

PUBLIC EMPLOYEES' RETIREMENT BOARD EDUCATION SESSION AND
MEETING MINUTES FOR

Thursday, August 17, 2023

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

August 17, 2023
Education Session

The Retirement Board Education Session of the Public Employees' Retirement Board meeting was called to order by Chair Stevens at 9:04 a.m., August 17, 2023, in the PERS' Board Room, 693 W. Nye Lane, Carson City. Members present: Mark Stevens, Brian Wallace, Jessica Colvin, Dawn Huckaby (9:28 a.m.), Todd Ingalsbee (by videoconference), and Cameron Wagner (by videoconference). Members absent: Norma Santoyo.

1. PUBLIC COMMENT

There were no public comments offered.

2. EDUCATION TOPIC

2.1 Staff gave a presentation on Ethics and Fiduciary Duties and Other Legal Requirements.

3. PUBLIC COMMENT

There were no public comments offered.

4. RECESS

Chair Stevens recessed the meeting at 9:47 a.m.

August 17, 2023
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chair Stevens at 10:04 a.m., on August 17, 2023, in the PERS' Board Room, 693 W. Nye Lane, Carson City. Members present: Mark Stevens, Brian Wallace, Jessica Colvin, Dawn Huckaby, Todd Ingalsbee (by videoconference) and Cameron Wagner (by videoconference). Members absent: Norma Santoyo.

1. PUBLIC COMMENT

Kent Ervin, past president, Nevada Faculty Alliance
Good morning, Chair Stevens, members, Executive Officer Leiss, and staff.
Thank you for your service on behalf of state employees and retirees. First, I would like to congratulate PERS on a successful legislative session. Threats to PERS, major and minor, have been averted. Second, I note that PERS had a good year of investment returns in FY2023 and that long-term returns continue to exceed assumptions. The strong investment returns and expected increases in payrolls moving forward should partially offset the effects of recent high inflation. However, with the phase-in of assumption changes, required contribution rates may rise in the next biennium and that will put pressure on PERS again. All options should be on the table to mitigate future contribution increases in a fiscally sound way. If experience for FY2023 and FY2024 is positive, changing the amortization of future layers of unfunded liabilities to a fixed-dollar method would phase in gains faster as well as better follow the actuary's recommendations for paying down new liabilities in the future. We offer our support as you further strengthen the PERS system. Thank you.

2. DISABILITIES

- 2.1 For the record, Jessica Colvin stated that Applicant No. 13 works or worked for the same employer as herself, but she did not feel that would impair her vote. For the record, Dawn Huckaby stated that Applicant Nos. 6 and 17 works or worked for the same employer as herself, but she did not feel that would impair her vote.

On motion of Brian Wallace, the Retirement Board voted unanimously of those present to:

1. Approve permanent and total disability retirements for Applicant Nos. 1-17 as recommended by staff for the month of August 2023.
2. Approve reemployment requests by disability recipients, Applicant Nos. 18-25, as recommended by staff for the month of August 2023.

3. INVESTMENTS

- 3.1 Staff and Julia Bonafede of Jobs Peak Advisors presented the fiscal year 2023 performance review for the PERS', Legislators', and Judicial funds. There was no action taken on this item.
- 3.2 On motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve the new contract with Altus Group to manage the valuation of PERS' private real estate assets.
- 3.3 There were no recommended changes to the Interim Investment Directives for the PERS', Legislators', and Judicial funds.

4. BOARD

- 4.1 Staff presented the Internal Audit Plan for Fiscal Year 2024. After discussion, on motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve the Fiscal Year 2024 Internal Audit Plan, as submitted.
- 4.2 On motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve the minutes of the Retirement Board Education Session and Retirement Board meeting held July 20, 2023, as submitted.
- 4.3 On motion of Brian Wallace, the Retirement Board voted unanimously of those present to change the October Retirement Board meeting from Thursday, October 19, 2023 to Wednesday, October 25.
- 4.4 There were no recommended changes to the Retirement Board Education Curriculum calendar.

