

PUBLIC EMPLOYEES' RETIREMENT BOARD
MEETING MINUTES FOR
Tuesday, July 20, 2010 and Wednesday, July 21, 2010

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

July 20, 2010
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board was called to order by Vice Chairman Vincent at 3:00 p.m., July 20, 2010, in the PERS' Board Room, 5820 South Eastern Avenue, Suite 220, Las Vegas. Members present: Mark Vincent, James Green, Bart Mangino, Paul C. Page and Charles Silvestri. Members absent: David Olsen and George Stevens.

I. ADMINISTRATION

- A. Staff reviewed the appeals process.

II. INVESTMENTS

- A. Staff discussed and reviewed international stock management within the PERS' fund.

III. PUBLIC COMMENT

There were no public comments offered.

IV. RECESS

Vice Chairman Vincent recessed the meeting at 5:00 p.m.

July 21, 2010
Board Meeting

The Retirement Board Meeting of the Public Employees' Retirement Board was called to order by Chairman Stevens at 8:00 a.m., July 21, 2010, in the PERS' Board Room, 5820 South Eastern Avenue, Suite 220, Las Vegas. Members present: George Stevens, Mark Vincent, James Green, Bart Mangino, Paul C. Page, and Charles Silvestri. Members absent: David Olsen.

Chairman Stevens welcomed our new Retirement Board member, Paul C. Page, to the Board.

I. DISABILITIES

- A. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to:

1. Approve permanent and total disability retirement for: Geraldine Anderson, Linda Bodrero, David Constantino, Magdalena Diaz, Gary Douglas, Deborah Dwelle, John Foster, Danny Fowler, Susan Freeman, Brenda Hamilton, Nancy Hara-Isa, Kimberly Kaznowski, Tracy Kruzan, Tammi Lambright, Michelle Latour, Catherine Laumea, Bruce Magner, Colleen Martin, Nancy Martinez, Marvin Middleton, Katie Mills, Steve Morin, Dan Nelson, Margaret "Kelly" Osborne, Richard Ott, Amy Peterson, Danielle Presley, Suzanne Ravendo, Nynalea Rew, Ferne Richardson, Joyce Rossmann, Colline Segura-Winters, Rosie Simpson, Loretta Slemmer, Monguella Stull, Sandra Weatherspoon, and Pamela Whitney.
 2. Approve reemployment requests by disability recipients: Stephan Burke, Susan Chandler, Shannon deLugo, Alexis Jackson, Mark Jordan, Joel Lobel, Becki Lopez, Richard McCullough, Kathleen Rand, Ronald Rogers, Alice Schleicher, Maria To, Judy Welch, Gloria White, Cheryl Williams, Marsha Williams, Mary Wollnick, and Alfred Woodruff
 3. Deny reemployment request by disability recipient Thomas Buchner.
- B. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve survivor benefit coverage under the provisions of NRS 286.673(5) for Gregory Frasca as a dependent child.

II. INVESTMENTS

- A. Staff reviewed the three finalists being interviewed for an active international stock mandate. Larysa Bemko and Gerard Callahan, of Baillie Gifford, Charles Stamey and Jeffrey Coons, of Manning & Napier, and Michael Strong and Gerard Branka, of Pyramis Global Advisors, all provided a presentation on their international stock products. After discussion, on motion of Charles Silvestri, the Retirement Board voted unanimously of those present to retain Manning & Napier to oversee an active international stock portfolio for the PERS' fund.
- B. Staff presented the recommended modifications to the Interim Investment Directives for the PERS' fund. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve the Interim Investment Directives for the PERS' fund, as amended. There were no recommended changes to the Interim Investment Directives for the Legislators' and Judicial Retirement Systems.

III. BOARD

- A. On motion of James Green, the Retirement Board voted unanimously of those present to have George Stevens serve as Chairman and Mark Vincent serve as Vice Chairman of the Retirement Board for fiscal year 2011.
- B. The Executive Officer presented the annual Executive Staff Performance Review for fiscal year 2010. The areas of review included:
- ❖ Governance and Board Relations;
 - ❖ Executive Management;

- ❖ Funding and Actuarial Valuations;
- ❖ Operations;
- ❖ Investment Program;
- ❖ Internal Audit; and
- ❖ Legislative Management

On motion of James Green, the Retirement Board voted unanimously of those present to approve the Executive Staff Performance Review for fiscal year 2010, as submitted.

