

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND
MEETING MINUTES FOR

Wednesday, June 18, 2014

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

June 18, 2014
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Acting Chairman McAllister at 9:52 a.m., June 18, 2014, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: Katherine Ong, Al Martinez, Rusty McAllister, Audrey Noriega and David Olsen. Members absent: Mark Vincent and Chris Collins.

1. BOARD

- 1.1 On motion of Kathy Ong, the Retirement Board voted unanimously of those present to appoint Rusty McAllister Acting Chairman to preside over the June 18, 2014, Retirement Board Education Session and Board Meeting in accordance with the Retirement Board's *Board Operations Policy*.

2. PUBLIC COMMENT

There were no public comments offered.

3. ADMINISTRATION / INVESTMENTS

- 3.1 Ken Lambert of Peavine Capital and Brad Ramirez of Segal Consulting provided a review of PERS' Actuarial Assumptions.

4. PUBLIC COMMENT

There were no public comments offered.

5. RECESS

Acting Chairman McAllister recessed the meeting at 11:34 a.m.

June 18, 2014
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Acting Chairman McAllister at 12:08 p.m., on June 18, 2014, in the PERS' Board Room, 693 West Nye Lane, Carson City. Members present: Katherine Ong, Al Martinez, David Olsen, Audrey Noriega and Rusty McAllister. Members absent: Mark Vincent and Chris Collins.

1. PUBLIC COMMENT

There were no public comments offered.

2. DISABILITIES

- 2.1 For the record, Audrey Noriega stated that Gail Evans-Wade, Annette Garcia, Marcia Maris, William Monroe, Jeanne Storlie, Emilia Vitale, and Randy Jones all worked for the same employer as herself but she did not feel that would impair her vote. Al Martinez stated that Daniel Corcoran, Deborah Hamblet, Daniel Higgons, Teresa Leonard, Jacqueline McDonnell, Steven Moore, Edward Weiss, and Christine Griffin all worked for the same employer as himself but he did not feel that would impair his vote.

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

1. Approve permanent and total disability retirement for: Jeanette Andrews, Randy Arnold, Steven Aufiero, Satoko Brilis, Princess Cantrell, Bradford Carson, Daniel Corcoran, Bartlett Dalton, Sharyl Dodson, Barry Eastman, Gail Evans-Wade, Jamerson Ferrell, Annette Garcia, Kevin Gregoire, Deborah Hamblet, Donna Hardin, Daniel Higgons, Shawn Johnson, Vickie Landgon, Teresa Leonard, Louise Lopez, Robert MacGirvin, Jr., Marcia Maris, Jacqueline McDonnell, William Monroe, Steven Moore, Terry Olson, Michael Peschl, Brian Reedy, Kim Sparks, Jeanne Storlie, James Testa, Jon Thomason, Emilia Vitale, David Walch and Edward Weiss.
2. Approve reemployment requests by disability recipients: Glenda Boulware, Michaelene Carman, Teresa Dalton, Peter Dialis, Timothy Giarmo, Christine Griffin, Barbara Hofheins, Craig Imus-Bird, Randy Jones, Dana Linehan, Jan Medcalf, Eric Reymus, Joseph Roman, Tony Severin, Wendy Stewart, Darrell Turner and Roger Williams.
3. Deny reemployment requests by disability recipients Dana Linehan and Eric Reymus.

3. INVESTMENTS

- 3.1 Ken Lambert of Peavine Capital Management and Jay Kloepfer of Callan Associates reviewed the investment real return and assumptions contained in the Investment Objectives and Policies. Mr. Kloepfer provided outlook for the economy and the investment markets. There was no action taken on this item.
- 3.2 There were no recommended changes to the Interim Investment Directives for the PERS', LRS', and JRS funds.

4. BOARD

- 4.1 On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the minutes of the Retirement Board education session and board meeting held May 21, 2014, as submitted.
- 4.2 There were no recommended changes to the Retirement Board meeting dates.
- 4.3 There were no recommended changes to the Retirement Board Education Curriculum Calendar.

