

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

1:00 p.m., Thursday, January 12, 2017
Tacoma Public Utilities
Administration Building North
Conference Room G1
3628 S. 35th Street
Tacoma, Washington 98409

Minutes

Call to Order

Sam Bencoter, Vice Chair of the Retirement Board, called the meeting to order on Thursday, January 12, 2017.

Roll Call

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

Members Absent: Mayor Marilyn Strickland, Gordon Cavanaugh, and Matthew Hedges

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 John O'Loughlin, the Retirement Board moved to adopt the Consent Agenda and approved the drafted minutes of the November 10, 2016 Retirement Board meeting.

Old Business

Investment Update

Tim Allen provided a report of his in-person or conference call meetings with TERS' investment managers during 2016.

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Old Business continued

Investment Update

Tim reviewed the Northern Trust - Public Funds Universe report depicting total returns as of 9/30/2016. Additionally reported was TERS' net-of-fee investment performance in relation to Seattle City Employees' Retirement System (SCERS), Spokane Employees' Retirement System (SERS) and the Washington State Investment Board (WSIB) for trailing one-, three- and five-year periods. It was noted that TERS outperformed these other Plans over both one- and five-year periods.

He then summarized INVESCO's Core Real Estate recent performance and strategy through Q3 2016. He also delivered a review of Tortoise Capital's results and portfolio positioning through October 31, 2016.

Tim compiled and presented a case study on the Dallas Police and Fire Pension that illustrated and explained what had transpired, the consequences to various stakeholders and subsequent lessons to be learned from that situation.

New Business

None.

Retirement Director's Report

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

Tim provided a memo to the Board with information regarding the Alternate Board member, citing the Tacoma Municipal Code and the Board Bylaws. The Board had the option to reappoint the current alternate board member or solicit applications for a new member. The current alternate Board member, Wayne Reed, had indicated that he was interested in continuing to serve on the Board. His term expires on February 13, 2017.

A motion by Kim Moore to re-appoint Wayne Reed as Alternate Board Member to another three-year term was unanimously approved by the Board.

Catherine Marx then discussed the IT projects for TERS that were implemented in 2016 and laid out plans for systems upgrades in 2017. She also provided the Board with an update on the Affidavit mailing project.

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Good of the Order

Retirement Transactions Report – November and December 2016

The Retirement Transactions Report – November 2016 and December 2016 were provided to the Board.

Educational Seminars 2017

The Board was provided an updated Educational Seminar list for 2017. More entries and dates will be added as information becomes available.

Upon motion by Andy Cherullo, seconded by Bill Gaines, the Board approved Sam Benscoter's attendance at the Wilshire Consulting 2017 Client Conference.

Additional Topics

Tim reported that the Disability Committee had met on January 12, 2017 to review a disability retirement application and the committee's decision has been deferred, pending a request for additional information.

Adjourn

Sam Benscoter adjourned the meeting at 2:52 p.m.



Kathleen Mason
Recording Secretary



Mayor Marilyn Strickland
Board Chair