirement

Seattle City Employees' Retirement System

Board of Administration Meeting

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

Minutes - May 8, 2025

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

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Gar Chung (Fin News), Joe Ebisa (With.Intelligence), Andrew Robinson (FAS), Bill Schrier (ARSCE), Edie Jorgensen (ARSCE)

Call to Order

Dan Strauss, Chair, called the meeting to order at 10:00 am.

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement board Packet were the minutes from the April 24, 2025 Retirement Board special meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$25,239,477.75
Office Payroll*	471,691.95
Admin Expenses	381,204.72
Investment Expenses	2,007,902.29
Total Expenses – April 2025	\$28,100,276.71

*Includes estimated benefit costs

Retirements, Withdrawals, Other Payouts – April 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	35	\$135,420.73	\$1,830,362.13
Withdrawals	25	n/a	\$550,589.68

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration approved the minutes from the April 24, 2025 Board of Administration special meeting. The motion passed unanimously (7-0).

Investment Committee – Special Meeting – April 24, 2025

Jason Malinowski reported on the April 24, 2025 special meeting of the Investment Committee.

NEPC talked about what's going on in the market. It has been a volatile month for the market. They discussed tariffs and the uncertainty they cause. SCERS portfolio is doing well. International stocks and bonds are doing well.

Staff presented the annual deep dive on Public Equity. Staff and NEPC recommended to change the U.S. Public Equity benchmark from the Russell 3000 Index to the MSCI USA Investable Market Index. The Investment Committee approved the recommendation.

Motion: Upon motion by Dan Strauss, seconded by Maria Coe, the Board of Administration accepted the Investment Committee's recommendation to change the U.S. Public Equity benchmark from the Russell 3000 Index to the MSCI USA Investable Market Index effective July 1, 2025. The motion passed 6-0-1 with Dan Strauss abstaining.

Administrative Committee – Special Meeting – April 24, 2025

Paige Alderete reported on the April 24, 2025 special meeting of the Administrative Committee. Four items were covered during the meeting: Q1 2024 operational statistics, the Administrative Committee charter review, the Board of Administration Charter review, and the Election Policy review.

Staff continue to see a downward trend on how much time it takes to complete services for members, although time to complete service credit purchases has remained the same or gone up. She will need to research why. Expenditures for first quarter are on track with the budget.

Both the Administrative Committee Charter and Board of Administration Charter are being reaffirmed with no changes. The Election Policy has a revision to correct a typo on the Seattle Municipal Code.

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration accepted the Administrative Committee's recommendation to reaffirm the Administrative Committee Charter. The motion passed unanimously (7-0).

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration accepted the Administrative Committee's recommendation to reaffirm the Board of Administration Charter. The motion passed unanimously (7-0).

Motion: Upon motion by Dan Strauss, seconded by Sherri Crawford, the Board of Administration accepted the Administrative Committee's recommendation to accept the revised Election Policy. The motion passed unanimously (7-0).

Executive Director Update

Jeff Davis reviewed upcoming agenda items for future meetings. At the May Investment Committee, the Investment Advisory Committee members will be in attendance. NEPC will present the first quarter performance. Staff will present the annual deep dive on Real Estate and have a real estate manager recommendation. At the May Administrative Committee, the committee will review the results of the 2024 board self-evaluation, review IAC reappointments, and review the ESG policy, Private Funds Exemption Policy, and Investment Committee Charter.

At the June Board meeting, the results of the 2025 Active Member Trustee Elections will be presented. There are three candidates for the active seat. Voting begins today through June 2, 2025. All active and retired members will be receiving emails regarding the elections and paper ballots in the mail. Members can vote online or through the mail.

Candidates are:

- Maria Coe
- James Philio
- Justin Verzosa

We also hope to have the office space motion for the June board meeting.

Good of the Order

Judith Binder stated that the 2024 Executive Director evaluation has been finalized.

Adjourn Meeting

Dan Strauss adjourned the meeting at 10:16 am.



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 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).



