

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND
MEETING MINUTES FOR

Thursday, July 21, 2016

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

July 21, 2016
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Chairman Vincent at 10:10 a.m., July 21, 2016, in the PERS' Board Room, 5820 South Eastern Avenue, Suite 220, Las Vegas. Members present: Mark Vincent, Katherine Ong, Rusty McAllister, Audrey Noriega, David Olsen, and Timothy Ross. Members absent: Vikki Courtney.

1. PUBLIC COMMENT

There were no public comments offered.

2. EDUCATION TOPIC

2.1 Staff reviewed the Legislative Process with the Retirement Board.

3. PUBLIC COMMENT

There were no public comments offered.

4. RECESS

Chairman Vincent recessed the meeting at 11:14 a.m.

July 21, 2016
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chairman Vincent at 12:01 p.m., on July 21, 2016, in the PERS' Board Room, 5820 South Eastern Avenue, Suite 220, Las Vegas. Members present: Mark Vincent, Katherine Ong, Rusty McAllister, Audrey Noriega, David Olsen, and Timothy Ross. Members absent: Vikki Courtney.

1. PUBLIC COMMENT

There were no public comments offered.

2. DISABILITIES

2.1 For the record, Mark Vincent stated that Natalie Friedman works or worked for the same employer as himself but he did not feel that would impair his vote. For the record, Audrey Noriega stated that Lisa Brooks, Alison Dukes, Nicole Vasquez, and Carolyn Walley work or worked for the same employer as herself but she did not feel that would impair her vote. David Olsen stated that Michael Spanier works 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: Roxie Brewer, Lisa Brooks, Steve Bryant, David Cawthorn, Alison Dukes, David Fanning, Wayne Fobar, Jr., Natalie Friedman, Victor Gray, Cynthia Hare, Christina Lack-Moreno, Derek Larson, Sandra Leavitt, Joel Martin, Ryan Schmall, Shayne Skipworth, Mary Stephey, Leonard Taylor, Michelle Tedrowe, Nicole Vasquez, and Carolyn Walley.
2. Approve permanent and total disability at one-year review for: Chris Hollingshead.
3. Approve reemployment requests by disability recipients: Felice Aguirre, Ruben Aguirre, Joseph Arnold, James Burritt, Hiedi Campbell-Dolinar, Michael Horn, Lori Salmanowitz, Kenneth Shockley, Michael Spanier, Charlie Tupin, Philip Tuttle, and Kristen Valler.
4. Deny reemployment requests by disability recipients: Tanya Gilbert, Andrew Mote, Scott Palsgrove, Eric Reymus, and Thomas Schuhmacher.

3. INVESTMENTS

3.1 John Fox of BNY Mellon provided a securities lending update.

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 Rusty McAllister, the Retirement Board voted unanimously of those present to elect Mark Vincent, Chair, and Kathy Ong, Vice Chair, of the Retirement Board for fiscal year 2017.

- 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 introduced Tom Rey and Jason Ostroski of CliftonLarsonAllen who presented the report on the Internal Controls Examination. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to accept the Independent Accountant's Report.

- 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 16, 2016, as submitted.

- 4.5 On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the proposed Retirement Board meeting dates for January 2017 through June 2017, 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 proposed biennial budget for the Public Employees' Retirement System for fiscal years 2018 and 2019. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the Public Employees' Retirement System's biennial budget for Fiscal Years 2018-2019, as submitted.

- 5.2 Staff reviewed the proposed biennial budget for the Legislators' Retirement System for fiscal years 2018 and 2019. On motion of Kathy Ong, the Retirement

Board voted unanimously of those present to approve the Legislators' Retirement System's biennial budget for Fiscal Years 2018-2019, as submitted.

- 5.3 Staff reviewed the proposed biennial budget for the Judicial Retirement System for fiscal years 2018 and 2019. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the biennial budget for the Judicial Retirement System's biennial budget for fiscal years 2018 and 2019.
- 5.4 After discussion, on motion of Kathy Ong, the Retirement Board voted unanimously of those present to authorize staff to pay the Attorney General's cost allocation up to \$252,260 for fiscal year 2016 subject to negotiation and verification.

6. 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:

- 6.1 Approve the Administrative Fund disbursements.
- 6.2 Approve the personnel action taken since the last report.
- 6.3 Approve the Employment Contracts for PERS' Executive Staff.
- 6.4 Approve the Final Benefit Audit Report for January 2014.
- 6.5 Approve the Final Benefit Audit Report for April 2014.
- 6.6 Approve the independent contract with Patty Machal for an amount not to exceed \$23,000.
- 6.7 Approve the independent contract with Cindy Yadon for an amount not to exceed \$23,000.
- 6.8 Approve the Phase-In Agreement between the University of Nevada Reno and Mary Chadwick effective August 1, 2016.
- 6.9 Approve the Death Processing Controls Audit.
- 6.10 Approve the Deceased Recipient Review Report for the fourth quarter of 2015.

7. DENIALS

8. REPORTS

9. PUBLIC COMMENT

9.1 There were no individual statements and/or requests by the members, retired employees and/or the public.

9.2 There was no report from PERS' General Counsel.

9.3 Administrative Report by Staff:

- Executive Officer:
1. The Executive Officer indicated that registration is now open for the NCTR Conference.
 2. The Executive Officer advised the Board that Executive Staff will be providing orientation to the new Board member on August 3.
 3. The Executive Officer stated that she and the General Counsel attended the NAPPA conference in New Orleans and that they appreciated the opportunity to attend.

9.4 Comments or questions from the Retirement Board members:

- Mark Vincent:
1. Chairman Vincent requested that the staff denial be placed on an upcoming Board agenda to be heard as an official appeal.

10. ADJOURNMENT

The meeting was adjourned by Chairman Vincent at 1:33 p.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on July 21, 2016, was called to order at 10:10 a.m. by Chairman Vincent and recessed at 11:14 a.m. The July 21, 2016, Retirement Board meeting was called to order at 12:01 p.m. by Chairman Vincent and adjourned at 1:33 p.m.