

PUBLIC EMPLOYEES' RETIREMENT BOARD
MEETING MINUTES FOR
Tuesday, October 20, 2009 and Wednesday, October 21, 2009

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

The Retirement Board Education Session of the Public Employees' Retirement Board was called to order by Chairman Stevens at 3:00 p.m., October 20, 2009, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: George Stevens, Mark Vincent, James Green, Bart Mangino, David Olsen, and Charles Silvestri. Members absent: David Kallas.

October 20, 2009
Education Session

I. ADMINISTRATION

- A. Brad Ramirez of The Segal Company presented and discussed actuarial funding methodologies utilized by public pension systems.

II. PUBLIC COMMENT

There were no public comments offered.

III. RECESS

Chairman Stevens recessed the meeting at 4:40 p.m.

October 21, 2009
Board Meeting

The Retirement Board Meeting of the Public Employees' Retirement Board was called to order by Chairman Stevens at 8:07 a.m., October 21, 2009, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: George Stevens, Mark Vincent, James Green, David Kallas (via telephone), Bart Mangino, David Olsen, and Charles Silvestri. Members absent: None.

I. DISABILITIES

- A. For the record:

- 1- Bart Mangino disclosed that seven applicants work for his employer;
 - 2- George Stevens disclosed that he works with the spouse of applicant, Dawn Pellegrino;
 - 3- David Olsen disclosed that applicant, Mathew Saralegui works for the same agency he does; and
 - 4- James Green disclosed that he worked with disability recipient, George Nelson.
- All board members felt this would not hinder their ability to vote on this item.

On motion of Charles Silvestri, the Retirement Board voted unanimously to:

1. Approve permanent and total disability retirement for: Richard Blacksmith, Teresa Blackwell, Michael DeWeel, Lynn Grinnell, Anthony Halvritter, Thomas Hodge, Ronald Ingmire, Sharon Laird, Gary Lind, Luzbella Macario, Dawn Pellegrino, Marcia Pliandro, Mathew Saralegui, Peggy Smith, Christine Spraggins, Tyrus Stokes, and Claudia Testa.
2. Approve reemployment requests by disability recipients: Linda Evarts, Mark Garrigan, Vicki Granata, Angie Green, Richard Hopper, Lanell Savage, Cynthia Shane, Jacquelyn Smith, Krayton Stephens, and Lori Yazzie.
3. Deny the reemployment request by disability recipient George Nelson.

II. INVESTMENTS

- A. Kathy Malitz and Ted Koros of BlackRock presented an annual review of their private real estate portfolio for the PERS' fund.
- B. Paul Michaels and Steve Shafranek of Invesco Real Estate presented an annual review of their private real estate portfolio for the PERS' fund.
- C. Staff reviewed the proposed modifications to the Investment Objectives and Policies for the PERS' fund. On motion of Mark Vincent, the Retirement Board voted unanimously to approve the Investment Objectives and Policies, for the PERS' fund as submitted.
- D. Staff presented the proposed modifications to the Investment Objectives and Policies for the Legislators' Retirement System and the Judicial Retirement System. After discussion, on motion of Mark Vincent, the Retirement Board voted unanimously to approve the Investment Objectives and Policies, for the LRS and JRS funds, as submitted.
- E. Staff reviewed the proposed fiscal year 2010 Investment Plans for the LRS and JRS funds. On motion of Mark Vincent, the Retirement Board voted unanimously to accept the Fiscal Year 2010 Investment Plans for the LRS and JRS funds, as submitted.
- F. Staff presented the proposed changes to the Interim Investment Directives for the Legislators', and Judicial funds. There were no recommended changes to the Interim Investment Directives to the PERS' fund. On motion of Mark Vincent, the Retirement Board voted unanimously to approve the Interim Investment Directives for the LRS and JRS funds, as submitted.

III. BOARD

- A. Debby Thomsen, PERS' Principal Auditor, provided a review and comparison of their Fiscal Year 2009 Internal Audit Plan versus their Actual Performance Summary.

