

Immediate Withdrawals of Contributions for the month of December 2010:

MEMBER	Department	Position
Anderson, Brandy Lynn		Beneficiary of Active Death
Anderson, Kelly L	SPL	Lib. Assoc 11
Apodaca, Socorro Mendez	HSD	Spec 1
Athens, Lucia Elena	SPU	Green Bldg Mgr
Bonnar, Jamie Muir	Law	TES-Adm Spec
Borsi, Barbara C	Personell	Workers Comp Analyst
Bracken, David	Parks	Wk Trng Enrollee
Bui, Hung Manh	SPL	Lib. Assoc 1
Chan, Sherman K	Parks	Lifeguard
Chavira, Jo Ann	Legislative	Legal Asst
Day, Glenn Richard		Beneficiary of Active Death
Espinoza, Laudan	DON	Adm Spec
Freund, Thomas J	DPD	Permit Processor
Glass Hastings, Andrew D	OPM	Sr. Policy Advisor
Greenawalt, Ester Fabiola	DON	Sr. Executive Assist
Jones, Kellee D	Parks	Planning Devel Spec
Larson, Darcie H	Parks	Educ Prog Assist
Lee, Michele A	SPL	Coord Lib Assoc
Lui, Amanda Y	SDOT	Program Analyst
Maclaren, Donald C	Vested	
Merrick Maddalena, Edna M	Fire	Public Ed. Spec
Newing, Scott A	Parks	Lifeguard
Nguyen, Lindsey Lan	Retirement	Retirement Specialist
Noonan, Shane A	SPU	Office Maint Aide
O'Neill, Lindsay J	SPU	CE Spec Assoc
Petersen, Lynda E	Mayor's Off	Chief Svc Officer
Pugh, Mary A	HSD	Counselor
Roglenda McDonald		Beneficiary of Active Death
Sedlak, Montgomery Alan	SDOT	Director, ST. Mtc
Turla, Mary Jeannette N	SPL	Sr Esl Prog Coord
Vallejo, Sabet F	DPD	Structural Plan Eng

31 Withdrawals for a total of: \$888,352.79

Motion: Upon motion by Darwyn Anderson, seconded by Mary Norris, the Board ratifies the Retiree Payroll, Office Payroll, other Payments and Withdrawals.

Ratification of Service Retirements:

Information: The following list represents the retirements that have been processed since the last Retirement Board meeting.

Retiree	RetireDt	Years	Days	DeptName	Position	Age
Aramaki, Arvin	12/4/2010	23	161	City Light	Warehouse - BU	55
Backas, Brian R	12/1/2010	12	177	Vested		65
Borja, Albert C	12/1/2010	12	101	Human Services	Parking Sup	59
Butler, Connie L	12/4/2010	19	212	Vested		64
Dooley, Christina A	12/7/2010	8	332	Police	Pol Comms Dispatcher 1	64
Erfle, Wayne D	12/8/2010	41	161	SPU	Warehouse, Sr	65
Garrison, Marge Kidd	12/8/2010	13	175	Personnel	Workers' Comp Anlyst, Sr	64
Hansen, Audrey Clare	12/8/2010	27	188	SPU	Manager 2, Fin.Budget&Fin	67
Harrison, Gerald D	12/4/2010	29	232	SDOT	Truck Driver	59
Hoff, Diane L B	11/2/2010	29	161	SPU	Util Act Rep 11	57
Ip, Hermia K	11/26/2010	22	67	Strategic Planning	Land Use Plnr 11	67
Johnston, Patricia A	12/8/2010	29	354	SPU	Admin Spec 111 - BU	66
Kim, Kyung Ja	12/8/2010	26	100	City Light	Manager 2	65
La Bay, Melvin	12/8/2010	53	193	SPU	Civil Engrng Spec, Sr	72
Luiten, Linda A	12/7/2010	15	214	Municipal Courts	Prob. Counslr 1	65
Martin, Barbara L	12/7/2010	7	72	Personnel	Personnel Anlyst, Sr-Comp	65
McCormick, Robert T	12/8/2010	30	130	Strategic Planning	Elecl Inspector Supvr	62
McVay, Roland L.C.	12/7/2010	48	153	Metro Transit	Service Supervisor	71
Mumm, David	12/7/2010	12	71	City Light	Hydro Elect Machine	59
Ouse, Julia M	12/8/2010	35	273	Municipal Courts	Court Clerk Supvr	60
Seretse, Sheree	12/2/2010	24	364	Parks	Rec Cntr Coord, Asst	58
Wawrzycki, Anthony J	12/2/2010	29	312	Seattle Center	Stage Tech, Lead	62

For the month of December: 23 new members entered the System, 22 retired from the System, 7 retirement continuations due to death of retiree, 5 retirement adjustments due to social security payments beginning (Option F reductions); 0 benefit pop-ups due to deceased beneficiary; 0 option B expiration; 0 C-option expirations; 0 retirement commenced due to death of active employee; and 49 others terminated City employment.

