

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

1:00 p.m., Thursday, October 13, 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 Strickland, Chair of the Retirement Board, called the meeting to order on Thursday, October 13, 2016.

**Roll Call**

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

Members Absent: Bill Gaines and Kim Moore

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

**Citizen Comments**

None.

**Consent Agenda**

Upon motion by Andy Cherullo, seconded by Gordon Cavanaugh, Retirement Board moved to adopt the Consent Agenda and approved the drafted minutes of the September 8, 2016 Retirement Board meeting.

**Old Business**

**Investment Update**

Tim Allen reported to the Board that Hurricane Matthew had little if no impact on the System's real estate investments. Tim reviewed three Wilshire reports: 2016 Report on City and County

Regular Meeting  
Board of Administration  
Tacoma Employees' Retirement System  
1:00 p.m., October 13, 2016

Retirement Systems: Funding Levels and Asset Allocation (9/7/2016); Smart Beta: The Space between Alpha and Beta; and Quarterly *Perspectives*.

**Old Business continued**

**Investment Update**

Tim also reviewed the Q2 performance comparison of TERS, WSIB, SERS, and SCERS. There was a short video shown that presented an overview of INTECH's investment approach.

**New Business**

**Wilshire Contract**

Tim reviewed his memo to the Board regarding the recommendation to extend the Wilshire contract for investment consultant services. The existing contract with Wilshire runs through March 2017. Tim informed the Board that the Investment Advisory Committee members had indicated that they were in favor of the contract extension.

Upon motion by Andy Cherullo, seconded by Tadd Wille, the Board approved to extend the contract with Wilshire for a three year period with two one-year optional extensions for an amount not to exceed \$1,075,000.

Martha Lantz reminded the Board that since the contract is considered a Professional Services Contract and not an investment-related contract, it will need to go through the City's established approval process and ultimately be presented to the City Council for approval.

Regular Meeting  
Board of Administration  
Tacoma Employees' Retirement System  
1:00 p.m., October 13, 2016

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

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

Tim reported that he had been invited to join the advisory board for the 2017 Institutional Investor Public Funds Roundtable.

Upon motion by Andy Cherullo, seconded by Tadd Wille, the Board approved Tim Allen's attendance at the Institutional Investor Public Funds Roundtable in April 2017.

### **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 August 11, 2016 was distributed to the Board.

#### **Retirement Transactions Report – September 2016**

The Retirement Transactions Report – September 2016 was provided to the Board.

#### **Educational Seminars 2017**

The Board was provided with the Educational Seminars List for 2017.


#### **Additional Topics**

The Board was provided with the 2017 Retirement Board Meeting dates. Meeting invitations will be sent to the Board and the Investment Advisory Committee.

### **Adjourn**

Upon motion by Andy Cherullo, seconded by Sam Benscoter, the meeting adjourned at 2:07 p.m.

  
Kathleen Mason  
Recording Secretary

  
Mayor Marilyn Strickland  
Board Chair