

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND  
MEETING MINUTES FOR

Thursday, February 16, 2017

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

February 16, 2017  
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Chairman Vincent at 10:21 a.m., February 16, 2017, in the PERS' Board Room, 693 W. Nye Lane, Carson City. Members present: Mark Vincent, Katherine Ong, Vikki Courtney, Scott Gorgon, Audrey Noriega, Timothy Ross, and Kay Scherer. Members absent: None.

1. PUBLIC COMMENT

There were no public comments offered.

2. EDUCATION TOPIC

2.1 Staff reviewed the Police and Firefighters' Retirement Fund Advisory Committee history and their duties with the Retirement Board.

3. PUBLIC COMMENT

There were no public comments offered.

4. RECESS

Chairman Vincent recessed the meeting at 11:16 a.m.

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February 16, 2017  
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chairman Vincent at 12:02 p.m., on February 16, 2017, in the PERS' Board Room, 693 W. Nye Lane, Carson City. Members present: Mark Vincent, Katherine Ong, Vikki Courtney, Scott Gorgon, Audrey Noriega, Timothy Ross, and Kay Scherer. Members absent: None.

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1. PUBLIC COMMENT

There were no public comments offered.

2. DISABILITIES

2.1 Audrey Noriega stated that Kandi Binyon-Gardonio, Yvonne Bostock, Kevin Croft, Tanisha Hayes, Anna Lauer, Mildred McCullough, Ceola Richard, Nadeen Warren, and Carmel Salazar work or worked for the Clark County School District, her previous employer, but she did not feel that would impair her vote. For the record, Mark Vincent stated that Edward Jost and Natalie Yates work or worked for the City of Las Vegas, his previous employer, but he did not feel that would impair his vote. Vikki Courtney stated that Kandi Binyon-Gardonio, Yvonne Bostock, Kevin Croft, Tanisha Hayes, Anna Lauer, Mildred McCullough, Ceola Richard, Nadeen Warren, and Carmel Salazar work or worked for the same employer as herself but she did not feel that would impair her vote. Kathy Ong stated that she knows Melinda Adkins but she did not feel that would impair her vote.

On motion of Kathy Ong, the Retirement Board voted unanimously to:

1. Approve permanent and total disability retirement for: Melinda Adkins, Libby Allen, Kandi Binyon-Gardonio, Yvonne Bostock, Americo Costantino, Kevin Croft, Deanna Duffy, Juan Garcia, Tanisha Hayes, Edward Jost, Anna Lauer, Wayne LeBaron, Brenda Lee, Ann Marlow, Mildred McCullough, Tom Powers, Donna Price, Jennifer Quilici, Ronald Raschen, Ceola Richard, Constance Robertson, James Rosenberger, Lisa Sherman, Beau Strickler, Deborah Thornley, Jason Tristao, Nadeen Warren, Andrew Washington, and Shauna Watson.
2. Approve permanent and total disability retirement at one-year review for: Louise Lopez.
3. Approve reemployment requests by disability recipients: Joseph Arnold, Carmel Salazar, Carolyn Smith, and Natalie Yates.
4. Deny reemployment requests by disability recipients: Eric Bauer, Jana Gray, Chris Hollingshead, and Dirk Richwine.

3. INVESTMENTS

3.1 Staff presented the second quarter fiscal year 2017 performance update for the PERS', Legislators', and Judicial funds. There was no action taken on this item.

3.2 Staff and Julia Bonafede of Jobs Peak Advisors presented due diligence updates on Pathway Capital and Payden & Rygel.

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

4. BOARD

- 4.1 On motion of Tim Ross, the Retirement Board voted 6 yeas and 1 abstention to approve the minutes of the Retirement Board Education Session and Retirement Board meeting held January 19, 2017, as submitted. Kathy Ong abstained from voting on this item as she was not present at the January 19, 2017, meeting.
- 4.2 On motion of Kathy Ong, the Retirement Board voted unanimously to approve the minutes of the Retirement Board meeting held January 31, 2017, as amended.
- 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. ACCOUNTING

- 5.1 Staff reviewed the Budget Variance Report with the Board. On motion of Kathy Ong, the Retirement Board voted unanimously to accept the Budget Variance Report, as submitted.

