

PUBLIC EMPLOYEES' RETIREMENT BOARD
MEETING MINUTES FOR
Tuesday, December 15, 2009 and Wednesday, December 16, 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., December 15, 2009, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: George Stevens, Mark Vincent, David Kallas, David Olsen, and Charles Silvestri. Members absent: James Green and Bart Mangino.

December 15, 2009
Education Session

I. INVESTMENTS

- A. Staff discussed alternative investments and PERS' private equity portfolio.

II. ADMINISTRATION

- A. Staff reviewed the Comprehensive Annual Financial Report process with the Board.

III. PUBLIC COMMENT

There were no public comments offered.

IV. RECESS

Chairman Stevens recessed the meeting at 4:00 p.m.

December 16, 2009
Board Meeting

The Retirement Board Meeting of the Public Employees' Retirement Board was called to order by Chairman Stevens at 8:00 a.m., December 16, 2009, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: George Stevens, Mark Vincent, James Green, David Kallas, David Olsen, and Charles Silvestri. Members absent: Bart Mangino.

I. DISABILITIES

- A. For the record, David Kallas stated that he has knowledge of Benjamin Kim's situation and would abstain from his vote. David Olsen stated that he worked with Margaret Mitchell and did not feel this would impair his vote. On motion of David Kallas, the Retirement Board voted unanimously of those present to:

1. Approve permanent and total disability retirement for: Brian Bannister, Kim Brooks, Dorothy Childs, Queen Collins, Debra Davis, Karen Goldfeld, Jannine Haggard, Audrey Hampton, Benjamin Kim, Kristen Lynch,

Margaret Mitchell, Crystal Phillips, Loraina Powell, Curtis Sasser, Kathy Smith, Josh Swoboda, Susan Taranto, and Joyce Williams.

2. Approve reemployment requests by disability recipients: Julius Christian, Dorothy Dexter, Rosalind Mayne, Garnet Nekuda, Colleen Towery, and Jane Wirth.
3. Deny the reemployment request by disability recipient Charlene Blackmore. Mr. Kallas abstained from voting on Mr. Benjamin Kim's request for disability retirement.

II. INVESTMENTS

- A. Jim Chambliss, Karen Jakobi and Matt Lugar of Pathway Capital Management presented an annual review of their private equity portfolio for the PERS' fund and discussed their firm's succession plan.
- B. Staff reviewed the credit market policy and provided a U.S. bond management update. On motion of David Kallas, the Retirement Board voted unanimously of those present to remove staff's discretion to waive the 90-day policy liquidation deadline for specific securities. Securities that have been previously approved under this policy can be held until liquidated by PERS' investment counsel.
- C. There were no changes to the Interim Investment Directives to the PERS', Legislators', and Judicial funds.

III. BOARD

- A. Staff presented the proposed changes to the Retirement Board's Police and Firefighter' Retirement Fund Advisory Committee Policy. After discussion, on motion of David Kallas, the Retirement Board voted unanimously of those present to approve the proposed revisions to the Board's Police and Firefighter's Retirement Fund Advisory Committee Policy, as submitted.
- B. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to approve the minutes of the Retirement Board's education session and meeting held November 17 and 18, 2009, as submitted.
- C. Staff reviewed the proposed Retirement Board meeting dates for July 2010 through December 2010. Board member David Olsen mentioned that he will have a conflict with the July 2010 meeting dates. On motion of David Kallas, the Retirement Board voted unanimously of those present to approve the proposed Retirement Board Meeting dates for July 2010 through December 2010, as submitted.
- D. There were no recommended changes to the Retirement Board meeting dates for January 2010 through June 2010.
- E. Staff presented the proposed Retirement Board education curriculum calendar for 2010. On motion of Mark Vincent, the Retirement Board voted unanimously of those

present to approve the proposed Retirement Board education curriculum calendar for 2010, as submitted.

