

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

1:00 p.m., Thursday, January 11th, 2024
Tacoma Public Utilities
Administration Building North
Conference Room LT1
3628 S. 35th Street
Tacoma, Washington 98409

Minutes

Call to Order

Samuel Bencoter, Vice Chair, called the meeting to order at 1:10 p.m. on Thursday, January 11th, 2024.

Roll Call

Members Present: Mayor Victoria Woodards, Justin Angove, Samuel Bencoter, Gordon Cavanaugh, Andy Cherullo, Michael Hall, Katie Johnston, Kim Moore, Tosha Siebert, Tammy Liddle Lobban

Members Absent: None

Others Present: Tim Allen, Retirement Director
Tim Atwill, Chief Investment Officer
Catherine Marx, Asst. Retirement Director
Adora Peters, Recording Secretary
Charles Lee, Deputy City Attorney

Resident Comments

Will be accepted in written form at TERSretirement@cityoftacoma.org and will receive written acknowledgement upon receipt. There were none received.

Consent Agenda

Motion: Upon motion by Andy Cherullo and seconded by Michael Hall, the Board of Administration accepted and approved the Administrative Consent Agenda to include the drafted minutes of the December 1st, 2023, Retirement Board meeting.

Old Business

Investment Update- CIO Tim Atwill presented an overview of the current investment situation using Wilshire's Q4 2023 Commentary Report.

Private Credit Search Update- CIO Tim Atwill also provided an update on the private credit manager search. This was prompted by the 2023 Asset-Liability Study which led to a 3% allocation to private credit. Numerous managers have contacted TERS, and Staff is holding calls with candidates. The next step will be to select 6-8 manager as RFI participants.

Minimum Volatility Public Equity Update- CIO Tim Atwill also provided details around a re-examination of hiring active managers in TERS' Minimum Volatility Public Equity allocation. Our sole allocation is a passive mandate with BlackRock, and the initial intent was to supplement this with active strategies. Staff and Wilshire are currently examining a wide range of solutions and will return with their recommendations at the next meeting.

New Business

TERS Investment Beliefs- CIO Tim Atwill presented an overview of TERS' current investment beliefs for the Board's consideration. Any proposed changes to these statements will be reviewed at the next Board meeting.

2023 Report on City & County Retirement Systems- Retirement Director Tim Allen, reviewed the Wilshire 2023 report on City and County Retirement Systems.

Retirement Director's Report-

Retirement Director Tim Allen presented the latest funded ratio projection. Public market results are largely in for Q4, but the private market returns have not yet been reported. That data is expected prior to the February meeting. He also reminded the Board an updated actuarial report will be presented in May, giving updated liability estimates.

He welcomed new Administrative Assistant Adora Peters and also referenced the department's two new Accountants. Other staff changes expected in 2024 include hiring an Office Assistant and beginning the process for hiring a new Assistant Director to replace Catherine Marx as she transitions to the Director role.

Finally, he provided a brief update regarding changes in the department's office space.

Good of the Order

Retirement Transactions Report – November 2023- The Retirement Transactions Report for November 2023 was provided to the Board in the Board Packet.

Retirement Transactions Report – December 2023- The Retirement Transactions Report for December 2023 was provided to the Board in the Board Packet.

Terms of Office- An overview was provided to the Board. The Investment Advisory Committee terms are ending in 2024, and CIO Tim Atwill will bring a plan for this body before the Board in the coming months. Terms for two Board members (one retiree representative and one active representative) also come due in 2024. Mayor Woodards has appointed Tammy Liddle Lobban to the Disability Committee, leaving one open position.

Additional Topics:

- Asset Class Primer: Stocks and Stock Indices- CIO Tim Atwill reviewed educational slides with Board members and addressed questions that emerged during the discussion.

Adjourn

Vice Chair, Samuel Bencoter, adjourned the meeting at 3:04 p.m.

Adora Peters

Adora Peters
Recording Secretary

Victoria R. Woodards

Mayor Victoria Woodards
Board Chair