6. ADMINISTRATION

- 6.1 Staff reviewed the contract renewal with Segal Consulting to provide Internal Revenue Code 415 testing for calendar year 2017. On motion of Kathy Ong, the Retirement Board voted unanimously to approve the independent contract with Segal Consulting for Section 415(b) testing services for calendar year 2017 benefit allowances, in an amount not to exceed \$100,000, retroactive to January 1, 2017, as submitted.
- 6.2 Staff reviewed the Police and Firefighters' Retirement Fund Advisory Committee meeting minutes for the meeting held January 26, 2017. On motion of Kathy Ong, the Retirement Board voted unanimously to approve the minutes of the Police and Firefighters' Retirement Fund Advisory Committee meeting held January 26, 2017, as submitted.

7. LEGISLATION

- 7.1 No action was taken on this agenda item at this time.
- 7.2 No action was taken on this agenda item at this time.

- 7.3 Staff provided the following update for the 2017 legislative session:

*BDR #842 – Senate Minority Leader – Revises provisions governing the Public Employees’ Retirement Board.*

*BDR #843 – Senate Minority Leader – Establishes a hybrid public employees’ retirement program that includes a defined benefit plan and a defined contribution plan for new employees.*

8. RATIFICATION AGENDA

On motion of Kathy Ong, the Retirement Board voted unanimously to approve all items on the Ratification Agenda as recommended by staff:

- 8.1 Approval of Administrative Fund disbursements.
- 8.2 Approval of personnel action taken since the last report.
- 8.3 Approval of the Deceased Recipient Review Report for the second quarter of 2016.
- 8.4 Approval of continuation of the contract with CliftonLarsonAllen, LLP, to provide audit services for PERS, LRS, and JRS for fiscal year ending June 30, 2017.
- 8.5 Approval of the Final Benefit Audit Report for July 2014.
- 8.6 Approval of the Final Benefit Audit Report for August 2014.

9. APPEALS

- 9.1 Staff provided background information on the retirement of David Cook. He retired July 1, 2011, with over 30 years of service credit. At the time of his retirement he was working as a Professor at Western Nevada College. Mr. Cook had been suffering with multiple health problems that progressively became worse since his heart attack in 1996. He originally chose Option 3 when he retired and named his daughter, Danielle Cook, as the beneficiary. Ms. Cook knew that she was named beneficiary because her father had spoken about it frequently and even discussed it prior to his retirement. Mr. Cook completed an option reversion in July of 2015. Mr. Cook passed away just a few months after changing his retirement option unbeknownst to his daughter. Ms. Cook wrote a letter to PERS almost a year after her father’s death asking if the original retirement option chosen by her father could be restored.

Ms. Danielle Cook thanked the Board for hearing her appeal. She stated her father had years of heart disease and was a juvenile diabetic. He had been a diabetic for over 50 years. Ms. Cook provided a statement to the Board regarding her father's multiple medical issues and declining health. She does not feel that he knew what he was doing.

After discussion, on motion of Kathy Ong, the Retirement Board voted unanimously to table Ms. Cook's appeal and request that she provide medical documentation to support her claim of mental incapacity to assist the Board in making a decision.

10. DENIALS

11. REPORTS

12. PUBLIC COMMENT

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

12.2 PERS' General Counsel provided an update on pending litigation.

12.3 Administrative Report by Staff:

- Executive Officer:
1. The Executive Officer mentioned that PERS had a budget hearing on February 7 in Senate Finance and February 16 in Assembly Ways and Means. She also indicated that PERS presented an overview of the System to the Assembly Government Affairs Committee on February 9.
  2. The Executive Officer stated that Cathie Eitelberg of Segal Consulting is retiring in May. Staff will be making a site visit/due diligence trip to meet with her replacement and other Segal staff.
  3. The Executive Officer congratulated Chairman Vincent and Board Member Noriega on their recent retirements.

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

13. ADJOURNMENT

The meeting was adjourned by Chairman Vincent at 1:47 p.m.

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The following is the time schedule for the meeting:

The Retirement Board education session held on February 16, 2017, was called to order at 10:21 a.m. by Chairman Vincent and recessed at 11:16 a.m. The February 16, 2017, Retirement Board meeting was called to order at 12:02 p.m. by Chairman Vincent and adjourned at 1:47 p.m.