

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND
MEETING MINUTES FOR

Wednesday, December 10, 2014

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

December 10, 2014
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Vice Chairman Collins at 8:39 a.m., December 10, 2014, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: Chris Collins, Kathy Ong, Al Martinez, Rusty McAllister, Audrey Noriega and David Olsen. Members absent: Mark Vincent.

1. PUBLIC COMMENT

There were no public comments offered.

2. EDUCATION TOPIC

2.1 Staff reviewed the external audit process, discussed GASB 67 which became effective this fiscal year for pension plans, and the preparation of financial statements.

3. PUBLIC COMMENT

There were no public comments offered.

4. RECESS

Vice Chairman Collins recessed the meeting at 9:30 a.m.

December 10, 2014
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Vice Chairman Collins at 9:39 a.m., on December 10, 2014, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: Chris Collins, Kathy Ong, Al Martinez, David Olsen, Audrey Noriega and Rusty McAllister. Members absent: Mark Vincent.

1. PUBLIC COMMENT

There were no public comments offered.

2. DISABILITIES

- 2.1 For the record, David Olsen disclosed that Kristin Rupert either worked or works for the same employer as himself but he did not feel that would impair his vote. Audrey Noriega disclosed that Amy Daning, Brandee Mitchell, Roslyn Sampson, Karelia Vargas, Mary Carpi, Carmen Gaff, and Joyce Williams all work or worked for the same employer as herself but she did not feel that would impair her vote. Al Martinez disclosed that Dean Massey, Stephanie Stephens, and Kimberly Watson all work or worked for the same employer as himself but he did not feel that would impair his vote. Chris Collins disclosed that Robert Stilz, Darlene Morningstar, and Steve Tsapatoris all work or worked for the same employer as himself but he did not feel that would impair his vote.

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

1. Approve permanent and total disability retirement for: Rex Bertinuson, Angelo Coleman, Nancy Daley, Amy Daning, Annette Del Grosso, Atanacio DeQuina, Jr., Tamra Even, Dean Massey, John Meier, Brandee Mitchell, Kevin Presley, Robaire Prevost, Patricia Ramos, Roslyn Sampson, Robert Stilz, Tammy Tanoue, Karelia Vargas, Geoffrey Wardle, and Jody Wicker.
2. Approve reemployment requests by disability recipients: Cecilia Amogawin, Mary Carpi, Jeremie Elliott, Carmen Gaff, Mitchell Kolber, Darlene Morningstar, Darla Mortensen-Moore, Tami Phillips, Kristin Rupert, Ann Sousa, Stephanie Stephens, Steve Tsapatoris, Michael Ware, Kimberly Watson, and Joyce Williams.

3. INVESTMENTS

- 3.1 Staff presented the Fiscal Year 2014 Investment Cost Report. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to accept the Investment Cost Report for Fiscal Year 2014, as submitted.
- 3.2 There were no recommended changes to the Interim Investment Directives for PERS', LRS, and JRS funds.

4. BOARD

- 4.1 Staff reviewed the proposed modifications to PERS' Accounts Receivable Policy. After discussion, on motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the modifications to PERS' Accounts Receivable Policy, as submitted.
- 4.2 Brad Ramirez of Segal Consulting reviewed the results of the Critical Labor Shortage Experience Study for July 1, 2009, through June 30, 2014. This report is

required by Assembly Bill 488 of the 2009 Legislature to be transmitted to the Interim Retirement and Benefits Committee of the Legislature on or before December 31, 2014. After discussion, on motion of Kathy Ong, the Retirement Board voted unanimously of those present to direct staff to transmit the experience study of the critical labor shortage exemption to the Interim Retirement and Benefits Committee of the Legislature, as submitted.

- 4.3 On motion of Rusty McAllister, the Retirement Board voted unanimously of those present to approve the minutes of the Retirement Board education session and board meeting held November 19, 2014, as submitted.
- 4.4 There were no recommended changes to the Retirement Board meeting dates.
- 4.5 On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the proposed Retirement board education curriculum calendar for calendar year 2015, as submitted.

5. ACCOUNTING

- 5.1 Tom Rey and Jason Ostroski of CliftonLarsonAllen presented the audited financial statements for fiscal year 2014 for the Public Employees' Retirement System, the Legislators' Retirement System and the Judicial Retirement System. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to accept the Fiscal Year 2014 Audited Financial Statements for the Public Employees' Retirement System, the Legislators' Retirement System, and the Judicial Retirement System.

6. ADMINISTRATION

- 6.1 Staff reviewed the contract renewal with APEX Computing, Inc. for information technology consulting services for the System's main offices for January 2015 through June 2015. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the consulting contract with APEX Computing, Inc., for the System's main offices, in an amount not to exceed \$443,400.
- 6.2 Staff reviewed the contract renewal with APEX Computing, Inc., for information technology consulting services for PERS' Disaster Recovery Site for January 2015 through June 2015. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the consulting contract with APEX Computing Inc., for the System's Disaster Recovery site in an amount not to exceed \$111,800.

7. LEGISLATION

- 7.1 No additional BDRs have been added to staff's tracking list since the last report.

8. RATIFICATION AGENDA

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

8.1 Approve the Administrative Fund disbursements.

8.2 Approve the personnel action taken since the last report.

8.3 Approve the Deceased Recipient Report for the quarter ending September 30, 2013.

9. DENIALS

10. REPORTS

11. PUBLIC COMMENT

11.1 There were no public comments offered.

11.2 The Deputy Attorney General provided an update on pending litigation involving Nevada PERS.

11.3 Administrative Report by Staff:

- Executive Officer:
1. The Executive Officer mentioned that PERS' tax attorney is working with the IRS on language interpretation that pertains to the completion of our IRS Determination Letters.
 2. Tina Leiss, Executive Officer, introduced Lynette Jones, Director of Member and Retiree Services, who is retiring from Nevada PERS on Friday, December 12, 2014. Tina mentioned that Lynette has spent her whole working career at PERS. Lynette began her career when she was eighteen years old and has worked more than 30-years at PERS. Staff is honoring Lynette all week long for her dedication and service to PERS with special functions. Tina thanked Lynette for her service and stated that it will be hard to replace her. Lynette thanked the Board and all the staff for the great opportunity she had working at PERS.

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- Operations Officer 1. The Operations Officer presented Heather Torres with a 10-year plaque in appreciation for her service to PERS' members and beneficiaries. She thanked Heather for her continued dedication to PERS.

10.4 Comments or questions from the Retirement Board members:

- Audrey Noriega: 1. Board member Noriega asked about the process that new Charter School's go through when applying for membership in PERS and whether this could be an agenda item for discussion at an upcoming meeting. Staff will discuss this with the Executive Officer who had to leave before the meeting was over and get back to Board member Noriega.

- Chris Collins: 1. Vice-Chairman Collins thanked PERS' staff for the great job they have done throughout the past year and making the Board's job so much easier. On behalf of the Board, he wished all the staff and PERS' consultants a happy and safe holiday season.
2. Chris Collins, Vice-Chairman, on behalf of the Board, thanked Lynette for her service to our members and beneficiaries over her entire career at PERS.

11. ADJOURNMENT

The meeting was adjourned by Vice Chairman Collins at 10:57 a.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on December 10, 2014, was called to order at 8:39 a.m. by Vice Chairman Collins and recessed at 9:30 a.m. The December 10, 2014, Retirement Board meeting was called to order at 9:39 a.m. by Vice Chairman Collins and adjourned at 10:57 a.m. by Vice Chairman Collins.