

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

1:00 p.m., Thursday, September 11, 2014
Tacoma Public Utilities
Administration Building North
Conference Room LT1 (307A)
3628 S. 35th Street
Tacoma, Washington 98409

Minutes

Call to Order

Mayor Marilyn Strickland, Chair of the Retirement Board, called the meeting to order on Thursday, September 11, 2014.

Roll Call

Members Present: Mayor Marilyn Strickland, Sam Bencoter, Andy Cherullo, Jim Curley, Matthew Hedges, John O'Loughlin, Wayne Reed, and Tadd Wille

Members Absent: Gordon Cavanaugh and Bill Gaines

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

Citizen Comments

None.

Consent Agenda

Upon motion by Andy Cherullo, seconded by Sam Bencoter, the Retirement Board moved to adopt the Consent Agenda and approved the drafted minutes of the August 14, 2014 Retirement Board meeting amended to reflect that Gordon Cavanaugh was present.

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Old Business

Investment Update

Tim Allen reviewed the Greenwich Associated Institutional Real Assets Research report Executive Summary and then compared TERS Investment Performance vs. the Northern Trust Public Funds Universe. For a discussion of the current refund process for vested members, he provided excerpts from 1/1/2014 TERS Actuarial Valuation, the Tacoma Municipal Code and the TERS Handbook. TERS staff will develop and implement an internal procedure to clarify the refund process. Finally, he provided an overview presentation of investment management fees.

New Business

TERS 2015 – 2016 Budget

Catherine Marx, TERS Financial Supervisor, reviewed the TERS 2013-2014 budget status report and presented the TERS 2015-2016 preliminary budget report. The Board requested that the TERS staff report back to the Board how the Legal assessment in the budget is calculated.

Upon motion by Sam Benscoter, seconded by Jim Curley, the Board approved the TERS 2015 – 2016 budget.

Interim Retirement Director's Report

Tim Allen reported that the contract for actuarial services with Milliman is in negotiations. The contract with Davis Wright Tremaine to provide outside legal services is also in negotiations. The Strategic Assessment consultant is expected to begin work in September. The Retirement Director's report serves as an addendum to the minutes.

Good of the Order

Retirement Director Recruitment

The Executive Committee will work with the recruitment consultant. The position has been posted to the City's website.

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Good of the Order continued

Board Positions

Mayor Strickland, will serve on the Executive Committee as she does not have a designee at this time.

John O'Loughlin was appointed by the Board Chair, Mayor Strickland, to serve on the Disability Committee.

Retirement Transactions Report – August 2014

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

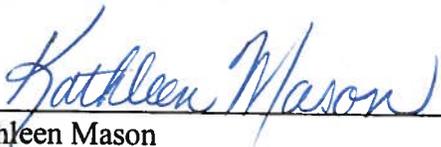
Additional Topics

Martha Lantz, legal counsel to the Board, reported on the status of ongoing litigation indicated that once the discovery phase was complete we would have a better idea of the outcome.

It was proposed that at future meetings that the investment managers might attend and occasionally present via teleconference.

Adjourn

Upon motion by Jim Curley, seconded by Andy Cherullo, the meeting adjourned at 2:34 p.m.



Kathleen Mason
Recording Secretary



Mayor Marilyn Strickland
Board Chair