Seattle Retirement

Seattle City Employees' Retirement System

Board of Administration Meeting

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

Minutes, July 10, 2025

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

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

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Brittany Smith (CliftonLarsonAllen), Julie Smith (Milliman), Nick Collier (Milliman), Kevin Balaod (With.Intelligence), Martha Burke, Lindsay Saienni (Fin News), Elizabeth Paschke (ARSCE), Tom Mikesell (LEG)

Call to Order

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

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement Board packet were the minutes from the June 12, 2025 Retirement board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$26,215,560.85
Office Payroll*	457,876.56
Admin Expenses	460,968.42
Investment Expenses	1,884,170.07
Total Expenses – June 2025	\$29,018,575.90

**Includes estimated benefit costs*

Retirements, Withdrawals, Other Payouts – June 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	21	\$78,810.12	\$1,068,158.73
Withdrawals	20	n/a	\$732,622.49

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

2025 Valuation Study and Actuarial Contribution Rate (ARC) – Milliman

Nick Collier and Julie Smith from Milliman presented the 2025 Actuarial Valuation Report as of January 1, 2025 and answered questions from the Board.

The funding ratio increased from 75.8% in 2024 to 76.0% as of January 1, 2025. The employer actuarially required contribution (ARC) for 2026 decreased from 15.17% to 15.06%. The total actuarial contribution rate is 23.78% as of January 1, 2025.

The actuarial valuation of assets is \$4.4 billion, up from \$4.1 billion last year. The market value of assets is \$4.33 billion, up from \$4.01 billion last year. The market value of assets had 8.3% return in 2024 which is 1.55% greater than the assumed rate of return of 6.75%. The actuarial accrued liability (salaries and benefits) went up from \$5.5 million to \$5.8 million. The liability increased due to salary increases from the City's recent union negotiations.

Ms. Crawford asked if liabilities have gone up, why is Milliman recommending that the contributions go down. Mr. Collier replied that the fund is receiving more contribution dollars since payroll went up due to salary increases.

Ms. Binder asked if it would not be better to leave the contributions where they are. Mr. Collier replied that progress has been gradual in the last few years, and the plan is in pretty good shape. Ms. Alderete stated that the City has made a commitment to fund the ARC which will help SCERS be fully funded by the end of 2042. Mr. Davis added that in the past SCERS had recommended that the City deviate but that was when there was a compelling reason to do so. We would like to reinforce that the ARC is an important number, and it represents the commitment from the City. This is just a recommendation from the SCERS Board through resolution that goes to City Council.

Ms. Crawford asked if there is any concern that in the future, the City Council commitment to the ARC won't be there due to council turnover. Mr. Davis replied that there is a resolution by the City to commit to the ARC. Ms. Carnell stated that her preference is to stay with the ARC.

Motion: Upon motion by Sherri Crawford, seconded by Jamie Carnell, the Board of Administration accepted the January 1, 2025 Actuarial Valuation Report as presented by Milliman and recommended the City of Seattle set the rate of 15.06% as the employer contribution for 2026. The motion passed unanimously (5-0).

Final Audit Report – Staff and CliftonLarsonAllen

Brittany Smith of CliftonLarsonAllen (CLA) presented SCERS's 2024 Final Audit Report for the year ending December 31, 2024. Ms. Alderete thanked Ms. Smith, the CLA team, and the SCERS teams for another smooth audit.

SCERS received an unmodified opinion in its audit, which is the best opinion you can get on financial statements. Management was very cooperative and professional during the audit process.

Ms. Smith stated there were no significant deficiencies, material weakness or other matters to report on internal controls. She did not expect this result due to the City's Workday implementation in 2024. SCERS did have a lot of errors to

correct after the Workday implementations due to payroll adjustments. The auditors did not find any that were not already identified by SCERS. It was clear that the SCERS team was prepared and had a process in place to address issues during the Workday implementations.

Ms. Blinder asked about the errors found during Workday implementation. Ms. Smith replied that the errors were due to the change to the new payroll system in Workday. For example, SCERS had to manually correct elected officials' hours, so those members received the correct service credit.