5. ACCOUNTING

- 5.1 Staff presented the proposed administrative fees for the Public Employees' Retirement System for fiscal year 2024. After discussion, on motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve a per capita fee of \$5.32 per month for each Regular member and benefit recipient and \$5.58 per month for each Police/Fire member and benefit recipient, retroactive to July 1, 2023.
- 5.2 Staff reviewed the proposed administrative fees for the Legislators' Retirement System for fiscal year 2024. After discussion, on motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve a per capita administrative fee of \$56.07 per month for fiscal year 2024 for the Legislators' Retirement System.

- 5.3 Staff presented the proposed administrative fees for the Judicial Retirement System for fiscal year 2024. After discussion, on motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve a per capita administrative fee of \$46.04 per month for fiscal year 2024 for the Judicial Retirement System.
- 5.4 Staff reviewed the Budget Variance Report for fiscal year 2023. On motion of Brian Wallace, the Retirement Board voted unanimously of those present to accept the Budget Variance Report for fiscal year 2023, as submitted.

6. ADMINISTRATION

- 6.1 Staff reviewed PERS' annual Strategic Plan revision process with the Board and mentioned that the Retirement Board can make suggestions for revisions to PERS' Strategic Plan. The suggested revisions will be incorporated into the document and presented to the Retirement Board in September for approval. There was no action taken on this item.
- 6.2 On motion of Brian Wallace, the Retirement Board voted unanimously of those present to accept the Executive Management Review and Plan, as submitted.
- 6.3 On motion of Brian Wallace, the Retirement Board voted unanimously of those present to:
1. Approve the maximum salary for each executive staff position at the amount approved by the 2023 legislature, along with the 10 steps within that amount for each position as developed by the Accounting staff, effective July 1, 2023, subject to IRBC approval of the maximum amount.
 2. Approve cost of living adjustments to the executive staff salaries in the same amount as those approved by the legislature for State employees in AB 522, 12% effective July 1, 2023 and 4% and 7% effective July 1, 2024, subject to IRBC approval.
 3. Approve the step for each executive staff position effective July 1, 2023, subject to IRBC approval of the maximum amount, as submitted or amended.
- 6.4 On motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve the minutes of the Police and Firefighters' Retirement Fund Advisory Committee meeting held July 27, 2023, as submitted.
- 6.5 Staff provided an update on the pension administration system project. There was no action on this item.

7. RATIFICATION AGENDA

On motion of Brian Wallace, the Retirement Board voted unanimously of those present to approve all items on the Ratification Agenda as recommended by staff:

- 7.1 Approve the Administrative Fund disbursements.
- 7.2 Approve the personnel action taken since the last report.
- 7.3 Approval of Lincoln County Conservation District's Request for Membership in PERS.
- 7.4 Approval of the Final Benefit Audit for April 2021.
- 7.5 Approval of the Final Benefit Audit for May 2021.
- 7.6 Approval of the Final Benefit Audit for June 2021.
- 7.7 Approval of the Final Benefit Audit for July 2021.
- 7.8 Approval of the Final Benefit Audit of August 2021.
- 7.9 Approval of the Beneficiary Audit for January 2023 –June 2023.
- 7.10 Approval of the Option Reversion Audit January 2023 – June 2023.
- 7.11 Approval of the Deceased Recipient Review Report for the Second Quarter of 2023.
- .
8. DENIALS
9. REPORTS
10. PUBLIC COMMENT
 - 10.1 There were no individual statements and/or requests by the members, retired employees and/or the public.
 - 10.2 PERS' General Counsel provided an update on pending litigation.
 - 10.3 Executive Officer, Tina Leiss, mentioned attending the NASRA Conference with staff and Chair Stevens.

10.4 Chair Stevens appointed Jessica Colvin as the chair of Audit Committee and appointed Norma Santoyo to the Audit Committee as well.

11. ADJOURNMENT

The meeting was adjourned by Chair Stevens at 10:04 p.m.

The following is the time schedule for the meeting:

The Retirement Board education session held on August 17, 2023, was called to order at 9:04 a.m. by Chair Stevens and recessed at 9:47 a.m. The August 17, 2023, Retirement Board meeting was called to order at 10:35 a.m. by Chair Stevens and adjourned at 12:02 p.m.