

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

1:00 p.m., Thursday, July 14, 2016  
Tacoma Public Utilities  
Administration Building North  
Conference Room LT1 (307A)  
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, July 14, 2016.

**Roll Call**

Members Present: Mayor Marilyn Strickland, Sam Bencoter, Andy Cherullo, Bill Gaines, Matthew Hedges, John O'Loughlin, Kim Moore, Tadd Wille and Wayne Reed

Members Absent: Gordon Cavanaugh

Others Present: Tim Allen, Retirement Director  
Kathleen Mason, Recording Secretary  
Catherine Marx, TERS Interim Financial Manager  
Cheri Campbell, LEOFF Pension Specialist

**Citizen Comments**

None.

**Consent Agenda**

Upon motion by Sam Bencoter, seconded by Andy Cherullo, Retirement Board moved to adopt the Consent Agenda and approved the drafted minutes of the May 12, 2016 Retirement Board meeting.

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## **Old Business**

### **Investment Update**

Tim Allen reviewed the Northern Trust - Public Funds Universe report depicting total returns as of 03/31/2016. Additionally presented was a report from Maudlin Economics depicting the % of U.S. Equity funds that failed to beat their benchmark for a one, five and ten year period.

Tim explained that our arrangement with Pantheon allows us to participate in favorable side letter agreements negotiated by other limited partners and we are doing so in two of our vehicles.

Distributed to the Board in the meeting packet was the Washington State Senate Bill 6170 – City Retirement Boards-Financial Commercial Information Disclosure. The effective date was June 28, 2016 and Tim reported a favorable response from TERS' investment managers.

Tim reported that “BREXIT” had affected the TERS fund, but that it had since rebounded.

## **New Business**

### **Eaton Vance Product Review**

The Board was provided presentation materials from Eaton Vance – Senior Loan Plus Strategy – Investment Strategy Supplement, Q1-2016.

Tim provided a summary overview of the proposed investment and provided the rationale for considering the investment strategy.

Upon motion by Bill Gaines, seconded by Andy Cherullo, the Retirement Board approved the redemption of \$10 million from the existing Eaton Vance Senior Loan Fund and investing those funds in the Eaton Vance Senior Loan **Plus** Fund.

### **Funding and Benefits Policy Review**

The Board was provided with a draft copy of the revised TERS Funding and Benefits Policy for review. Tim reviewed the changes as well as the rationale for the revisions.

Upon motion by John O'Loughlin, seconded by Andy Cherullo, the Board approved the proposed revisions to the TERS Funding and Benefits Policy to be effective July 14, 2016.

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

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

### **Good of the Order**

### **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 June 7, 2016 was distributed to the Board.

### **Retirement Transactions Report – May and June 2016**

The Retirement Transactions Report – May 2016 and June 2016 were provided to the Board.

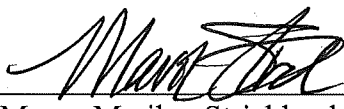
### **Board Education**

An updated Board Education/Seminars list was provided to the Board. The Board was encouraged to consider the seminars that remain on the 2016 calendar.

### **Adjourn**

Mayor Strickland adjourned the meeting at 2:24 p.m.

  
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Kathleen Mason  
Recording Secretary

  
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Mayor Marilyn Strickland  
Board Chair