Ms. Alderete stated that SCERS staff worked closely with the City's Workday team to prioritize the most impactful errors. As new errors popped up, staff continually reprioritized. The SCERS team did spend a lot of time planning for the Workday implementation and showed a lot of flexibility and adaptability in dealing with what was actually sent to us. The team did a great job, and it is still a work in progress.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration accepted the 2024 Year-End Audited Financial Statements as presented by Seattle City Employees' Retirement System Staff and CliftonLarsonAllen, LLP. The motion passed unanimously (5-0).

Credited Interest

Paige Alderete presented and reviewed the credit interest rate recommendation..

The annual Credited Interest rate is determined using the average yield on a 30-year U.S. Treasury bond during the most preceding June 1 to May 31 period with a maximum credit interest rate equal to 5.75%. For 2026, the Credited Interest rate is calculated to be 4.53%.

If approved, it would go to Council via resolution as part of the budget package.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration set the 2026 credited interest rate on all employee contributions into the pension after December 31, 2011 at 4.53%. The motion passed unanimously (5-0).

Investment Committee Report – June 26, 2025

Jason Malinowski reported on the June 26, 2025 Investment Committee meeting.

There were no voting items. NEPC reviewed the Q2 2025 performance report which had been deferred from the May meeting. The one-year performance was 5.26%, which was in line with the benchmark. The market value of the fund was \$4.3 billion.

Staff reviewed the investment committee reference materials which were developed in collaboration with the investment committee chair, Sherri Crawford. The reference materials will be stored on the Board SharePoint site.

Executive Director Update

Mr. Davis reviewed upcoming agenda items. The July Investment Committee meeting includes a Credit Deep Dive and may have a real estate credit manager recommendation. For the July Administrative Committee, there will be a Q2 2025 operations update and, potentially, a new Investment Advisory Committee member to recommend. Keith Traverse, chair of the IAC, and Mr. Davis will be interviewing two potential candidates for the spot vacated by Joseph Boateng.

Negotiations have been finalized for the lease for the new site for SCERS and the lease will be signed by Mr. Davis and Ms. Alderete the following week.

Closed Session for Quasi-judicial Matter and Potential Litigation

The Board entered a closed session at 11:05 am for the discussion of a quasi-judicial matter and potential litigation. The closed session is expected to last until 11:25 am when the Board will return to open session.

The board returned to the regular session at 11:24 am.

Motion: Upon motion by Sherri Crawford, seconded by Jamie Carnell, the Board of Administration approved Lowrie Longacre's request to have disability retirement benefits begin at her application date of May 10, 2024. The motion passed unanimously (4-0).

Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

The meeting adjourned at 11:25 am.

There was no meeting in August



Seattle Retirement

Seattle City Employees' Retirement System

Minutes, September 11, 2025

Board Members Present:

Sherri Crawford (Chair), Judith Binder, Maria Coe, Joseph Hoffman, Jamie Carnell, Kimberly Loving

SCERS Staff Present:

Jeff Davis, Paige Alderete, Jason Malinowski, Leola Ross, Mengfei Cao, Nina Melencio, Selam Teklemariam, George Emerson, Mark Schimizze, William Kee, Marlon Taylor

Others Present:

Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Rose Dean (NEPC), KC Conners (NEPC), Joe Ebisa (With Intelligence), Elizabeth Paschke (ARSCE), Bill Schrier (ARSCE), Andrew Robinson (FAS)

Call to Order

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

Public Comment

Bill Schrier of ARSCE provided public comment. Mr. Schrier asked why, at the previous meeting, the board recommended that the City Council reduce the ARC (Actuarially Required Contribution), as it seems more logical to keep the contribution well above what is actuarially required to realize full funding. He will follow up with an email.

Jeff Davis responded, saying in the past, when the valuation report by the actuaries showed the ARC going down, but we have reason to believe there will be significant increase in next year, we recommend leaving the ARC at the same level. However, we generally recommend the ARC to reinforce its value and importance. We want the City and City Council to view it as something they need to fulfill as part of the obligation to the pension system. Straying away from that undercuts the value of the ARC.

