

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND  
MEETING MINUTES FOR

Thursday, June 15, 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.

June 15, 2017  
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Chairman Vincent at 9:07 a.m., June 15, 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 Dana Bilyeu, Executive Director of the National Association of State Retirement Administrators, provided a review and discussion of National Pension Issues. Jessica Thunberg and Katelyn Yoshimoto of Jasculca Terman Strategic Communications provided an overview of the communications audit and strategy.

3. ADMINISTRATION

3.1 A confidential Attorney-Client Conference was held to discuss pending litigation in *Jim Ballard v. Nevada Public Employees Retirement System Board*, Case No. CV13-02171. (*This Agenda Item was closed to the public pursuant to NRS 241.015(3)(b)(2) and NRS 286.150(2)*).

4. PUBLIC COMMENT

There were no public comments offered.

5. RECESS

Chairman Vincent recessed the meeting at 11:30 a.m.

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June 15, 2017  
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chairman Vincent at 12:04 p.m., on June 15, 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

Mark Kilburn, Attorney for Jim Ballard, addressed the Retirement Board regarding Item 6.6 on behalf of Jim Ballard and the Reno Police Protective Association, the Reno Police Supervisory Association, and the Washoe County Sheriff Deputies Association. He asked that the Retirement Board oppose or reject the request to file an appeal in the *Ballard* case.

2. DISABILITIES

2.1 For the record, Vikki Courtney stated that Aimee Doi, Gene Garber, Joseph Gonzalez, Rhonda Hellenga, Joseph Kosloske, and Erica Torres-Rodriguez work or worked for the same employer as herself, but she did not feel that would impair her vote. Audrey Noriega stated that Aimee Doi, Gene Garber, Joseph Gonzalez, Rhonda Hellenga, Joseph Kosloske, and Erica Torres-Rodriguez work or worked for the Clark County School District, her previous employer, 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: Justin Ballinger, Jill Barrette, James Bichsel, Marcie Campbell, Aimee Doi, Martin Escamilla, Gene Garber, Joseph Gonzalez, Rhonda Hellenga, Patricia Hood, Andrea Johnston, Joseph Kosloske, Darci Lund, Connie McFadden, Jessica Nicholas, David Nisbet, Duane Randolph, Kimberly Richmond, Caitlin Rock, Pauline Rusert, Erica Torres-Rodriguez, Benjamin Walker, and Anthony Warren.
2. Approve permanent and total disability retirement at one-year review for: Brandi Tosti.
3. Approve reemployment requests by disability recipients: Joseph Arnold, Troy Callahan, Brett Carter, Glenn Fair, Roger Hall, Andrew Mote, Lisa Moya, and Jennifer Rulla.
4. Deny reemployment requests by disability recipients: Victoria Alvarez, Anthony Bridges, and Kenneth Miller.

3. INVESTMENTS

- 3.1 Pamela Herbst and Alison Husid of AEW Capital Management provided an overview of the real estate portfolio they manage for PERS.
- 3.2 There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', and Judicial funds.

4. BOARD

- 4.1 On motion of Kathy Ong, the Retirement Board voted unanimously to approve a one step merit increase for the Operations Officer, Chief Financial Officer, Administrative Analyst, and Administrative Services Coordinator effective July 1, 2017.
- 4.2 On motion of Kathy Ong, the Retirement Board voted unanimously to approve the minutes of the Retirement Board Education Session and Retirement Board meeting held May 18, 2017, 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. ACCOUNTING

- 5.1 Staff reviewed the proposed contract with Armanino LLP for Microsoft Dynamics GP Software and Implementation Services for accounting software and implementation services for fiscal years 2018 and 2019. On motion of Kathy Ong, the Retirement Board voted unanimously to enter into a contract with Armanino LLP and:
  - 1. Approved the Microsoft Dynamics GP Software Purchase Order of \$34,300 for Microsoft Dynamics GP software and \$6,364 annual maintenance fee.
  - 2. Approved the Master Services Agreement for implementation services and travel costs as described in the Statement of Work not to exceed \$90,210.

6. ADMINISTRATION

- 6.1 Staff presented the contract renewal with Segal Consulting for actuarial and benefit consulting services for fiscal years 2018 and 2019. On motion of Kathy Ong, the Retirement Board voted unanimously to instruct staff to contract with

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Segal Consulting for actuarial and benefit consulting services for fiscal years 2018 and 2019 in an amount not to exceed \$408,300 for fiscal year 2018 and in an amount not to exceed \$408,300 for fiscal year 2019, subject to successful negotiations.