Motion: Upon motion by Bob Harvey, seconded by Glen Lee, the Retirement Board approves the service retirements listed above, pending final review.

Ratification of Investment Transactions and Statement of Securities and Cash:

Information: Provided in the Retirement Board packet is the Investment Summary report that represents the transaction summary and the market value of the investments as of November 30, 2010. (*Attachment #2 – Board Only*)

- Capri Capital update – *from Tony Smith*
 - Mr. Smith gave the Board a brief update concerning the financial situation of our investment in Capri Capital Fund II.

Motion: Upon motion by Rod Rich, seconded by Bob Harvey, the Retirement Board accepts the Investment Summary report.

Investment Committee Report:

Information: The Investment Committee is scheduled to next meet at noon on January 27, 2011 in the Retirement Office.

An Investment Committee meeting was not held in the month of December.

Investment Activity Requiring Board Ratification and/or Recognition -

Widevine Acquisition

- See Attached Memorandum (*Board Only*)

Motion: Upon motion by Glen Lee, seconded by Darwyn Anderson, the Retirement Board voted to ratify the Executive Director's action to approve the acquisition of all securities and preferred stock owned by SCERS in Widevine (a privately held company) by Google, Inc.

Small Cap U.S. Equity Manager Reallocation

Recognition of Changes to the following Motion passed September 2010

Motion: *Upon motion by Rod Rich, seconded by Bob Harvey, the Retirement Board voted to authorize the Executive Director to terminate the US Small Cap Equity contract (or related portion) with Dimensional Fund Advisors and further to cause approximately \$50,000,000 (as outlined in Option 5 of SCERS' US Domestic Equity review – Dec 2009) to be transitioned to the new US Small Cap Equity manager and the remainder of the allocation split between BlackRock and RhumbLine's Russell 1000.*

The Results of the Change to the above motion pursuant to the December 2010 Asset / Liability Study results

- Proceeds from termination of Dimensional Advisors will be used to:
 - Increase fixed income allocation to 18%
 - Increase international equity to 24%

Executive Director Report:

- Ms. Carter updated the Board on the upcoming 2011 election for the retired member Board seat.
 - This is the seat currently held by Mary Norris
 - Nominations for the seat will open at the April Board meeting.

Old Business:

(1) Status of Benefit Enhancements

Information: The estimated current funding level of the Retirement Fund is 61.12% as of November 30, 2010

The above amount is an estimate calculated each month by the Retirement Office staff. As provided by Ordinance 120685, changes to the Floor COLA will occur once the funding level has reached at least 100% and has been confirmed by the Board after commissioning an actuarial valuation.

(2) *ON HOLD* -- Items to Discuss – Tabled pending Asset / Liability Study

- Investment Policy Guidelines
 - Real Estate
 - Hedge Funds
 - Alternative Assets

(3) 2010 Audit of Financial Statements

- Process Update – *from Mike Akiyama*
 - Mr. Akiyama updated the Board on the status of the 2010 Audit of Financial Statements

(4) Outcome of RFP for Alternative Asset Class Governance Review

- Ms. Carter updated the Board on the results of the RFP
 - There were 2 responses
 - The overall cost of the project as outlined in the responses were prohibitive to what the Board was comfortable spending for such a review
 - Ms. Carter indicated she would investigate another means of getting a review performed.

(5) Outcome of RFP for Actuary

- Ms. Carter updated the Board on the results of the RFP
 - There were 3 responses
 - The Board elected to renew another contract with Milliman

Motion: Upon motion by Lou Walter, seconded by Bob Harvey, the Retirement Board voted to authorize the Executive Director to renew an actuarial service contract with Milliman, Inc. – pending successful contract negotiations.

New Business:

The Board reserves the right to enter into executive session if necessary

Executive Session:

- **The Board entered into executive session to receive legal update on potential investment litigation at 10:00am and came out of executive session at 10:20am
No action was taken**
- **The Board entered into executive session to receive legal update on a legal matter at 10:20am and came out of executive session at 11:20am
No action was taken**
- **The Board entered into executive session to receive legal update on a litigation matter at 11:20am and came out of executive session at 11:30am
No action was taken**

Adjournment:

Motion: Upon motion by Glen Lee, seconded by Rod Rich, the Retirement Board voted to adjourn the meeting at 11:30am a.m