



PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO
 607 North 8th Street
 BOISE, IDAHO 83702

MINUTES OF
MEETING OF RETIREMENT BOARD

The Board of the Public Employee Retirement System of Idaho met at the PERSI Administration Building, 607 North Eighth Street in Boise, Idaho at 8:30 a.m., May 15, 2018. The following members were present:

- Jeff Cilek
- Joy Fisher
- Celia Gould
- Park Price

Trustee Sullivan was absent and excused. Executive Director Don Drum, Chief Investment Officer Bob Maynard, Deputy Director Michael Hampton, Financial Executive Officer Alex Simpson, Deputy Attorney General Cheryl George, and Management Assistant Lena Rupp were also in attendance. Other persons attending all or portions of the meeting were:

James Coleman	REAL	Kris Colt	PERSI
Jeff Bradley	Milliman	Adel Stacy	PERSI
Mark Olleman	Milliman	Kelly Rowlands	PERSI
Robert Schmidt	Milliman	Cecile McMonigle	PERSI
Jim Van Heuit	Callan	Casey Hartwig	PERSI
Ann O'Bradovich	Callan	Jenny Flint	PERSI
Suzanne Ginard	Judiciary	Diane Kaiser	PERSI
Scott Zanzig	Attorney General	Rose Marie Sawicki	PERSI
Maggie Smith	Legislative Services		

Chairman Cilek called the meeting to order at 8:35 AM. He welcomed everyone to the meeting.

Approval of the Minutes: Trustee Fisher made a motion to approve the minutes of the April 17, 2018 meeting. Trustee Price seconded the motion, which passed unanimously.

EXECUTIVE DIRECTOR

Assumptions Discussion:

Director Drum opened the discussion on economic assumptions and turned the time over to Milliman and Callan to speak. Jeff Bradley, Mark Olleman and Robert Schmidt from Milliman addressed the Board in regard to the actuarial valuation process, historical inflation numbers, what the current assumptions are and where PERSI stands in a peer group comparison. Mr. Olleman also discussed investment return considerations and assumption scenarios with the Board. Jim Van Heuit from Callan addressed the Board in regard to the real return expectation.

Executive Session

At 9:30 AM, Chairman Cilek stated the Board intended to move to Executive Session in accordance with Idaho Code 74-206(1)(f), to communicate with the Board's legal counsel on the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Trustee Fisher made a motion to go into executive session. Trustee Gould seconded the motion and the Board voted unanimously via roll call vote.

Upon conclusion of the Executive Session, Trustee Fisher made a motion to return to regular session. Trustee Price seconded the motion, which passed unanimously.

Regular Session

The Board was called back into regular session at 10:10 AM and members of the public were invited into the boardroom.

Based on discussion during the Executive Session, Trustee Gould made a motion to authorize Scott Zanzig to draft an order in response to Petitioner's Memorandum in Support of Unresolved Claims Following Remand in the case of Robert J. Elgee vs. PERSI adopting the hearing officer's determinations on the calculation of principal due, the applicable interest rate and the tax loss. On the issue of the date interest begins to accrue, the Board will hold a hearing and hear evidence only on that issue. Trustee Price seconded the motion, which passed unanimously.

EXECUTIVE DIRECTOR

New Employer – Murtaugh Highway District:

Executive Director Don Drum presented the staff recommendation that the Board approve the admittance of the Murtaugh Highway District located in Murtaugh, Idaho with an entry date of June 1, 2018. They have seven employees and no actuarial assessment was necessary.

Trustee Gould made a motion to approve the addition of this new employer. Trustee Fisher seconded the motion, which passed unanimously.

At 10:30 AM, the meeting was moved and reconvened for a roundtable discussion on economic assumptions in the 3rd floor conference room at the PERSI Administration Building. PERSI will continue working with Milliman and Callan to gather information for the Board and will present additional information as it becomes available. The Board plans to continue the discussion on economic assumptions, specifically wage growth assumptions, at the June Board meeting.

Adjournment: There being no further business to come before the Board, the meeting adjourned at 11:32 a.m.

 6-19-18
Don Drum, Executive Director Date

 6-19-18
Jeff Cilek, Chairman ~~6-18-18~~ Date