

PUBLIC EMPLOYEES' RETIREMENT BOARD
MEETING MINUTES FOR

Thursday, April 21, 2022

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

April 21, 2022
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chair Ross at 8:07 a.m., on April 21, 2022, in the PERS' Board Room, 5740 S. Eastern Ave., Suite 120, Las Vegas. Members present: Timothy Ross, Yolanda King, Dawn Huckaby, Todd Ingalsbee (9:53 a.m. by videoconference), and Mark Stevens. Members absent: Norma Santoyo and Brian Wallace.

1. PUBLIC COMMENT

Kent Ervin, Nevada Faculty Alliance state president.

Good morning. Thank you for your service and oversight of the PERS system.

State employee salaries have stagnated while retirement contributions have increased over the past dozen years. The employee and employer rates increased from 10.5% in 2009 to 15.5% now. A continued rise in contribution rates is unsustainable, especially with high inflation reducing our purchasing power.

We are in a period of high market volatility. Still, the fiscal-year-to-date investment performance for PERS through March 31 is a positive 4.1%, which beat your market benchmark of 3.0%. That is also well within the range of short-time outcomes discussed in the education session today. PERS is staying the course with its low-cost, disciplined investment approach. Of course, the current spike in inflation is a big headwind.

If all current assumptions are met, contribution rates will rise over the next few years, but then will drop dramatically in the early 2030s. There may be opportunities to smooth that out, and Executive Officer Leiss has outlined a process to work with your actuaries to come up with a plan to be presented to the board this fall. I encourage the Board and staff to explore all options to stabilize contribution rates over the long term—20 to 30 years—while maintaining PERS's conservative, fiscally responsible approach. As emphasized earlier today, the long-term horizon is most important. PERS should try to stabilize contribution rates and if possible also move to more conservative payoff methods without negative amortization—that is, to stop kicking the can down the road.

Thank you.

2. EDUCATION TOPIC

2.1 Staff, Julia Bonafede of Jobs Peak Advisors, and Janet Becker-Wold and Jay Kloepfer and of Callan provided a review and discussion of asset allocation.
(Information Only)

3. DISABILITIES

3.1 For the record, Yolanda King stated that Applicant Nos. 9,12, 21, and 24 works or worked for the same employer as herself, but she did not feel that would impair her vote.

On motion of Yolanda King, the Retirement Board voted unanimously of those present to:

1. Approve permanent and total disability retirements for Applicant Nos. 1-16, as recommended by staff for the month of April 2022.
2. Approve permanent and total disability retirement with a One-Year Review for Applicant No. 17, as recommended by staff for the month of April 2022.
3. Approve reemployment requests by disability recipients, Applicant Nos. 18-25, as recommended by staff for the month of April 2022

4. INVESTMENTS

4.1 Staff presented amendments to the PERS' Investment Objectives and Policies. On motion of Yolanda King, the Retirement Board voted unanimously of those present to approve the Investment Objectives and Policies, PERS' Fund, as submitted.

4.2 There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', and Judicial funds.

5. BOARD

5.1 Staff advised the Board that PERS' public employees' recognition week will be May 2-6, 2022. Staff is planning activities in appreciation of their hard work. Staff has provided a Letter of Commendation for the Board to sign in honor of all PERS' employees. On motion of Mark Stevens, the Retirement Board voted unanimously of those present to approve the Letter of Commendation to the Employees of the Public Employees' Retirement System.

5.2 On motion of Yolanda King, the Retirement Board voted unanimously of those present to approve the minutes of the Retirement Board Education Session and Retirement Board meeting held March 17, 2022, as submitted.

5.3 There were no recommended changes to the Retirement Board meeting dates.

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

6. ADMINISTRATION

6.1 Staff provided an update on the pension administration system project. There was no action on this item.

7. RATIFICATION AGENDA

On motion of Mark Stevens, the Retirement Board voted unanimously of those present to approve items; 7.1-7.6, and 7.8 on the Ratification Agenda (7.7) was removed from 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 Approval of the Deceased Recipient Review Report for the fourth quarter of 2021.

7.4 Approval of the Option Reversion Audit for July 2021 - December 2021.

7.5 Approval of the Beneficiary Audit for July 2021- December 2021.

7.6 Approval of the request by Elko County Fire Protection District for membership in PERS retroactive back to January 1, 2022.

7.7 Approval of the request by the Eighth Judicial District Court of Clark County for membership in PERS effective July 1, 2022.

7.8 Approval of the request by Cactus Park Elementary/ pilotED Schools of Nevada for membership in PERS effective July 1, 2022.

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 Administrative Report by Staff:

Executive Officer: 1. The Executive Officer, Tina Leiss, mentioned she had attended the NASRA Executive Committee Meeting virtually and would be attending the NCTR Executive Committee Meeting in Tucson.

Operations Officer: 1. The Operations Officer, Kabrina Feser, presented a ten years of service award to Nicole Rene Petri.

10.4 There were no comments or questions from the Retirement Board members.

11. ADJOURNMENT

The meeting was adjourned by Chair Ross at 10:20 a.m.

The following is the time schedule for the meeting:

The April 21, 2022, Retirement Board meeting was called to order at 8:07 a.m. by Chair Ross and adjourned at 10:20 a.m.