

# RETIREE NEWS

Summer 2013



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Executive Officer

Tina M. Leiss  
Operations Officer

Steve Edmundson  
Investment Officer

## Executive Officer, Dana Bilyeu takes new assignment

As of this September, Dana Bilyeu will be the new Executive Director of the National Association of State Retirement Administrators (NASRA). Ms. Bilyeu will be stepping down as Executive Officer of the Public Employees' Retirement System of Nevada, a position she was appointed to by the PERS' Retirement Board in 2003. Prior to that, Ms. Bilyeu served for eight years as PERS' Operations Officer. Her expertise in all aspects of fund management, investment oversight, operational and strategic planning, fiduciary and governance issues has catapulted her onto the national scene.

NASRA is a non-profit association whose members are the directors of the nation's state, territorial, and largest statewide public retirement systems. Ms. Bilyeu is no stranger to national

pension issues. As an Executive Committee member of NASRA since 2008 and a member since 2003, Ms. Bilyeu has also served two terms on the Federal Retirement Thrift Investment Board. Previously, Ms. Bilyeu was a member of the Social Security Advisory Board (2007-2010) as a result of her nomination by Senator Harry Reid and then appointed by the President.

We thank Ms. Bilyeu for her leadership and look forward to her successes as she works on pension issues in her new role as Executive Director of NASRA. Tina Leiss, PERS' Operations Officer was appointed by the Retirement Board to be the new Executive Officer beginning September 9, 2013 at their August meeting.

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## PERS Generates 12.4% Return for Fiscal Year 2013

The PERS investment fund generated a 12.4% return, net of all fees and expenses, for fiscal year 2013. The fund's value was \$28.7 billion as of June

30, 2013, which was a \$2.9 billion increase from the prior fiscal year.

PERS' return results are competitive within

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	Total Return Ranking (%)	Risk Adjusted Return Ranking (%)
1 year	42	41
3 years	28	15
5 years	14	11
7 years	17	14
10 years	58	27
Since Inception (29 years)	25	3

## Positive Economic effects of Nevada PERS

our peer group of other large public pension plans. The chart below summarizes PERS' peer group rankings on a fee adjusted basis for periods ended June 2013. The first column includes PERS' total return ranking and the second column reviews results on a risk adjusted return basis. In this ranking, higher numbers indicate better results. For example, for the 5 year period PERS' total return rank of 14 means the fund's return was in the top 14% of large public pension plans.

During the last fiscal year the Board also modified the asset allocation strategy for PERS, shifting 5% of assets from bonds to stocks in the fall of 2012. That decision added \$175 million in value to the fund.

Overall, fiscal year 2013 was a good year. We surpassed our actuarial objective, made intelligent tactical shifts in portfolio strategy that added value, and generated competitive results versus peer pension funds.

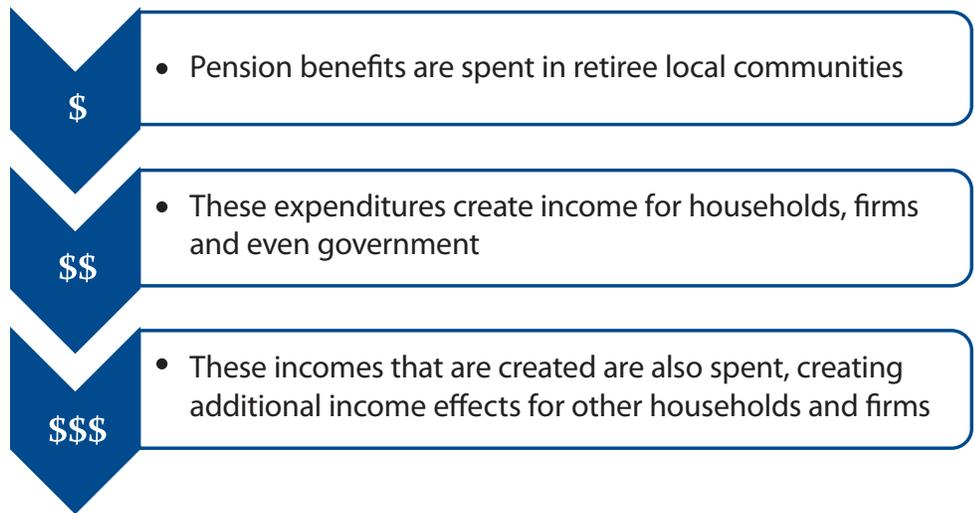
Adam Smith, from the book *The Money Game*, stated, "If you don't know who you are, the markets are an expensive place to find out." We know that PERS' successful track record is the result of the Retirement Board's commitment to a simple, disciplined investment strategy. We will continue to pursue this common sense investment approach into the future.

Not many of us realize the positive economic effects that PERS pension payments have on the Nevada economy. The stable income provided by the PERS' defined benefit plan allow retirees to continue regular spending despite the economic downturn. This is a powerful impact on the Nevada economy given that approximately 85% of PERS' 45,000 retirees remain in Nevada. When retirees in Nevada spend their pensions on groceries, medical services, transportation, and the occasional splurge, it supports jobs and other households.

