

PUBLIC EMPLOYEES' RETIREMENT BOARD
EDUCATION SESSION AND MEETING MINUTES FOR
Tuesday, April 14, 2009 and Wednesday, April 15, 2009

The agenda for this meeting was mailed to every public employer, the news media, and other groups and individuals as requested.

The Education Session of the Public Employees' Retirement Board was called to order by Chairwoman Susan DeFrancesco at 3:05 p.m., April 14, 2009, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: Susan DeFrancesco, Charles Silvestri, Purisimo Hernandez, George Stevens, Mark Vincent and Warren Wish. Members absent: David Kallas.

Prior to the start of the meeting Mr. Mark Vincent introduced himself to the Retirement Board. Mr. Vincent replaces Elizabeth Fretwell who resigned from her position on the Retirement Board. On behalf of the Retirement Board, Chairwoman Susan DeFrancesco welcomed Mr. Vincent to the Board.

April 14, 2009
Board Education Session

I. INVESTMENTS

- A. Staff reviewed the securities lending portfolio in the PERS' fund.

II. ADMINISTRATION

- A. Staff reviewed PERS' Phase-In Retirement program and PERS' reemployment restrictions.

III. PUBLIC COMMENT

There were no public comments offered.

IV. RECESS

Chairwoman DeFrancesco recessed the meeting at 4:50 p.m.

April 15, 2009
Board Meeting

The Retirement Board Meeting of the Public Employees' Retirement Board was called to order by Chairwoman Susan DeFrancesco at 8:00 a.m., April 15, 2009, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: Susan DeFrancesco, Charles Silvestri, Purisimo Hernandez, George Stevens, Mark Vincent and Warren Wish. Members absent: David Kallas.

I. DISABILITIES

- A. On motion of Warren Wish, the Retirement Board voted unanimously of those present to:
1. Approve permanent and total disability retirement for: Kevin Barnes, Babette Brown, Ronald Dreher, Keith Frazier, Susan Hoggan, Robert Hubbard, Margaret Jones, Michael Leoni, James Mutch, Sr., Cynthia Parnham, Julie Stairs, Robert Start, Jr., Amy Webb-Zamora, and Elizabeth Halverson.
 2. Approve reemployment requests by disability recipients: Loretta Bradley, Susan Decker, Marie Etchemendy, Sean Evans, Mary Jane Gerdes, Carson Hall, Jessie Jackson, Richard Kissick, Darrell Wilson, and Rita Wingate (Henderson).
George Stevens was not present for this vote.

II. INVESTMENTS

- A. Danielle Cassidy, Kitty Martin, and Steve Wilde of UBS Global Asset Management provided an educational presentation on the credit markets.
- B. Staff reviewed PERS' credit policy and presented an update on the policy. On motion of Charles Silvestri, the Retirement Board voted unanimously of those present to extend the 90-day liquidation deadline waiver policy effective July 31, 2008, with 6-month updates beginning December 2009.
- C. Staff presented PERS' securities lending report for fiscal year 2009. On motion of Warren Wish, the Retirement Board voted unanimously of those present to:
1. Accept the fiscal year 2009 securities lending report as submitted.
 2. Accept the Lehman loss sharing agreement between BNY Mellon and PERS.
- D. Bill Kelly of BNY Mellon presented an overview of their organization and a performance update on their securities lending portfolio for the PERS' fund.
- E. There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', or Judicial funds.

III. BOARD

- A. Staff presented a proclamation recognizing PERS' Employee Recognition Week to be celebrated May 4-8, 2009 for the Retirement Board's consideration. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve the Letter of Commendation to the Employees of the Public Employees' Retirement System.
- B. On motion of Charles Silvestri, the Retirement Board voted 5-yeas and 1-abstention to approve the minutes of the Retirement Board's education session and Board meeting

held March 17 and 18, 2009, as submitted. Mark Vincent abstained from voting on this agenda item.

- C. There were no recommended changes to the Retirement Board meeting dates.
- D. On motion of Mark Vincent the Retirement Board voted unanimously of those present to change the following Administration topics on the Retirement Board's education curriculum calendar:

June -	Administration	-	GASB 25 and 27
July -	Administration	-	Social Security and PERS
August -	Administration	-	Disaster Recovery
November -	Administration	-	Governance Discussion

IV. ADMINISTRATION

- A. Staff provided an update on the Java language conversion project. The project was rolled out over the weekend of March 28-29, 2009. There were minor issues that have been corrected and we are currently using the JAVA platform. Thanks to all the staff that worked very hard on making this a successful project.