- 6.2 Staff reviewed the contract renewal with APEX Computing, Inc., for information technology consulting services for the System's main offices for fiscal year 2018. On motion of Kathy Ong, the Retirement Board voted unanimously to approve the consulting contract with APEX Computing, Inc., for the System's main offices, in an amount not to exceed \$1,536,800, for fiscal year 2018.
- 6.3 Staff presented the contract renewal with APEX Computing, Inc., for information technology consulting services for the System's disaster recovery site for fiscal year 2018. On motion of Kathy Ong, the Retirement Board voted unanimously to approve the consulting contract with APEX Computing, Inc., for the System's disaster recovery site, in an amount not to exceed \$208,000 for fiscal year 2018.
- 6.4 Staff reviewed the proposed contract with APEX Computing, Inc., to complete the Senate Bill 427 (2009) and Senate Bill 406 (2015) system modifications. On motion of Kathy Ong, the Retirement Board voted unanimously to approve the contract with APEX Computing, Inc., to implement Part 2 of the SB 427/SB 406 project at a cost not to exceed \$1,808,520, subject to successful negotiation.
- 6.5 Jessica Thunberg and Katelyn Yoshimoto of Jasculca Terman Strategic Communications presented the communications audit and strategy report.
- 6.6 After discussion, on motion of Kathy Ong, the Retirement Board voted 6 yeas and 1 abstention to direct PERS and counsel to file an appeal or take other action in *Jim Ballard v. Nevada Public Employees Retirement System Board*, Case No. CV13-02171. Tim Ross abstained from voting on this item as he is the President of the Washoe County Sheriff Deputies Association, he has a relationship with Mark Kilburn and uses Mr. Kilburn's services, and because of his knowledge of this case although he does not believe it would interfere with his decision.

## 7. LEGISLATION

- 7.1 Staff reviewed the final status of the bills the System was tracking during the 2017 legislative session.

## 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 Approve the Administrative Fund disbursements.

- 8.2 Approve the personnel action taken since the last report.
  - 8.3 Approve the contract renewal with PERS' Medical Consultant, B Bottenberg, D.O., for fiscal years 2018 and 2019 with a total cost not to exceed \$39,912 for the period July 1, 2017, through June 30, 2018, and \$41,904 for the period July 1, 2018, to June 30, 2019.
  - 8.4 Approve the contract renewal with PERS' Medical Consultant, Kathy Stoner, R.N., for fiscal years 2018 and 2019 with a total cost not to exceed \$2,000 per month for the period July 1, 2017, through June 30, 2019.
  - 8.5 Approve the Final Benefit Audit Report for December 2014.
  - 8.6 Approve the Deceased Recipient Review Report for the third quarter of 2016.
  - 8.7 Approve the request by Futuro Academy Incorporated for membership in PERS effective July 1, 2017.
  - 8.8 Approve the independent contract with Patty Machal for an amount not to exceed \$23,500.
  - 8.9 Approve the independent contract with Cindy Yadon for an amount not to exceed \$23,500.
  - 8.10 Approve the independent contract with Vickie Peterson for an amount not to exceed \$23,500.
  - 8.11 Approve the independent contract with Susan Curtis for an amount not to exceed \$23,500.
  - 8.12 Approve the contract renewal with Verizon Security Solutions for fiscal year 2018 at a cost not to exceed \$69,775 for one year.
9. DENIALS
  10. REPORTS

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11. PUBLIC COMMENT

11.1 Individual statements and/or requests by the members, retired employees and/or the public:

Priscilla Maloney with the AFSCME Retirees stated that they are grateful that, after the legislature spent close to one hundred hours in 2015 on PERS issues, the legislative leadership announced early in the 2017 session that there would not be any re-hashing or re-litigating of those same issues this session. She stated that the retirees are grateful it turned out that way. Ms. Maloney indicated that she understands the issue regarding communications. The AFSCME Retirees have been working on putting together a website and an email alert system.

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

11.3 Administrative Report by Staff:

- Executive Officer:
1. The Executive Officer indicated that this may be the last Retirement Board meeting for Audrey Noriega and Kay Scherer as their terms expire the end of the month. She mentioned that Vikki Courtney's term is also expiring but that Vikki is eligible for reappointment.
  2. The Executive Officer stated that if anyone wants to go to the NASRA conference they need to be registered soon. The conference will be held on August 5-9 in Baltimore, Maryland.
  3. The Executive Officer advised the Retirement Board that PERS will be reinstating the Liaison Officer Conference and it may be held in March.

11.4 Comments or questions from the Retirement Board members:

- Mark Vincent:
1. Chairman Vincent personally thanked Audrey and Kay for their support. He stated that Audrey brought a different perspective having been in the trenches working with liaisons and members. He indicated that he really appreciated her insight on many difficult decisions. Mr. Vincent indicated

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that Kay had not been on the Board very long, but she was not shy and was ready to go and he appreciated it. He stated that this particular group is a great group and everyone contributed greatly.

Audrey Noriega: 1. Board member Noriega stated that she loved every second of being on the Board and she learned so much. She said that she is a PERS supporter and always has been even though sometimes they disagreed on things, but she always knew what a great job PERS did for the membership.

Kay Scherer: 1. Board member Scherer thanked everyone. She stated that she has always been a PERS supporter, but one of the most exciting things is that she now feels equipped to actually be able to spread that message.

Kathy Ong: 1. Vice Chair Ong stated that Audrey and Kay have both been outstanding members and she thinks this group is a great team. She mentioned she will be very sorry not to see them again.

## 12. ADJOURNMENT

The meeting was adjourned by Chairman Vincent at 2:16 p.m.

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The following is the time schedule for the meeting:

The Retirement Board education session held on June 15, 2017, was called to order at 9:07 a.m. by Chairman Vincent and recessed at 11:30 a.m. The June 15, 2017, Retirement Board meeting was called to order at 12:04 p.m. by Chairman Vincent and adjourned at 2:16 p.m.