Administrative Consent Agenda

Provided in the Retirement Board packet were the minutes from the July 10, 2025 Retirement board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$23,437,318.03
Office Payroll*	671,755.58
Admin Expenses	1,078,079.88
Investment Expenses	724,663.72
Total Expenses – July 2025	\$25,911,717.21

The following items represent normal expenses:	
Pension Payroll	\$25,777,772.70
Office Payroll*	489,379.26
Admin Expenses	420,993.79
Investment Expenses	1,787,028.85
Total Expenses – August 2025	\$28,475,174.60

*Includes estimated benefit costs and 3 pay periods for July

Retirements, Withdrawals, Other Payouts – July 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	18	\$53,874.08	\$382,480.25
Withdrawals	21	n/a	\$557,037.48

Retirements, Withdrawals, Other Payouts – August 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	25	\$94,197.99	\$1,318,436.27
Withdrawals	37	n/a	\$1,232,895.66

Judith Blinder stated that she noticed typographical errors on the July 10, 2025 minutes and asked for them to be corrected in the approved version.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration accepted and approved the Administrative Consent Agenda with revisions to the minutes as requested. The motion passed unanimously (6-0).

ESG Semi-Annual Update - Staff

Leola Ross presented the semi-annual Environmental, Social, and Governance (ESG) update and answered questions from committee members.

The fall update is focused on the climate positive action strategy. SCERS supports decarbonizing the real economy to safeguard its investment portfolio from the impact of climate change. Climate change poses a systemic risk to investment portfolios due to its profound and uncertain impact on the real economy. SCERS continues to be an active member of several organizations and recently added Climate Engagement Canada.

There are many companies that have weakened their climate targets or taken action that is inconsistent with their public climate commitments. Recent US federal policies pursued by the Trump administration have also increased the risk of unmitigated climate change.

SCERS joined 500 financial institutions in signing the 2024 Global Investor Statement to Government on the Climate Crisis. Shareholders have filed fewer resolutions in 2025 and support for environmental and social proposals has fallen

materially over the last 5 years. SCERS's investment managers continued to make new investments in energy-transition related technology, infrastructure, and efficiency.

Dr. Ross reviewed recent staff activity and industry developments.

Consultant ESG Presentation (NEPC)

Rose Dean and K.C. Connors of NEPC presented the ESG Annual Consultant Review and reviewed Impact Investing, NEPC ESG Ratings, and NEPC DEI Ratings.

NEPC is seeing increased legislation that is anti-ESG passed in many states and under consideration in others. However, they have not seen significant change in how clients are investing. None of NEPC's clients are changing their DEI or ESG initiatives. They do have two clients who are looking at reframing language without changing goals.

Ms. Loving stated that she was acutely aware of the environment surrounding Diversity, Equity, and Inclusion (DEI). She asked how the Board can monitor and build trust with NEPC on this topic. Ms. Connor replied that NEPC continues to track DEI-related data and will share more information following the meeting.

NEPC began providing manager ESG ratings in 2018 that continue to evolve to reflect industry best practices and are an extension of their existing due diligence process. NEPC began providing manager DEI Ratings in 2022, scoring managers according to their firm commitment to DEI. NEPC has completed ESG and DEI assessments for all their public Focused Placement List (FPL) managers.

Investment Committee Report – July 31, 2025 and August 28, 2025

Jason Malinowski reported on the July 31, 2025 and August 28, 2025 Investment Committee meetings.

At the July Investment Committee meeting, staff presented the annual Core Fixed Income and Long-Term Fixed Income deep dives. Staff and NEPC provided a benchmarking primer which included an introduction to benchmarks, characteristics that make a good benchmark, SCERS total portfolio benchmarks, and asset class benchmarks.

At the August Investment Committee meeting, staff provided the annual Investment Risk Review. NEPC reviewed SCERS's investment performance for Q2 2025. The portfolio returned 11.0% for the 1-year period ending June 30, 2025.

Administrative Committee Report – July 31, 2025

Paige Alderete reported on the July 31, 2025 Administrative Committee meeting. There was no meeting on August 28, 2025.