V. LEGISLATION

- A. Staff provided an update on the Bill Draft Request list for the 2009 Legislative Session and an update on the bills that missed the First House Committee Passage deadline on April 10th.
- B. Staff reviewed Assembly Bill 488 which limits critical labor shortage to just employees who contract with the Board of Trustees of a School District or the governing body of a Charter School. After discussion, on motion of Charles Silvestri, the Retirement Board voted unanimously of those present to oppose Assembly Bill 488 as written, due to both cost and equity for all members.
- C. Staff reviewed Assembly Bill 493 which requires the Public Employees' Retirement System to report all scrutinized company investments in Iran to the Governor and the Director of the Legislative Counsel Bureau annually, on or before February 1st. After discussion, on motion of Charles Silvestri, the Retirement Board voted unanimously of those present to adopt a neutral position on Assembly Bill 493, as amended.
- D. Staff reviewed Senate Bill 367 which contains the SAGE Commission recommendations for public employees hired on or after January 1, 2010. After discussion, on motion of Charles Silvestri, the Retirement Board voted unanimously of those present to adopt a neutral position on Sections 1-6, and Section 8, adopt a position in opposition to the disparate multiplier provisions of Section 7 and to adopt a neutral position on the remaining provisions of Section 7 of Senate Bill 367.
- E. Staff reviewed Senate Bill 387 which eliminates the requirement for state agencies to purchase retirement service credit (NRS 286.3007(3)(4)) for employees they lay off

and other revisions to the state lay off requirements. After discussion, on motion of Mark Vincent, the Retirement Board voted unanimously of those present to adopt a neutral position on Section 5 of Senate Bill 387. Warren Wish was not present for this vote.

- F. There were no legislative matters that developed after publication of the agenda and which, due to scheduling, must be acted upon at this time.

VI. RATIFICATION AGENDA

On motion of Purisimo Hernandez, the Retirement Board voted unanimously of those present to:

- A. Approve the Administrative Fund disbursements.
- B. Approve the personnel action taken since the last report.
- C. Approve the Final Benefit Audit Report for January 2008.
- D. Approve the Final Benefit Audit Report for February 2008.
- E. Approve the Beneficiary Audit Report for January 2008 through July 2008.
- F. Approve the Option Reversion Audit Report for January 2008 through July 2008.
- G. Approve out-of-state travel for appropriate staff to attend the CEM Benchmarking conference in Denver, Colorado, May 19-22, 2009.
- H. Approve the Lahontan Conservation District's request for membership in PERS effective April 1, 2009.

Warren Wish was not present for this vote.

VII. DENIALS

VIII. REPORTS

IX. PUBLIC COMMENT

- A. Mr. Robert Potter, AFSCME representative, addressed the Retirement Board under agenda item V-D, Senate Bill 367 and urged the Board to consider opposing Sections 4-7. Mr. Potter felt these provisions would hamper recruitment efforts for the State.

Mr. Danny Coyle, AFSCME representative, addressed the Retirement Board under agenda item V-D, Senate Bill 367 and mentioned that AFSCME has been approached by the legislature to make concessions with PERS and PEBP benefits also. Mr. Doyle stated that AFSCME understands the Board's position on Senate Bill 367.

B. The Deputy Attorney General had nothing to report.

C. Administrative report by Staff:

Executive Officer: The Executive Officer thanked all the staff for their extraordinary efforts and dedication in completing the JAVA language conversion project on time and on budget. They all did an excellent job.

Investment Officer: The Investment Officer informed the Retirement Board that the merger between Callan Associates, Inc. and Mercer will not take place.

Operations Officer:

1. The Operations Officer mentioned that PERS is currently down two positions and one is located in the Las Vegas Summerlin office. Staff is working to fill these positions as quickly as possible as they are both phone positions.
2. The Operations Officer informed the Retirement Board that she will be reviewing the updated Board Policies and Charters with the Police and Firefighter's Retirement Fund Advisory Committee members at their meeting next week.

D. Questions and/or comments by members of the Retirement Board.

Susan DeFrancesco:

1. Chairwoman DeFrancesco asked the Executive Staff to extend the Board's appreciation to all the staff members that worked on the JAVA project and a big thank you to them on a job well done.
2. Chairwoman DeFrancesco thanked the Executive Staff for their continued work at the legislature.

X. ADJOURNMENT

The meeting was adjourned by Chairwoman DeFrancesco at 12:15 p.m.

The following is the time schedule for the meeting:

The April 14, 2009, Retirement Board education session was called to order by Chairwoman DeFrancesco at 3:05 p.m. and recessed at 4:50 p.m. The April 15, 2009, Retirement Board meeting was called to order at 8:00 a.m. by Chairwoman DeFrancesco. One break was taken at 9:15 a.m. for approximately fifteen minutes. The meeting was adjourned at 12:15 p.m.