

**Regular Meeting  
Board of Administration  
Tacoma Employees' Retirement System**

10:00 a.m., Thursday, May 8, 2014  
Tacoma Public Utilities  
Administration Building North  
Conference Room LT1  
3628 S. 35<sup>th</sup> Street  
Tacoma, Washington 98409

**Minutes**

**Call to Order**

Mayor Marilyn Strickland, Chair of the Retirement Board, called the meeting to order on Thursday, May 8, 2014.

**Roll Call**

Members Present: Mayor Marilyn Strickland, Sam Benscoter, Andy Cherullo, Jim Curley, Tansy Hayward, Matthew Hedges, John O'Loughlin and Wayne Reed

Members Absent: Gordon Cavanaugh and Bill Gaines

Investment Advisory  
Committee Present: Dr. Kevin Boeh, Dr. Alva Butcher and Joseph Cook

Investment Advisory  
Committee Absent: Dr. Lynda Livingston

Others Present: Monica Butler, Retirement Director  
Tim Allen, Assistant Retirement Director  
Kathleen Mason, Recording Secretary  
Martha Lantz, Deputy City Attorney  
Catherine Marx, TERS Financial Supervisor

Presenters: Andrew Junkin, Wilshire Associates  
Jason Samansky, Wilshire Associates  
Ian Walker, Pantheon  
Xan Morgan, Pantheon  
Matt Garfinkle, Pantheon

**Citizen Comments**

None.

**Consent Agenda**

Upon motion by Jim Curley, seconded by Sam Benscoter, the Retirement Board moved to adopt the Consent Agenda and approve the drafted minutes of the April 10, 2014 Retirement Board meeting.

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### **Old Business**

None.

### **New Business**

#### **Infrastructure Manager - Pantheon**

Ian Walker, Xan Morgan and Matt Garfunkle of the investment management firm Pantheon, presented information to the Board on global market infrastructure investments.

Upon motion by Sam Benscoter, seconded by Tansy Hayward, the Board approved investment in the Pantheon Secondary Infrastructure Fund for approximately \$30 million.

#### **Wilshire Presentation**

The Retirement Board and Investment Advisory Committee received the Executive Summary – 1<sup>st</sup> Quarter 2014 from Wilshire Associates in hard copy.

Andrew Junkin and Jason Samansky presented the Executive Summary of Performance, including a review of the TERS plan asset allocation and investment performance for the quarter ended March 31, 2014.

The Tacoma Employees' Retirement System's rates of return were reported as follows: 2.36% for the First Quarter, 12.58% for the one-year period, 9.73% for the three-year period, 16.53% for the five-year period, and 7.29% for the ten-year period ended March 31, 2014.

The Executive Summary of Performance for the period ending March 31, 2014 serves as an addendum to the minutes.

**LUNCH** The Board took a lunch break at 12:20 p.m. and reconvened at 12:53 p.m.

#### **Investment Update**

Tim Allen presented an update on the tasks and key objectives that he is working on for 2014. Tim indicated that he will periodically communicate to the Board to keep them apprised of the progress.

Tim also reviewed previously discussed plans to convert TERS' existing equity assignments to global mandates with no changes to the manager lineup.

Upon motion by Tansy Hayward, seconded by John O'Loughlin, the Board approved the staff recommendation to move to global equity investments.

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### **Retirement Director's Report**

Monica Butler, Retirement Director, reported that she will be retiring in September. Tansy Hayward said she would seek input from the Executive Committee on a transition plan and will report back to the Board.

The Retirement Director's report serves as an addendum to the minutes.

### **Good of the Order**

#### **Educational Seminars**

John O'Loughlin reported on his attendance at the Callan College - *Fiduciary College* – *Introduction to Investments* in April. He highly recommended it to the Board members.

Sam Bencoter attended the Pension Bridge Annual Conference in April.

Jim Curley attended the Wilshire Consulting 2014 Client Conference in May.

#### **Retirement Transactions Report – April 2014**

The Retirement Transactions Report – April 2014 was provided to the Board.

### **Adjourn**

Upon motion by Andy Cherullo, seconded by Sam Bencoter, the meeting was adjourned at 1:28 p.m.

  
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Kathleen Mason  
Recording Secretary

  
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Mayor Marilyn Strickland  
Board Chair