5. ACCOUNTING

- 5.1 Staff reviewed PERS' Organizational Chart with the Retirement Board and compared the tenure status of PERS' employees by division for fiscal years 2012 and 2014. Staff then presented the proposed budget for the upcoming biennium for fiscal years 2016 and 2017. The final biennial budget will be presented at the July 16, 2014, meeting for the Board's approval.

6. ADMINISTRATION

- 6.1 Staff presented the contract renewal with APEX Computing, Inc. for information technology consulting services for the System's main offices. In keeping with the Retirement Board's second opinion review of the System's information technology services by consultant LRWL, Inc., staff is recommending the length of the contract be for six months. This way, once the Board receives its report from LRWL, they can determine if any additional action is warranted. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the contract renewal with APEX Computing Inc., for information technology consulting services for the System's main offices for an amount not to exceed \$443,400.00.
- 6.2 Staff presented the contract renewal with APEX Computing, Inc. for information technology consulting services for PERS' disaster recovery site. In keeping with agenda item 6.1, staff is recommending the length of the contract be for six months. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the contract renewal with APEX Computing, Inc., for information technology consulting services for PERS' disaster recovery site for an amount not to exceed \$111,800.00.
- 6.3 Staff reviewed the proposed contract with APEX Computing Inc. to upgrade the Batch System on PERS' main computer system. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve the contract with APEX Computing Inc., to upgrade the batch system for an amount not to exceed \$254,800.00.

- 6.4 Staff reviewed the Police and Firefighters' Retirement Fund Advisory Committee member appointment process and noted that two individuals were nominated for the committee. Staff recommends the Retirement Board appoint Rich Tiran to the Committee for a four-year term effective July 1, 2014. On motion of Kathy Ong, the Retirement Board voted unanimously of those present to appoint Rich Tiran to a four-year term to the Police and Firefighters' Retirement Fund Advisory Committee effective July 1, 2014.

7. RATIFICATION AGENDA

On motion of Kathy Ong, the Retirement Board voted unanimously of those present to approve all items on the Ratification Agenda, as submitted:

- 7.1 Approve the Administrative Fund disbursements.
- 7.2 Approve the personnel action taken since the last report.
- 7.3 Approve the contract renewal with Verizon Security Solutions for fiscal year 2015.
- 7.4 Approve the contract renewal with CEM Benchmarking Inc., for fiscal year 2015.
- 7.5 Approve the Phase-In Agreement between Truckee Meadows Community College and Queency Fernandez effective July 1, 2014.
- 7.6 Approve the Final Benefit Audit Report for December 2012.
- 7.7 Approve the Investment Performance Guidelines for the Temporary EAFE Index Account managed by Mellon Capital.

8. DENIALS

Acting Chairman McAllister requested that Chermanise Skeete and Gloria Callahan's staff denials be heard as official appeals at the next Retirement Board meeting that is convenient for both members. Staff mentioned that both individuals are from the Las Vegas area so the next meeting scheduled for our Las Vegas Eastern office is July 16th. Staff will notify both individuals of the Board's decision.

9. REPORTS

10. PUBLIC COMMENT

- 10.1 There were no public comments offered.

10.2 The Deputy Attorney General provided an update on pending litigation involving Nevada PERS.

10.3 Administrative Report by Staff:

- Executive Officer:
1. The Executive Officer and the Operations Officer presented Tara Landis with a 10-year plaque and thanked her for her continued service to PERS' members and beneficiaries. Tara thanked them for the plaque.
 2. The Executive Officer reported that there will be a Disability Sub-Committee meeting in July.
 3. The Executive Officer mentioned that there will be two appeals on the July meeting agenda.
 4. The Executive Officer reported that Kim Okezie and herself will be attending the National Association of Public Pension Attorneys Annual Conference next week in Nashville.

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

11. ADJOURNMENT

The meeting was adjourned by Acting Chairman McAllister at 1:15 p.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on June 18, 2014, was called to order at 9:52 a.m. by Acting Chairman McAllister and recessed at 11:34 a.m. The June 18, 2014, Retirement Board meeting was called to order at 12:08 p.m. by Acting Chairman McAllister. The Board took one break at 1:08 p.m. for approximately 5 minutes. The meeting was adjourned at 1:15 p.m. by Acting Chairman McAllister.