

PUBLIC EMPLOYEES' RETIREMENT BOARD  
EDUCATION SESSION AND MEETING MINUTES FOR  
Tuesday, July 15, 2008 and Wednesday, July 16, 2008

---

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

The Education Session of the Public Employees' Retirement Board was called to order by Chairwoman Susan DeFrancesco at 3:00 p.m., July 15, 2008, in the PERS' Conference Room, 5820 South Eastern Avenue, Suite 220, Las Vegas. Members present: Susan DeFrancesco, Charles Silvestri, Elizabeth Fretwell, Purisimo Hernandez, David Kallas, George Stevens, and Warren Wish. Members absent: None.

July 15, 2008  
Board Education Session

I. INVESTMENTS

- A. Staff discussed PERS' U.S. bond structure.

II. ADMINISTRATION

- A. Staff reviewed the legislative history and the current process for applying for PERS' disability retirement.

III. PUBLIC COMMENT

There were no public comments.

IV. RECESS

Chairwoman DeFrancesco recessed the meeting at 4:40 p.m.

---

July 16, 2008  
Board Meeting

The Retirement Board Meeting of the Public Employees' Retirement Board was called to order by Chairwoman Susan DeFrancesco at 8:00 a.m., July 16, 2008, in the PERS' Board Room, 5820 South Eastern Avenue, Suite 220, Las Vegas. Members present: Susan DeFrancesco, Charles Silvestri, Elizabeth Fretwell, Purisimo Hernandez, David Kallas, George Stevens, and Warren Wish. Members absent: None.

---

I. DISABILITIES

- A. For the record, David Kallas stated that he knows Carol Hansen but did not feel that would impair his vote. On motion of Charles Silvestri, the Retirement Board voted unanimously to:
1. Approve permanent and total disability retirement for: Consandra Amerson, Robert Anderson, Nighat Baig, Gregory Barnes, Alvin Black, Lawrence Burton, Jr., Wanda Cotton, Lucia Cruz-Mora, Jean Donaho, Carla Eagleton, Frederick Easterly, Edward Gant, Connie Gardner, Mary Grasso, Gary Graves, Joy Greeson, Mary Guinta, Stephen Hampe, Carol Hansen, Donna Hawkins, Sandra Heimbach, Jeffery Ihle, Thomas Jones, David Kallares, Lilia Kelly, Mary King, Wanda Korman, David Ladd, Evelyn Martina, Patricia Matthews, Mary McDermott, Dorn Miller, Irma Reyes-Rodriguez, Joseph Russell, Deborah Schlener, Gretchen Schultz, Scherry Valley, Hiedy Warner, Shrie Whitney, and Robert Wilson
  2. Approve reemployment requests by disability recipients: Dennis Bellfi, John Booher, Colleen Courtney, Joseph Cushing, Michael Ernst, Jimmy Faulkner, Linda Finlay, Bernadette Franklin, Ernest Hatley, Rodney Jones, Carol Malone, Claudia McIntosh, Hector Pimentel, Belinda Wesolowski, and Sharyn Wetzel.
  3. Deny reemployment requests for disability recipients Melody Dixon and Marcia Jones.

II. INVESTMENTS

- A. Neil Eigen and Alan Puklin, of J&W Seligman presented an overview of their organization and a performance update on their U.S. equity portfolio.
- B. Bob Jones, Mark Carhart, Mike Kieo, and Len Ioffe, of Goldman Sachs provided an overview of their organization and a performance update on their international equity portfolio.
- C. Staff discussed the U.S. bond structure in the PERS' fund. After discussion, on motion of David Kallas, the Retirement Board voted unanimously to direct staff to prepare an implementation plan to move the U.S. bond structure to 100% index.
- D. There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', or Judicial funds.

III. BOARD

- A. On motion of Warren Wish, the Retirement Board voted 6-yes and 1-no to elect Susan DeFrancesco, Chairman of the Retirement Board and Charles Silvestri Vice-Chairman of the Retirement Board. David Kallas voted no.

- 
- B. Michael Long of Cortex Applied Research, Inc., presented the results of the Retirement Board's annual self-assessment survey. On motion of David Kallas, the Retirement Board voted unanimously of those present to accept the Annual Retirement Board Self-Assessment Report for fiscal year 2008, as submitted. Elizabeth Fretwell was not present for this vote.
- C. Staff presented the Annual Executive Staff Performance Review for fiscal year 2008. The review includes seven categories which are utilized to evaluate the Executive Officer's performance. These categories are:
- Governance and Board Relations;
  - Executive Management;
  - Funding and Actuarial Valuations;
  - Operations;
  - Investment Program;
  - Internal Audit; and
  - Legislative Management.

On motion of Charles Silvestri, the Retirement Board voted unanimously to accept the Annual Executive Staff Performance Review for Fiscal Year 2008, as submitted.

- D. Sub-Committee Chairman, Warren Wish reviewed the proposed modifications to the Retirement Board's Fiduciary Policy, as proposed by the Board's Sub-Committee. On motion of David Kallas, the Retirement Board voted unanimously to approve the Fiduciary Policy Statement, as submitted.
- E. Sub-Committee Chairman, Warren Wish stated that the Sub-Committee was not recommending any changes to the Retirement Board's Staff Education Policy. On motion of David Kallas, the Retirement Board voted unanimously to re-adopt the Retirement Board Staff Education Policy as submitted.
- F. Sub-Committee Chairman, Warren Wish stated that the Sub-Committee did not make any modifications to the Retirement Board's Self-Assessment Policy. On motion of Purisimo Hernandez, the Retirement Board voted unanimously to re-adopt the Retirement Board Self-Assessment Policy as submitted.
- G. Sub-Committee Chairman, Warren Wish stated that the Sub-Committee was not recommending any changes to the Retirement Board Education Policy. On motion of David Kallas, the Retirement Board voted unanimously to re-adopt the Retirement Board Education Policy as submitted.
- H. Sub-Committee Chairman, Warren Wish provided an update on the committee's progress.
- I. On motion of Warren Wish, the Retirement Board voted unanimously to approve the minutes of the Retirement Board education session and meeting held June 17 and 18, 2008, as submitted.