- C. John Garrett of Cavanaugh Macdonald Consulting LLC, presented the 2nd Opinion Actuarial Review Report. On motion of Charles Silvestri, the Retirement Board voted unanimously of those present to accept the 2nd Opinion Actuarial Review Report as prepared by Cavanaugh Macdonald Consulting LLC.
- D. On motion of Charles Silvestri, the Retirement Board voted unanimously to approve the minutes of the Retirement Board education session and board meeting held June 15 and 16, 2010, as submitted.
- E. There were no recommended changes to the Retirement Board meeting dates for the remainder of 2010. George Stevens mentioned that he will not be at the October 2010 meeting and Bart Mangino mentioned that he might not be able to attend the November 2010 meeting.
- F. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve the proposed Retirement Board meeting dates for January 2011 through June 2011, as submitted.
- G. On motion of Charles Silvestri, the Retirement Board voted unanimously of those present to approve the proposed November 2010 education topics, as submitted.

IV. ACCOUNTING

- A. Staff presented the Public Employees' Retirement System's biennial budget for fiscal years 2012-2013. On motion of Mark Vincent, the Retirement Board voted unanimously to approve the Public Employees' Retirement System's biennial budget for Fiscal Years 2012-2013, as submitted.
- B. Staff presented the Legislators' Retirement System's biennial budget for fiscal years 2012-2013. On motion of Paul C. Page, the Retirement Board voted unanimously to approve the Legislators' Retirement System's biennial budget for Fiscal Years 2012-2013, as submitted.
- C. Staff presented the Judicial Retirement System's biennial budget for fiscal years 2012-2013. On motion of James Green, the Retirement Board voted unanimously of those present to approve the Judicial Retirement System's biennial budget for Fiscal Years 2012-2013, as submitted.

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- D. Staff presented the per capita administrative fees for the Public Employees' Retirement System for fiscal year 2011. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve a per capita fee of \$3.10 per month for each regular member and benefit recipient and \$3.27 per month for each Police/Fire member and benefit recipient, retroactive to July 1, 2010.
 - E. Staff presented the per capita administrative fees for the Legislators' Retirement System for fiscal year 2011. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve a per capita fee of \$49.55 per month for fiscal year 2011 for the Legislators' Retirement System.
 - F. Staff presented the per capita administrative fees for the Judicial Retirement System for fiscal year 2011. On motion of James Green, the Retirement Board voted unanimously of those present to approve a per capita fee of \$50.30 per month for fiscal year 2011 for the Judicial Retirement System.

V. ADMINISTRATION

- A. Staff presented a contract renewal with Chris Wicker, Woodburn & Wedge, for professional legal services. On motion of Charles Silvestri, the Retirement Board voted unanimously of those present to approve the Legal Counsel Agreement between the System and W. Chris Wicker, Woodburn and Wedge, at a cost not to exceed \$100,000.00, effective June 1, 2010, as submitted.

VI. RATIFICATION AGENDA

On motion of James Green, 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 Mineral County School District's request for a penalty waiver in the amount of \$3,375.82.
- D. Approve the Phase-In Agreement between the Nevada System of Higher Education and Mary Miller effective July 1, 2010.
- E. Approve the Phase-In Agreement between the Nevada System of Higher Education and Virginia Wiswell effective May 27, 2010.

VII. DENIALS

VIII. REPORTS

IX. PUBLIC COMMENT

- A. There were no individual statements and/or requests by the members, retired employees and/or the public.
- B. The Senior Deputy Attorney General mentioned that she attended the NAPPA conference in Ashville, North Carolina which was very informative.
- C. Administrative report by Staff:

- Executive Officer:
 - 1. The Executive Officer mentioned that she has been invited to be a panelist at the United States Chamber of Commerce Foundation's discussion on public pensions. She will discuss Senate Bill 427 of the 2009 Nevada Legislature. She also mentioned that Keith Brainard from the National Association of State Retirement Administrators will also participate on the panel next week.
 - 2. The Executive Officer reported that her Presidential Nomination to the Federal Retirement Thrift Investment Board (FRTIB) has been ratified by the Senate and that she attended her first meeting on Monday, July 19, 2010, in Washington, D.C.

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

- Charles Silvestri:
 - 1. Mr. Silvestri asked if staff would be sure to include an article regarding the Executive Officer's appointment to FRTIB in the next Member and Retiree Newsletters. Staff is happy to do that.

X. ADJOURNMENT

The meeting was adjourned by Chairman Stevens at 12:20 p.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on July 20, 2010, was called to order at 3:00 p.m. by Vice Chairman Vincent and recessed at 5:00 p.m. The July 21, 2010, Retirement Board meeting was called to order at 8:00 a.m. by Chairman Stevens. Three breaks were taken; one at 9:24, and one at 10:40 for approximately ten minutes; and one at 11:03 for approximately four minutes. The meeting was adjourned at 12:20 p.m.