

Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
May 7, 2025

The meeting was called to order at 1:00 p.m. in the Council Briefing Center at City Hall.

Present: Jim Tieken, Joe Cavanaugh, Richard Czernik, Jon Barnhart, Matt Boston, Brian Brill, Brian Myers, Beau Madsen, and Jonathan Bingle

Staff: Christine Shisler, Donald Brown, Lisa Dyson, Jon Abt, and Tim Szambelan

Guests: Bill Reid (SageView Consulting), Dave Hanshaw, Natalie Hilderbrand, Daniel Zapotocky, and Joe Ebisa (WithIntelligence)

Bill Reid, SageView Consulting – 2024 Actuarial Valuation

Mr. Reid presented the December 31, 2024 Actuarial Valuation.

The actuarial funded status as of December 31, 2024 was 60.0%, up from 58.1% at the end of 2023.

Joe Cavanaugh moved and Richard Czernik seconded the motion to accept the SageView report as presented by Mr. Reid. The motion passed unanimously.

Contribution Rate

Richard Czernik moved and Brian Brill seconded the motion to maintain the contribution rate at the current rate of 11.00%. The motion passed unanimously.

Ad-Hoc Increase

In accordance with the SERS Board Policy, SageView Consulting recommended not granting an ad-hoc pension increase since the current funding ratio is below the minimum 90% threshold.

Joe Cavanaugh moved and Richard Czernik seconded the motion to follow SERS Board Policy and SageView Consulting's recommendation to not institute an ad-hoc pension increase. The motion passed unanimously.

Minutes of the April 2, 2025 Meeting

Joe Cavanaugh moved and Richard Czernik seconded the motion to approve the minutes of the April 2, 2025, meeting as presented. The motion passed unanimously.

Director's Report

Service Retirements

<i>Name</i>	<i>Age</i>	<i>Retirement Date</i>	<i>Years of Service</i>	<i>Option</i>
Angela K. Golden	55	07/01/2025	17.2	ST

Richard Czernik moved and Jon Barnhart seconded the motion to approve the service retirements as presented on the May Retirement Transaction Report. The motion passed unanimously.

Withdrawals

<i>Name</i>	<i>Years of Service</i>	<i>Department</i>
Alexander M. Smith	2.55	Water
Chancelar W. Schachle	0.99	Street
Julie R. Maurer	4.55	Police – Admin
Kimberly D. Clifton	8.24	IT
Aaron L. Bell	0.77	Street
Nicholas T. Martin	0.65	Water

Richard Czernik moved and Brian Myers seconded the motion to approve the requests for withdrawal as presented on the May Retirement Transaction Report. The motion passed unanimously.

Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Vera M. Wagner	04/04/2024	87	03/08/2025	No Further Benefits
Alva L. Windler	01/08/2000	89	04/26/2025	No Further Benefits

Death information provided to the Board for review.

Expenditure Summary Report – March 2025

The Expenditure Summary Report was presented to the Board and discussed.

Richard Czernik moved and Jon Barnhart seconded the motion to approve the March 2025 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – March 2025

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on March 31, 2025 was \$364.4 million with an estimated rate of return of -2.4% for the month.

Monthly Cash Reconciliation – March & April 2025

The monthly cash reconciliation reports for March and April 2025 were presented to provide the Board with additional insight into the ongoing liquidity and cash position of the plan.

Other Business

The Board requested staff to inquire with Hyas Group, prior to the June meeting, to provide more clarification regarding current “lock-up” policies for partnership investment funds.

Other Business – VRIP Discussion

The Board received documentation from SageView, the System's actuary, that the calculated increase in the unfunded liability caused by the Voluntary Retirement Incentive Program (VRIP) was \$1,471,700. This could be covered by the City with the employer paying an additional 0.42% of SERS eligible payroll for each pay period for a three-year period.

Joe Cavanaugh moved and Richard Czernik seconded the motion to present the cost to the Mayor and City Council.

Discussion ensued. It was noted that if the VRIP was brought before the SERS Board prior to the offering to employees there may have been a different view. The Board was first made aware of the offering of the VRIP at the October meeting and didn't have the opportunity or time to have the information needed to support or deny support of the VRIP. Additionally, it was noted that it seems unfair that all employees bear the cost of this incentive that was only offered to one bargaining unit. It was also stated that anything that would affect the Fund should be run through the Board for their support.

Joe Cavanaugh moved and Richard Czernik seconded the motion to call for question. The motion passed unanimously.

Joe Cavanaugh moved and Richard Czernik seconded the motion to present the cost to the Mayor and City Council. The motion passed 7 to 2 with Matt Boston and Beau Madsen voting nay.

Jim Tieken will present at the Finance and Administration Committee meeting and then to City Council.

Richard Czernik moved and Joe Cavanaugh seconded the motion to adjourn the meeting. The motion passed unanimously.

There being no other business, the meeting adjourned at 2:25 p.m.

/s/

Christine Shisler, Retirement Director