- J. There were no changes to the Retirement Board meeting dates.
- K. There were no changes to the Retirement Board education curriculum calendar.

IV. ACCOUNTING

- A. Staff presented the biennial budget for the Public Employees' Retirement System for fiscal years 2010-2011. On motion of Elizabeth Fretwell, the Retirement Board voted unanimously to approve the Public Employees' Retirement System's Biennial Budget for Fiscal Years 2010-2011, as amended.
- B. Staff presented the biennial budget for the Legislators' Retirement System for fiscal years 2010-2011. On motion of Charles Silvestri, the Retirement Board voted unanimously to approve the Legislators' Retirement System's Biennial Budget for fiscal years 2010-2011, as submitted.
- C. Staff presented the biennial budget for the Judicial Retirement System for fiscal years 2010-2011. On motion of Warren Wish, the Retirement Board voted unanimously to approve the Judicial Retirement System's biennial budget for fiscal years 2010-2011, as submitted.

V. ADMINISTRATION

- A. Staff reviewed the Service Quality Report for fiscal year 2008. On motion of David Kallas, the Retirement Board voted unanimously to accept the Service Quality Report for fiscal year 2008, as submitted.
- B. Staff discussed the proposed Official Policies for the Judicial Retirement System and recommended an additional policy be added for employer's to designate deputy liaison officers. Chairman DeFrancesco opened the public hearing on the proposed policies for the Judicial Retirement System. There were no public comments offered. On motion of David Kallas, the Retirement Board voted unanimously to adopt the Judicial Retirement System's Official Policies, as amended.
- C. Staff reviewed the proposed Official Policies for the Legislators' Retirement System and requested the Retirement Board authorize staff to notify employers of a public hearing on the proposed policies for the Legislators' Retirement System. On motion of Elizabeth Fretwell, the Retirement Board voted unanimously to authorize staff to notify employers of the proposed adoption of the Legislators' Retirement System's Official Policies, in accordance with NRS 218.2374.
- D. Staff provided an update on the JAVA language conversion project.

VI. LEGISLATION

- A. Staff reviewed the request from the Henderson Police Officers' Association for a deferred retirement option plan (DROP) and requested the Board authorize an actuarial cost study to be performed by The Segal Company. On motion of Charles Silvestri, the Retirement Board voted 6-yeas and 1-abstention to direct staff to transmit the request of the Henderson Police Officers' Association for a deferred savings option program to the System's actuary for study and review. David Kallas abstained from voting because of his knowledge and involvement with this previously.
- B. Staff presented a list of Bill Draft Requests (BDRs) that have been submitted for the 2009 legislative session that may impact the Public Employees' Retirement System. The complete list of BDRs is available on the legislature's website.

VII. RATIFICATION AGENDA

On motion of David Kallas, the Retirement Board voted unanimously to:

- A. Approve the Administrative Fund disbursements.
- B. Approve the personnel action taken since the last report.
- C. Approve out-of-state travel for appropriate board and staff members to attend the National Association of State Retirement Administrator's (NASRA) annual conference in Snowbird, Utah August 1-6, 2008.
- D. Approve membership fees for the Public Employees' Retirement System to join the National Institute on Retirement Security (NIRS) as a charter member beginning July 1, 2008 through December 31, 2009, for an amount not to exceed \$1,000.00.
- E. Approve the Final Benefit Audit Report for June 2007.

VIII. DENIALS

IX. REPORTS

X. PUBLIC COMMENT

- A. The Executive Officer shared a request for a Bill Draft Request form the Southern Nevada Conference of Police and Sheriffs and the Professional Fire Fighters of Nevada for the 2009 legislative session.

The Executive Officer shared a letter from Mr. Dennis Ellestad regarding suggestions for changes to the Public Employees' Retirement System.

- 
- B. The Deputy Attorney General had nothing to report.
  - C. There was no Administrative report by Staff.
  - D. Questions and/or comments by members of the Retirement Board.

- Warren Wish:
  - 1. Mr. Wish requested staff research the possibility of utilizing DOT's teleconferencing equipment for a future Board meeting. Staff will look into this.
- Susan DeFrancesco:
  - 1. Chairwoman, Susan DeFrancesco, requested staff also research web cam capabilities.
- Elizabeth Fretwell:
  - 1. Ms. Fretwell mentioned that there may be other facilities that have teleconferencing equipment available for use such as the City of Las Vegas or the Clark County Administration office.
- David Kallas:
  - 1. Mr. Kallas asked staff to research enhancing the phone capabilities currently in the Carson City board room.

XI. ADJOURNMENT

The meeting was adjourned by Chairwoman DeFrancesco at 1:25 p.m.

---

The following is the time schedule for the meeting:

The July 15, 2008, Retirement Board education session was called to order by Chairwoman DeFrancesco and recessed at 4:40 p.m. The July 16, 2008, Retirement Board meeting was called to order at 8:00 a.m. by Chairwoman DeFrancesco. Two breaks were taken at 10:10 a. m. and 11:45 a.m. for approximately ten minutes each. The meeting was adjourned at 1:25 p.m.