IV. ACCOUNTING

- A. Tom Heseltine of Clifton Gunderson provided a brief review of the Fiscal Year 2009 Audited Financial Statement for the Public Employees' Retirement System, the Legislators' Retirement System and the Judicial Retirement System. After discussion, on motion of Mark Vincent, the Retirement Board voted unanimously of those present to accept the Fiscal Year 2009 audited financial statements for the Public Employees' Retirement System, the Legislators' Retirement System, and the Judicial Retirement System, as prepared by Clifton Gunderson, LLC.

V. ADMINISTRATION

- A. Staff summarized the proposed modifications to PERS' Official Policies dated July 1, 2008 which include modifications required by the passage of SB 427 of the 2009 legislative session and requested the Retirement Board authorize staff to notify employers of the proposed changes to PERS' Official Policies. On motion of Mark Vincent, the Retirement Board voted unanimously of those present to authorize staff to notify employers of the proposed revisions to PERS' Official Policies in accordance with NRS 286.200.

VI. RATIFICATION AGENDA

On motion of David Kallas, 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 out-of-state travel for Charles Silvestri to attend the RSK Strategy Development Group Conference February 14-16, 2010, in Monterey, California, at no cost to the System.
- D. Approve the request for participation in PERS for the Alpine Academy Charter School effective August 17, 2009.
- E. Approve the penalty waiver request by Humboldt County School District in the amount of \$199.64.
- F. Approve the penalty waiver request by Pershing County School District in the amount of \$498.18.

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 is now located in the Reno Attorney General's office.
- C. Administrative report by Staff:

- Executive Officer:
 - 1. The Executive Officer presented Chris Leonard with a 10-year plaque from PERS and thanked him for his dedicated service.
 - 2. The Executive Officer presented Marsha Lawrence with a 20-year clock from PERS and congratulated her on her accomplishments and thanked her for her dedicated service to PERS.
 - 3. The Executive Officer participated in a roundtable discussion in Washington, D.C. last week which was sponsored by the Center for Excellence for local governments and the topic of discussion was public pensions. The meeting was positive and they will be producing a report which she will share with the Board.
 - 4. The Executive Officer mentioned she has not heard any specifics on whether there will be a special legislative session or not and will keep the Board informed.
 - 5. The Executive Officer thanked the staff for all they do for PERS and wished them a very Happy Holiday Season.
 - 6. The Executive Officer wished the Retirement Board a Merry Christmas and a Happy New Year.

- Investment Officer:
 - 1. The Investment Officer mentioned that the Bank RFP has been distributed and PERS has received three proposals for the custodial banking assignment and two proposals for the commercial banking assignment. Staff will review all the proposals.

- Operations Officer:
 - 1. The Operations Officer shared staff's results of the legislative history research on Retirement Board Member terms. The Operations Officer explained that the same language has been in place since 1949. The terms for a Retirement Board member are 4-years, staggered, and end on June 30th to coincide with the end of the fiscal year.

2. The Operations Officer attended and spoke at the Washoe County Chapter of RPEN on Monday sharing the status of PERS' investments with the participants.
3. The Operations Officer stated that the 6th Annual Liaison Officer Conference was well attended and the staff received very positive evaluations from the conference attendees. The breakout sessions in the afternoon were split according to specific employers and were very successful. The Operations Officer thanked all the staff for their hard work on the conference and said they all did a great job.

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

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| David Kallas: | 1. Mr. Kallas mentioned he received a letter from Eldon Anderson with questions regarding PERS' reemployment restrictions. Staff will respond to the letter from Mr. Anderson. |
| Charles Silvestri: | 1. Mr. Silvestri complimented the staff on the general session of the Liaison Officer Conference as it was outstanding and everyone did a great job. |
| George Stevens: | 1. Chairman Stevens wished all the staff and Board members a happy and safe holiday season. |

X. ADJOURNMENT

The meeting was adjourned by Chairman Stevens at 10:50 a.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on December 15, 2009, was called to order at 3:00 p.m. by Chairman Stevens and recessed at 4:00 p.m. The December 16, 2009, Retirement Board meeting was called to order at 8:00 a.m. by Chairman Stevens. Three breaks were taken at 9:00, 10:10, and 10:33 a.m. for approximately five minutes each. The meeting was adjourned at 10:50 a.m.