Staff reviewed Q2 2025 operational statistics. The statistics were similar to last year. The member services team continues to improve service time, and the budget is on track with expenditures.

Joseph Boateng rolled off the Investment Advisory Committee at the end of his term. SCERS staff solicited potential replacements. Keith Traverse, chair of the Investment Advisory Committee, and Jeff Davis interviewed two finalists. Both Mr. Traverse and Mr. Davis agreed that Lauren Thompson would be a good fit. Ms. Thompson has both private industry and public pension experience. She is currently Director of Investments at Corient. Prior to moving back to the Seattle area, Ms. Thompson was the Assistant CEO and Head of Investments at Santa Barbara County Employees' Retirement System, a \$3.5 billion public pension plan.

Motion: Upon motion by Sherri Crawford, seconded by Judith Binder, the Board of Administration accepted the Administrative Committee's recommendation to appoint Lauren Thompson to the Investment Advisory Committee for a three-year term. The motion passed unanimously (6-0).

Executive Director Update

Mr. Davis congratulated Maria Coe for passing the NCPERS exam to earn the prestigious Accredited Fiduciary designation. She was one of 11 public pension trustees and staff who earned the designation this year. Ms. Coe highly recommended the program to her fellow board members.

Mr. Davis reviewed the upcoming agenda items. The September Investment Committee meeting includes a Credit Deep Dive and potential recommendation of a credit manager. Staff are still working on agenda items for the September Administrative Committee. At the October Board meeting, staff will present the 2024 Annual Report.

Closed Sessions for Quasi-judicial Matter and Potential Litigation for a Member Appeal

The Board entered closed session at 11:09 am for the discussion of a quasi-judicial matter and potential litigation. The closed session is expected to last until 11:30 am when the Board will return to open session.

Closed session was extended for 15 minutes at 11:30 am.

The Board returned to open session at 11:46 am.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration granted Member Kofoed's appeal to purchase Family Medical Leave time; denied Member Kofoed's appeal to purchase time loss hours related to a Labor & Industries determination; and denied Member Kofoed's appeal to reduce the amount of his Option F reduction. The motion passed unanimously (6-0).

Good of the Order

There were no items 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 11:47 am. The motion passed unanimously (6-0).



Seattle Retirement

Seattle City Employees' Retirement System

Board of Administration Meeting

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

Minutes, October 9, 2025

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

SCERS Staff Present: Jeff Davis, Paige Alderete, Leola Ross, Nina Melencio, William Kee, Mark Schimizze, George Emerson, Ronda Iriarte

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Diane Clausen Kevin Balaod (With.Intelligence), Elizabeth Paschke (ARSCE), Andrew Robinson (FAS), Bill Schrier (ARSCE), Rita Santiago

Call to Order

Sherri Crawford, Chair, called the meeting to order at 10:01 am.

Public Comment

There is no public comment.

Administrative Consent Agenda

Provided in the Retirement Board packet were the minutes from the September 11, 2025 Retirement board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$24,418,883.06
Office Payroll*	472,848.54
Admin Expenses	463,246.24
Investment Expenses	2,331,942.44
Total Expenses – September 2025	\$27,686,920.28

*Includes estimated benefit costs

Retirements, Withdrawals, Other Payouts – September 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	31	\$121,527.43	\$2,752,610.31
Withdrawals	28	n/a	\$423,894.28

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

2024 SCERS Annual Report - Staff

Paige Alderete introduced SCERS's 2024 Annual Report For Members which had been updated based on valuable feedback received from the Board last year. SCERS reviewed member-focused reports from other pension plans for ideas and best practices. SCERS also hired a communication consultant, Nueway, to assist with re-imaging the report. This Annual Report will be used by SCERS as a template for future years.

The report focuses on visually presenting important information and summarizing key messages to help our members understand better.

In 2024, SCERS had over 21,300 members with active employees being the largest population. Benefits are funded through combination of investment performance and contributions from members and city

Our assets have grown 93% over the last 10 years due to strong investment performance and consistent contributions from members and the City. Over 88% of SCERS benefits paid (\$229M) stayed in Washington with 65% going to King County retirees and beneficiaries.

