

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND
MEETING MINUTES FOR

Thursday, July 20, 2017

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

July 20, 2017
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Chairman Vincent at 10:07 a.m., July 20, 2017, in the PERS' Board Room, 5740 S. Eastern Avenue, Suite 120, Las Vegas. Members present: Mark Vincent, Katherine Ong, Vikki Courtney, Scott Gorgon, and Timothy Ross. Katherine Ong arrived at 10:25 a.m. Members absent: Audrey Noriega and Kay Scherer.

1. PUBLIC COMMENT

There were no public comments offered.

2. EDUCATION TOPIC

2.1 Staff and Julia Bonafede of Jobs Peak Advisors provided a review and discussion of U.S. Bonds.

3. ADMINISTRATION

3.1 A confidential Attorney-Client Conference was held to discuss potential litigation involving the Public Employees' Retirement System (the "System") and Democracy Prep Public Schools, Democracy Prep Nevada, and Democracy Prep Agassi Campus (collectively referred to as "Democracy Prep"). (*This Agenda Item was closed to the public pursuant to NRS 241.015(3)(b)(2) and NRS 286.150(2)*).

4. PUBLIC COMMENT

There were no public comments offered.

5. RECESS

Chairman Vincent recessed the meeting at 11:26 a.m.

July 20, 2017
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chairman Vincent at 12:16 p.m., on July 20, 2017, in the PERS' Board Room, 5740 S. Eastern Avenue, Suite 120, Las Vegas. Members present: Mark Vincent, Katherine Ong, Vikki Courtney, Scott Gorgon, and Timothy Ross. Members absent: Audrey Noriega and Kay Scherer.

1. PUBLIC COMMENT

Terry Hickman, a retired educator, addressed the Retirement Board regarding distribution of pay. He stated that the date PERS puts payments into accounts can range from the 23rd to the 28th of any month. He stated that this causes difficulties when planning a budget. Each month he must change things so that he can have his bills paid at the same time that the money arrives. He suggested that PERS establish a day at the end of the month, and he suggested the 25th of each month, so that the people receiving PERS checks will know for certain.

2. DISABILITIES

2.1 For the record, Vikki Courtney stated that Michele Brascia, Kimberlie Coulston, Susan Evans, Monica Sasser, Deborah Sullivan, and Matthew Walker work or worked for the same employer as herself, but she did not feel that would impair her vote.

On motion of Kathy Ong, the Retirement Board voted unanimously of those present to:

1. Approve permanent and total disability retirement for: Michele Brascia, Laina Brown, Sean Bryan, Kimberlie Coulston, Susan Evans, Mary Fleuret, Joseph Giannone, Audrey Gilbert, Kenneth Holthus, Monica Sasser, Gale Solomon, Deborah Sullivan, Matthew Walker, Teri Wehrman, and Jolyne Zimmerman.
2. Approve reemployment requests by disability recipients: Joseph Arnold, Marlene Hansen, Kirstin Lattin, Garnet Nekuda, Vincent Roberts, Marla Scott, Jodi Vanderburg, and Tina Waymire.
3. Deny reemployment requests by disability recipients: Wayne LeBaron.

3. INVESTMENTS

- 3.1 John Fox of BNY Mellon provided an update on securities lending and PERS' performance.
- 3.2 There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', and Judicial funds.

4. BOARD

- 4.1 On motion of Kathy Ong to elect Mark Vincent, Chair, and on motion of Mark Vincent to elect Kathy Ong, Vice Chair, the Retirement Board voted unanimously of those present to elect Mark Vincent, Chair, and to elect Kathy Ong, Vice Chair, of the Retirement Board for fiscal year 2018.
- 4.2 Staff provided the PERS' executive management review and plan to the Board. Staff presented highlights from the previous fiscal year in seven different categories:
 - 1. Governance and Board Relations;
 - 2. Executive Management;
 - 3. Funding and Actuarial Valuations;
 - 4. Operations;
 - 5. Investment Program;
 - 6. Internal Audit; and
 - 7. Legislative Management.

Staff also mentioned areas that the executive staff will be focusing on for review in the upcoming fiscal year. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to accept the Executive Management Review and Plan, as submitted.

- 4.3 Staff reviewed the cost of living adjustments that were approved by the Legislature in the 2017 legislative session for all state employees. As stated at NRS 286.160(2), the Board shall set the salaries of the Executive Staff, subject to the approval of the Interim Retirement and Benefits Committee (IRBC) of the legislature. Staff anticipates an IRBC meeting will be held sometime in late 2017 or early 2018. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to adopt 2% and 1% cost of living adjustments for Executive Staff salaries effective July 1, 2017, and 2% and 1% effective July 1, 2018, subject to approval by the Interim Retirement and Benefits Committee.
- 4.4 On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the minutes of the Retirement Board Education Session and Retirement Board meeting held June 15, 2017, as submitted.

4.5 On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve the proposed Retirement Board meeting dates for January 2018 through June 2018, as submitted.

4.6 There were no recommended changes to the Retirement Board meeting dates for the rest of the calendar year.

4.7 There were no recommended changes to the Retirement Board Education Curriculum calendar.

5. ACCOUNTING

5.1 Staff reviewed the budget spending authority for fiscal years 2018-2019 that was submitted by the Retirement Board and approved by the 2017 legislature. No action was taken on this item as it was provided as information only.

6. ADMINISTRATION

6.1 On motion of Kathy Ong, the Retirement Board voted unanimously of those present to authorize the System to take any and all necessary legal action, if needed, to ensure that Democracy Prep is a “public employer” and is therefore required to participate in the System and make applicable contributions pursuant to Chapter 286 of the Nevada Revised Statutes.

7. RATIFICATION AGENDA

On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve all items on the Ratification Agenda as recommended by staff:

7.1 Approve the Administrative Fund disbursements.

7.2 Approve the personnel action taken since the last report.

7.3 Approve the Final Benefit Audit Report for November 2014.

7.4 Approve the Phase-In Agreement between the Legislative Counsel Bureau and Kay S. Capurro.

8. DENIALS

9. REPORTS

10. PUBLIC COMMENT

- 10.1 There were no individual statements and/or requests by the members, retired employees and/or the public.
- 10.2 PERS' General Counsel provided an update on pending litigation.
- 10.3 There was no Administrative Report by Staff
- 10.4 There were no comments or questions from the Retirement Board members.

11. ADJOURNMENT

The meeting was adjourned by Chairman Vincent at 1:50 p.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on July 20, 2017, was called to order at 10:07 a.m. by Chairman Vincent and recessed at 11:26 a.m. A confidential Attorney-Client Conference was held for approximately 23 minutes at 11:27 a.m. The July 20, 2017, Retirement Board meeting was called to order at 12:16 p.m. by Chairman Vincent and adjourned at 1:50 p.m.