

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

1:00 p.m., Thursday, December 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, December 11, 2014.

Roll Call

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

Members Absent: Bill Gaines and Tadd Wille

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 Jim Curley, seconded by Andy Cherullo, the Retirement Board moved to adopt the Consent Agenda and approved the drafted minutes of the November 13, 2014 Retirement Board meeting.

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Old Business

Investment Update

Tim Allen reviewed Wilshire's Weekly Market Recap as of 11/28/2014 on stocks, bonds and tradable indices and Wilshire's Monthly Market Update and Flash Report for 10/31/2014. He also provided an overview of TERS investment portfolio and the spreadsheet for daily asset allocation calculations. Tim offered to forward the Wilshire reports to the Board and the Board was asked to notify Tim if they are interested. The TERS Investment Policy Statement will be provided to the Board at the next meeting.

New Business

None.

Retirement Director's Report

Tim Allen reported that the contract for actuarial services with Milliman is finalized and being routed for signatures. The TERS Budget 2014-2015 has been approved by the City Council. Catherine Marx, TERS financial supervisor, provided an overview of the Strategic Assessment. The Retirement Director's report serves as an addendum to the minutes.

Good of the Order

Excerpts from 2015-2016 CBA

An excerpt 2.2 Section 2.2 from the 2015-2016 Collective Bargaining Agreement between the City and Tacoma Join Labor Committee was provided to the Board.

Mayor's Quarterly Update to City Council

On a quarterly basis Mayor Marilyn Strickland, Board Chair, provides a TERS report to the City Council members. A copy of the memo dated November 18, 2014 was distributed to the Board.

Excerpts from NAPF Longevity Model

Excerpts from the National Association of Pension Funds report were provided to the Board. The report, based on 2.5 million pensioners from a number of defined benefits plan across the UK, analyzed the life expectancy trends for 2000 – 2010 among several cohorts and used scenario analysis to project the impact of potential changes on future life expectancy. The results of the analysis projected a significant increase in life expectancy and looked at how that might affect defined benefit plans.

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Good of the Order continued

Retirement Transactions Report – November 2014

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

Additional Topics

Educational Seminars

Dr. Kevin Boeh and Lynda Livingston indicated an interest in attending the DFA Annual Client Conference April 27-29, 2015.

Upon motion by Jim Curley, seconded by Andy Cherullo, the Board approved Dr. Kevin Boeh's and Lynda Livingston's attendance at the conference.

Board Member Terms

The Retiree Board member term and one of the employee member positions expire in June 2015. Jim Curley indicated that he would not seek re-election for the retiree position. Sam Bencotter, employee Board member, indicated that he intends to run again when his term expires.

Tim Allen reported that the Board Vice Chair and Second Vice Chair terms will need to be revisited. The Board will address this topic at the meeting in January 2015.

Mayor Strickland expressed her appreciation to the Board for another productive year and congratulated Tim Allen on his appointment to the Retirement Director position.

Adjourn

Upon motion by Andy Cherullo, seconded by Jim Curley, the meeting adjourned at 2:00 p.m.



Kathleen Mason
Recording Secretary



Mayor Marilyn Strickland
Board Chair