SCERS had \$4.3 billion in assets as of December 31, 2024. The portfolio is well diversified to support SCERS's financial mission while effectively managing risk. SCERS has generated consistent investment returns over various time horizons and is exceeding its current investment return objective of 6.75%.

SCERS had a 76% funded status as of January 1, 2025, which is a significant increase from 10 years ago. The city has committed to being fully funded by the end of 2042.

Board members expressed appreciation for the changes that incorporated feedback from the board.

Motion: Upon motion by Sherri Crawford, seconded by Jamie Carnell, the Board of Administration accepted the SCERS 2024 Annual Report to Members as presented by Seattle City Employees' Retirement System Staff. The motion passed unanimously (6-0).

Investment Committee Report – September 25, 2025

Leola Ross reported on the September 25, 2025 Investment Committee Report.

At the September Investment Committee meeting, staff presented the annual Credit Fixed Income Deep Dive and a recommendation to commit up to \$20 million to ACORE Opportunistic Credit II, LP. ACORE would be a new manager relationship for SCERS. They focus on real estate debt investments in the United States. ACORE received a top rating of 1 from NEPC.

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted the Investment Committee's recommendation to commit up to \$20 million to ACORE Opportunistic Credit II, LP, pending satisfactory legal review. The motion passed unanimously (6-0).
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Administrative Committee Report – September 25, 2025

Paige Alderete reported on the September 25, 2025 Administrative Committee meeting.

Staff proposed updates to the Disability Retirement Policy. The edits were made in response to a process gap that was identified from a disability appeal that the Board heard earlier in 2025. Currently, a disability retirement is effective the date of the Board meeting at which it is approved. However, the length of a disability process is largely outside of a member's control, and an argument was made that the disability retirement date should be the date of the disability application.

Changes were made to the policy to note that when a disability retirement is approved, the benefit should be payable retroactive to when SCERS received the complete application.

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted the Administrative Committee's recommendation to accept the revised Disability Retirement Policy. The motion passed unanimously (6-0).
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Executive Director Update

Jeff Davis reviewed upcoming agenda items. For the October Investment Committee, NEPC will provide a quarterly market update; staff will discuss private market benchmark recommendations; and staff will present the annual cost effectiveness and fee study. For the October Administrative Committee, staff will present the employee satisfaction survey results; the quarterly operational statistics; the Executive Director charter review; and progress on the 2025 operational initiatives—upcoming agenda. For the November Board meeting, the attorneys will provide annual board training on ethics and fiduciary duty.

Closed Sessions for Quasi-judicial Matter and Potential Litigation for a Member Appeal

The Board entered closed session at 10:33 am for the discussion of a quasi-judicial matter and potential litigation. The closed session is expected to last for 40 minutes (11:20 am) and the Board will return to open session.

Staff announced that closed deliberations will be extended by 20 minutes (11:40 am). Staff announced that the Board has extended closed deliberations and will return to open session at 11:55 am. Staff announced that the Board has extended closed deliberations for 5 more minutes to 12:02 pm.

The Board returned to open session at 11:59 am.

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Kimberly Loving</u> , the Board of Administration denied all appeals except for overpayments in 2020 for a retiree who worked less than 1,040 hours before the final pay period of 2020. The motion passed unanimously (6-0).
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<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration approved the Seattle City Employees' Retirement System practice of using the City payroll year to determine whether a rehired retiree has exceeded 1,040 hours of work in a year. The motion passed unanimously (6-0).
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Good of the Order

There is 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 12:01 pm. The motion passed unanimously (6-0).



Seattle Retirement

Seattle City Employees' Retirement System

Board of Administration Meeting

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

Minutes, November 13, 2025

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

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

Others Present: Mike Monaco (MMPL), Joe Levan (City Attorney's Office),
Martha Burke (ARSCE), Joe Ebisa (With.Intelligence), Bill Schrier (ARSCE),
Lindsay Saienni (Fin News), Andrew Robinson (FAS)

Call to Order

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

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement Board packet were the minutes from the October 9, 2025 Retirement board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$26,166,586.99
Office Payroll*	472,668.46
Admin Expenses	323,248.64
Investment Expenses	1,542.052.26
Total Expenses – October 2025	\$28,504,556.35

*Includes estimated benefit costs

Retirements, Withdrawals, Other Payouts – October 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	36	\$84,378.84	\$1,244,859.12
Withdrawals	26	n/a	\$768,245.63

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (4-0).
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Board Training – Fiduciary Responsibility/Personal Liability - MMPL

Mike Monaco presented a review of fiduciary responsibility and highlighted some recent court cases.

