

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND
MEETING MINUTES FOR

Thursday, October 20, 2022

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

October 20, 2022
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Chair Ross at 8:32 a.m., October 20, 2022, in the PERS' Board Room, 5740 S. Eastern Avenue, Suite 120, Las Vegas. Members present: Timothy Ross, Yolanda King, Dawn Huckaby (by videoconference), Todd Ingalsbee, Norma Santoyo, Mark Stevens, and Brian Wallace. Members absent: None.

1. PUBLIC COMMENT

There were no public comments offered.

2. EDUCATION TOPIC

2.1 Staff and Julia Bonafede of Jobs Peak Advisors presented an overview of Portfolio Liquidity.

3. PUBLIC COMMENT

There were no public comments offered.

4. RECESS

Chair Ross recessed the meeting at 9:07 a.m.

October 20, 2022
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chair Ross at 9:15 a.m., on October 20, 2022, in the PERS' Board Room, 5740 S. Eastern Avenue, Suite 120, Las Vegas. Members present: Timothy Ross, Yolanda King, Dawn Huckaby (by videoconference), Todd Ingalsbee, Norma Santoyo, Mark Stevens, and Brian Wallace. Members absent: None.

1. PUBLIC COMMENT

There were no public comments offered.

2. DISABILITIES

- 2.1 For the record, Yolanda King stated that Applicant Nos. 3,4,16,18, and 26 works or worked for the same employer as herself, but she did not feel that would impair her vote. Dawn Huckaby stated that Applicant No. 29 works or worked for the same employer as herself, but she did not feel that would impair her vote.

On motion of Brian Wallace, the Retirement Board voted unanimously to:

1. Approve permanent and total disability retirements for Applicant Nos. 1-19, as recommended by staff for the month of October 2022.
2. Approve reemployment requests by disability recipients, Applicant Nos. 20-32, as recommended by staff for the month of October 2022.
3. Deny reemployment requests by disability recipients, Applicant No. 33, as recommended by staff for the month of October 2022.

3. INVESTMENTS

- 3.1 Staff and Julia Bonafede of Jobs Peak Advisors provided a Manager Due Diligence for BlackRock. There was no action take on this item.
- 3.2 There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', and Judicial funds.

4. BOARD

- 4.1 Brad Ramirez and Todd Tauzer of Segal reviewed the Retirement Board's Actuarial Funding Policy. There was no action take on this item.

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- 4.2 On motion of Brian Wallace, the Retirement Board voted unanimously (Yolanda King abstained herself) to approve the minutes of the Retirement Board Education Session and Retirement Board meeting held September 15, 2022, as submitted.
 - 4.3 There were no recommended changes to the Retirement Board meeting dates.
 - 4.4 There were no recommended changes to the Retirement Board Education Curriculum calendar.

5. ADMINISTRATION

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

6. RATIFICATION AGENDA

On motion of Yolanda King the Retirement Board voted unanimously 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.

7. DENIALS

8. REPORTS

9. PUBLIC COMMENT

- 9.1 Kent Ervin, Nevada Faculty Alliance.

I very much appreciate the discussion today about the funding policy. I believe you are on the right track. A few points: First, minimizing future volatility and short-term increases in contribution rates is very important, especially now for employees with spiking inflation. Second, eliminating future negative amortization is essential for long term cost reduction and to make sure a restructuring of the unfunded liability is fiscally sound. An option to ensure no negative amortization is to switch the amortization policy from the per cent of payroll method to level dollar payments. Third, right now that huge legacy layer of the unfunded liability from 2004 comes due around 2034. That's a cliff in contribution rates, a sharp drop all at once 12-13 years from now. An option to consider is restructuring the legacy layers so they come due in annual pieces

between 2034 and 2042, that is to have the final payoffs occur gradually over 12 to 20 years from now. That could avoid creating a new cliff 20 years from now.

Again, thank you for the productive discussion today.

- 9.2 PERS' General Counsel provided an update on pending litigation.
- 9.3 Administrative Report by Staff:
- 9.4 There were no comments or questions from the Retirement Board members.

11. ADJOURNMENT

The meeting was adjourned by Chair Ross at 10:15 a.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on October 20, 2022, was called to order at 8:32 a.m. by Chair Ross and recessed at 9:07 a.m. The October 20, 2022, Retirement Board meeting was called to order at 9:15 a.m. by Chair Ross and adjourned at 10:15 a.m.