



PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO
607 North 8th Street, Boise, Idaho 83702

MINUTES OF MEETINGS OF RETIREMENT BOARD

The Board of the Public Employee Retirement System of Idaho met in-person at 1:00 p.m., December 5, 2022. The following members were present:

Jeff Cilek
Joy Fisher
Darin DeAngeli
Park Price

Executive Director Don Drum, Deputy Director Michael Hampton, Deputy Attorney General Cheryl George, Chief Investment Officer Richelle Sugiyama, and Management Assistant Eliza Storms were also in attendance. Trustee Celia Gould was absent and excused.

Along with members of the public, some PERSI staff, and other persons attending all or portions of the meeting in person or via zoom were:

Ann O'Bradovich	Callan	Larry Sweat	PERSI
Alex Simpson	PERSI	Paul Yett	Hamilton Lane
Robert Schmidt	Milliman	Jim Van Heuit	Callan

At 1:05 p.m., Chairman Cilek called the meeting to order. He welcomed everyone to the meeting, reviewed the objectives and agenda of the meeting.

Rule of 80 Update Director Drum reviewed the Governor's office Rule of 80 draft legislation. The Director highlighted PERSI suggested language, new positions added effective on July 1, 2023, and language on criteria to add additional positions in the future.

Legislative Tracking Director Drum presented the 2023 Legislation Status Tracker that will be utilized by staff to keep the Board apprised of proposed legislation that may impact the plan. Currently staff is aware of two potential pieces of legislation that may be brought forward during the 2023 Legislation Session: Rule of 80 and ESG.

ITS Update Director Drum provided an update of his meeting with ITS Administrator. He stated ITS is working on completing phase one and two before moving forward with phase three. He indicated the ITS Administrator stated it is not in PERSI's best interest to transfer to ITS but would be happy to partner up to work together.

IT Manager, Larry Sweat, discussed current collaboration with ITS, and some of the products and services currently being explored through third-party vendors.

Private Equity Update

Paul Yett with Hamilton Lane provided an overview of the 2nd Quarter 2022 PE Portfolio Performance Update. He stated the PE Portfolio experienced positive performance for the last 12 months ended June 30, 2022, generating a positive net value of \$167.0M and achieved positive performance in two of the past four quarters posting a 10.8% IRR for the year. He also provided a quick review of the PERSI PE Portfolio (62 active partnerships) and core managers performances.

Asset Liability Discussion

Ann O'Bradovich with Callan reviewed PERSI's asset liability study. She explained the purposes and objectives of the study and the value of the process. The primary objectives of fund status, actuarial return assumption, risk/reward, and asset mix were discussed. Ms. O'Bradovich then provided a review of the strategic policy and recommended that no changes need to be made at this time because the current strategic policy is a diversified portfolio that meets PERSI's objectives.

Trustee Fisher made a motion to continue with the current asset allocations. Trustee Price seconded the motion, which passed unanimously.

DC Investment Options

Ann O'Bradovich provided a review of the Non-U.S. Equity and Emerging Markets Equity Investment Manager Search for the Choice Plan 401(k) plan. Ms. O'Bradovich reviewed the process undertaken, the members of the search team and semi-finalists for each search.

For the Non-U.S. Equity International Developed Manager Search, Callan recommended T. Rowe Price Overseas Stock Fund. The T. Rowe Overseas Stock Fund exhibits relatively style-neutral characteristics, has a moderate, tracking error relative to the index. This fund has historically provided positive excess returns net of fees, is valued daily and liquid, and is managed by a well-known manager.

For the Emerging Market Manager Search, Callan recommended DFA Emerging Markets Core Equity Portfolio. The DFA Emerging Markets Core Equity Portfolio exhibits a tilt to value and small cap, consistent philosophy and approach, has a moderate tracking error relative to the index, has historically provided positive excess returns net of fees, is valued daily and liquid, and is managed by a well-known manager.

Trustee Fisher made a motion to select T. Rowe Price Overseas Stock Fund as replacement investment option for Non-U.S. Equity Option. Trustee DeAngeli seconded the motion, which passed unanimously.

Trustee Fisher made a motion to select DFA Emerging Markets Core Equity Portfolio as replacement investment option for Emerging Market Equity Option. Trustee Price seconded the motion, which passed unanimously.

Ms. O'Bradovich presented and explained the mapping strategy recommendations. Callan recommended mapping assets for eliminated investment options to the Default Investment Alternative (DIA). For share class changes, Callan recommended mapping assets to the new share classes.

Trustee Price made a motion to adopt the mapping recommendation of mapping assets to the Default Investment Alternative (DIA) for eliminating investment options and mapping assets to

new share classes for share class changes. Trustee Fisher seconded the motion, which passed unanimously.

Executive Session: At 4:19 p.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code §74-206(1)(a).

Trustee Fisher made a motion to go into executive session in accordance Idaho Code §74-206(1)(a) to convene in executive session to consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. Trustee Price seconded the motion and the Board voted unanimously via roll call vote.

Upon conclusion of the executive session, Trustee Price made a motion to return to regular session. Trustee DeAngeli seconded the motion, which passed unanimously.

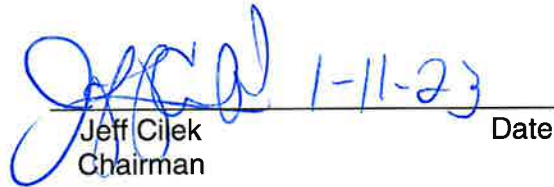
Regular Session: The Board returned to regular session at 5:32 p.m.

Adjournment: There being no further business to come before the Board, the meeting adjourned at 5:35p.m.

1-11-23

Donald Drum
Executive Director

Date

1-11-23

Jeff Cilek
Chairman

Date