SCERS has robust procedures that are reviewed by the Investment Committee, the Investment Advisory Committee, NEPC, and the full board. SCERS's procedures satisfy the duties of prudence and loyalty.

Board Training – Open Public Meetings Act/City Ethics – City Attorney's Office

Joe Levan from the City Attorney's Office provided a refresher training on the Open Public Meetings Act (OPMA) and the City's Ethics Code. The presentation materials are meant to be a resource for the Board going forward.

The primary purpose of the OPMA is to provide transparency to the public related to the City's business. SCERS's Board of Administration and its committees are subject to the OPMA. All meetings are open to the public, except for executive sessions. Meetings must have a quorum. Final action must always take place in an open public meeting even if deliberations occur during executive session.

The City's Ethics Code prohibits participation in a matter in which there is a financial interest by the Board member, an immediate family member, or someone living with the board member.

Investment Committee Report – October 30, 2025

Jason Malinowski reported that Phil Nelson of NEPC talked about the market environment and NEPC's outlook. Staff presented the annual cost effectiveness and fee analysis.

Staff presented a recommendation to change the benchmarks for the private market asset classes effective January 1, 2026. NEPC concurred with staff's recommendation.

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted the Investment Committee's recommendation to adopt effective January 1, 2026 the MSCI Global Private Equity Closed-End Fund Index (Frozen; USD) as the Private Equity benchmark, the MSCI Global Private Infrastructure Closed-End Fund Index (Frozen; USD) as the Infrastructure benchmark, and a blend of 70% NCREIF ODCE Index and 30% MSCI Global Private Real Estate Closed-End Fund Index (Frozen; USD) as the Real Estate benchmark. The motion passed unanimously (4-0).
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Administrative Committee Report – October 30, 2025

Paige Alderete reported on the October 30, 2025 Administrative Committee meeting, including the results of the 2025 Staff Satisfaction Survey, Q3 2025 operational statistics, and an update on SCERS's operational initiatives.

The response rate for this year's survey was 88%. A continuing theme for improvement is career advancement. SCERS is a small department and there are limited advancement opportunities although there were three promotions within the department this past year. There were also quite a few staff interested in leadership training. Overall results were positive with ratings at 4 or above, which show staff feel satisfied to highly satisfied.

The Q3 2025 operational statistics were comparable to the prior year and prior quarter. We are seeing some improvements for completion for service credit purchases and death processes.

In terms of SCERS's operational initiatives: the V3locity system upgrade will bring security and portal enhancements and is on-track. The go-live date is set for December 2026. SCERS continues to strengthen its customer service. In 2025,

SCERS has added resources to address member requests, automated processes, cleaned-up data, focused on how to communicate better with members, and is implementing phase 2 of a call center. The annual report to members was reimaged with the goal of making it more relevant to members. SCERS's modernization efforts are in progress, and the V3locity member portal will provide notable improvements in this area.

Executive Director Update

Jeff Davis reviewed upcoming agenda items. The November Investment Committee is a week earlier due to the Thanksgiving Holiday. At the Investment Committee, agenda items include the quarterly performance review, a real estate manager recommendation, private equity deep dive, and a private equity manager recommendation. The November Administrative Committee has been canceled. There will be no Investment or Administrative Committee meetings for the month of December.

At the December Board meeting, the motions from the Investment Committee will be presented and there will be closed deliberations for member appeals.

Closed Sessions for Quasi-judicial Matter and Potential Litigation for a Disability Retirement Application

The Board entered a closed session at 11:20 am for the discussion of a quasi-judicial matter and potential litigation. The closed session is expected to last until 11:30 am when the Board will return to open session.