-
- B. Mr. Olsen noted a typo on page 3 of the September 2009 Retirement Board minutes which staff will correct. On motion of Mark Vincent, the Retirement Board voted 5-yeas and 2-abstentions to approve the minutes of the Retirement Board's 24th Annual Planning Seminar and Board meeting held September 22 and 23, 2009, as amended. Mr. Green and Mr. Olsen abstained from the vote.
 - C. Mark Vincent mentioned that he currently has a conflict with the November board meeting dates and is unable to attend. There were no recommended changes to the Retirement Board meeting dates.
 - D. There were no recommended changes to the Retirement Board education curriculum calendar.

IV. ADMINISTRATION

- A. Brad Ramirez, Consulting Actuary of The Segal Company, presented and discussed actuarial funding methodologies. After discussion, on motion of Mark Vincent, the Retirement Board voted 5-yeas and 2-nos to authorize staff to implement the recommended funding corridor policy change to the Public Employees' Retirement System and the Judicial Retirement System as proposed by the independent actuary. Mr. Mangino and Mr. Stevens voted no.
- B. Staff presented the Annual Human Resources Report for fiscal year 2009. On motion of Mark Vincent, the Retirement Board voted unanimously to accept the Human Resources Report as submitted.
- C. Staff reviewed their annual report on the Consumer Price Index pursuant to NRS 286.5756.

V. RATIFICATION AGENDA

On motion of Charles Silvestri, the Retirement Board voted unanimously to:

- A. Approve the Administrative Fund disbursements.
- B. Approve the personnel action taken since the last report.
- C. Approve the Phase-In Agreement between UNR Desert Research Institute and Barbara Kennedy effective October 1, 2009.
- D. Approve the request for membership in PERS by the Silver Sands Montessori Charter School, retroactive to August 17, 2009.

VI. DENIALS

VII. REPORTS

VIII. 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 reported that the AG Opinion Request letter from the Retirement Board is currently in the review process.
- C. Administrative report by Staff:

- Executive Officer:
 - 1. The Executive Officer mentioned that the Executive Staff conducted a new Board Member Orientation class on Monday and Tuesday morning with Mr. Mangino, Mr. Green and Mr. Olsen. The Executive Officer welcomed the new Board members to the Retirement Board.
 - 2. The Executive Officer stated that the Operations Officer, the Administrative Analyst, and herself attended the Northwest Peer Pension Conference in Helena, Montana earlier this month. Most of the discussions centered around operational issues and concerns.
 - 3. The Executive Officer reported that she met with Adriana Fralick who is the General Counsel for the Governor's Office and provided her with a short overview of PERS.
 - 4. The Executive Officer mentioned that the House of Representatives passed an Iran Divestment Act but the bill will not apply to Nevada due to a constitutional prohibition on divestment. The bill has not gone to the Senate yet.

- Investment Officer:
 - 1. The Investment Officer mentioned that PERS hosted the annual NASIO conference in Nevada at the Paris Hotel in Las Vegas. There were approximately 55 state investment officers in attendance at the conference. The conference went very well and he thanked the staff, Karen Kimball, Pamela Young, Oliver Owen and Steve Edmundson for all their hard work in putting the conference together.
 - 2. The Investment Officer was the recipient of the 2009 Stoddard Award presented by the National Association of State Investment Officers that is

awarded in recognition of outstanding contributions to the investment of public funds.

3. The Investment Officer stated that he and the Executive Officer will be traveling to Atlanta, Georgia and Charlotte, North Carolina to perform due diligence visits at Atlanta Capital Management and Golden Capital Management in the end of October.

- Operations Officer:
1. The Operations Officer mentioned that the 6th Annual Liaison Officer Conference will be held November 19th in Las Vegas, at the Excalibur Hotel. All Board members are invited to attend.

D. There were no questions and/or comments by members of the Retirement Board.

IX. ADJOURNMENT

The meeting was adjourned by Chairman Stevens at 12:23 p.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on October 20, 2009, was called to order at 3:00 p.m. by Chairman Stevens and recessed at 4:40 p.m. The October 21, 2009, Retirement Board meeting was called to order at 8:07 a.m. by Chairman Stevens. One break was taken at 9:45 a.m. for approximately ten minutes and another break was taken at 11:50 a.m. for approximately five minutes. The meeting was adjourned at 12:23 p.m.