The economic impact study for PERS was completed by the National Institute on Retirement Security (NIRS) and it revealed economic gains attributable to PERS pensions being spent in local communities throughout Nevada. Specifically, the study outlined the following:

- Nevada PERS paid more than \$1.3 billion in pension payments in 2010, including \$1.1 billion in Nevada
- Pension payments in Nevada supported
  - More than 10,000 jobs statewide
  - More than \$390 million in income for state residents other than PERS retirees
  - Over \$1.2 billion in total economic output
  - More than \$174 million in federal, state, and local tax revenue

Basically, PERS adds value to the Nevada Economy through the 'ripple effect':



In regards to system financing, the Economic Impact Study revealed that for every \$1 contributed by taxpayers to Nevada PERS pensions a total of \$6.69 in total output goes in the state of Nevada. Taxpayer contributions are just one source of financing retirement benefits. Investment earnings and employee contributions finance the other significant portions of retirement benefits.

## New Retirement Board Members

PERS is pleased to welcome two new Retirement Board members who were recently appointed to the PERS Retirement Board.

Audrey Noriega was appointed to the Retirement Board by Governor Sandoval on July 1, 2013. Audrey has been employed by the Clark County School District for 26 years and currently serves as Director of Payroll and Benefits. Audrey started her career as the Payroll Department supervisor in 1987. During her 26 years with the Clark County School District, she has served as Acting Director of Accounting and Acting Director of Risk Management. Audrey serves on

numerous committees for the Clark County School District.

Al Martinez was appointed to the Retirement Board by Governor Sandoval on July 1, 2013 as well. Prior to this appointment, Mr. Martinez served as President of SEIU Nevada, Local 1107. As President, he was responsible for leading the largest healthcare and public sector union in the State of Nevada. Mr. Martinez was instrumental in leading and growing the union through the hardest economic times Nevada has seen.

Al Martinez has also worked for Clark County for more than 15 years and has a strong background as an

experienced facilitator. He has used his skills to develop nationally recognized gang-intervention and teen-pregnancy programs in Texas. Mr. Martinez is currently a program supervisor for one of the county's recreation centers.

Mr. Martinez is an active leader in the Latino community who is committed to improving the lives of all Nevadans.

We would like to thank Bart Mangino and James Green for their dedicated service to the Retirement Board for the past 4 years.

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## Returning to Work with a Nevada Public Employer?

PERS' retirees are prohibited from reemployment with a Nevada public employer except as provided by NRS 286.520. This provision allows a retiree to receive a monthly PERS' benefit while reemployed with a Nevada public employer if the retiree has been retired for a minimum of 90 days and the position does not require reenrollment into PERS.

Eligibility for PERS enrollment is based on the type of position in which the retiree has been hired. In some cases, the retiree is limited on the amount of hours he or she may work in either a fiscal or school year in order to avoid the suspension of the monthly benefit and reenrollment into the system. In all cases, retirees reemployed with a Nevada public employer are limited in the amount

they can earn in a fiscal year. Contact the PERS office for the earnings limitation currently in effect.

If you plan to return to work for a PERS' employer, you are subject to certain restrictions under the Nevada Revised Statutes. Most often, if you return to work in a PERS eligible position, your retirement benefit will be stopped. Written notification and communication with PERS is always required by both you and your public employer.

A few exceptions from return to work restrictions apply which include:

- Employment with either house of the Legislature or by the Legislative Counsel Bureau,
- Employment of certain retirees

to fill positions for which there is a critical labor shortage (critical labor shortage positions are declared by the governing body of the employer), and

- Election to public office, unless serving in the same office in which service credit was earned as a member.

In the above situations, a retiree may be employed with no restrictions and continue to receive their monthly retirement benefit.

To avoid any pitfalls regarding returning to work after retirement, in any capacity, please contact the PERS office toll free at 1-866-473-7768 prior to the start date of employment.

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## Retiree Ambassador Program

PERS is offering a unique educational program regarding the higher level functions of the System. The educational session is approximately 1.5 hours and offers information on system funding, investment philosophy, source of benefit payments, positive economic effects of PERS payments, and much more. If you would like to attend a Retiree Ambassador Program, please contact Cheryl Price at 775-687-4200, ext. 222 or toll free at 1-866-473-7768, ext. 222 or you may email: [cprice@nvpers.org](mailto:cprice@nvpers.org). We are very proud of our Retiree Ambassadors that have completed the program because we believe it is important to have a well-informed benefit recipient population. We invite all PERS retirees to become a Retiree Ambassador! Contact us today!

### Frequently Asked Question:

Will my PERS benefit be affected when I draw my Social Security?

Your PERS benefit is not affected by Social Security. However, your Social Security benefit may be affected because you receive a PERS pension. The Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) are the two Federal Government regulations that may reduce your Social Security benefit. We suggest you contact the Social Security Administration using their toll-free number 800-772-1213 or visit their website at [www.ssa.gov](http://www.ssa.gov) to find out more information.

This publication is intended to provide general information. If there is any conflict between this information and Nevada law or PERS' policies, the laws and policies will supersede this information. *Retiree News* is a quarterly newsletter for retirees and benefit recipients of the Public Employees' Retirement System of Nevada. Comments or suggestions may be directed to: PERS, Newsletter, 693 W. Nye Lane, Carson City, Nevada 89703.