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration affirmed the conclusion of the independent medical examinations and approved the retirement disability application of Derrick Hall. The motion passed unanimously (4-0).

Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

Motion: Upon motion by Sherri Crawford, seconded by Judith Blinder, the Board of Administration voted to adjourn the meeting at 11:28 am. The motion passed unanimously (4-0).



Seattle Retirement

Seattle City Employees' Retirement System

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

Minutes, December 11, 2025

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

SCERS Staff Present: Jeff Davis, Paige Alderete, Jason Malinowski, Nina Melencio, George, Selam

Others Present: Gavin Parr (MMPL), Gary Smith (City Attorney's Office), Mike Nagan (ARSCE), Terri Gregg (SPU), Joe Ebisa (With.Intelligence), Lindsay Saienni (Fin News), Andrew Robinson (FAS), Jimi Robinson

Call to Order

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

Public Comment

There was no public comment.

Administrative Consent Agenda

Provided in the Retirement Board packet were the minutes from the November 13, 2025 Retirement board regular meeting, ratification of Retired Payroll, office Payroll, and other payments and withdrawals.

The following items represent normal expenses:	
Pension Payroll	\$24,886,723.15
Office Payroll*	470,373.39
Admin Expenses	746,749.36
Investment Expenses	1,075,288.39
Total Expenses – November 2025	\$27,179,134.29

*Includes estimated benefit costs

Retirements, Withdrawals, Other Payouts – November 2025			
	Count	Monthly Pension	Lump Sum Distribution
Retirements	15	\$45,641.96	\$1,046,115.30
Withdrawals	13	n/a	\$690,797.65

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted and approved the Administrative Consent Agenda. The motion passed unanimously (6-0).
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Investment Committee Report – November 20, 2025

Jason Malinowski reported on the November 20, 2025 Investment Committee meeting at which members of the Investment Advisory Committee were in attendance. Agenda items included the annual Private Equity Deep Dive, the quarterly performance report, and two manager recommendations.

Staff recommended an up to \$20 million commitment to Brookfield Real Estate Solutions II and an up to \$300 million commitment to Adams Street Partners-SCERS IV. NEPC concurred with both recommendations.

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted the Investment Committee's recommendation to commit up to \$20 million to Brookfield Real Estate Solutions II, pending satisfactory legal review. The motion passed unanimously (6-0).
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<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration accepted the Investment Committee's recommendation to commit up to \$300 million to Adams Street Partners-SCERS IV, pending satisfactory legal review. The motion passed unanimously (6-0).
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Executive Director Update

Jeff Davis stated that both Investment and Administrative Committees are not scheduled for meetings in December. The January 2026 Board of Administration is light on agenda items. Staff will notify the Board if there aren't more agenda items.

Closed Sessions for Quasi-judicial Matter and Potential Litigation for Member Appeals

The Board entered closed session at 10:09 am for the discussion of a quasi-judicial matter and potential litigation. The closed session is expected to last for 25 minutes, and the Board will return to open session.

Staff announced that closed deliberations will be extended by 20 minutes (10:56 am). Staff announced that the Board has extended closed deliberations by 15 minutes and will return to open session at 11:10 am. Staff announced that the Board has extended closed deliberations for 5 more minutes to 11:16 am. Staff announced that the Board has extended closed deliberations for 5 more minutes to 11:22 am. The Board returned to open session at 11:20 am.

<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration denied <u>James Robinson</u> 's appeal for retroactive membership in Seattle City Employees' Retirement System. The motion passed unanimously (6-0)..
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<u>Motion:</u>	Upon motion by <u>Sherri Crawford</u> , seconded by <u>Judith Blinder</u> , the Board of Administration partially granted <u>Terri Gregg</u> 's appeal for waiver of overpayment (with a partial waiver of \$21,610, leaving \$12,625 to be repaid over five (5) years). The motion passed unanimously (6-0)..
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Good of the Order

There was nothing for the good of the order.

Adjourn Meeting

The meeting adjourned at 11:23 am.