



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 2:00 p.m., August 21, 2023. The following Trustees were present:

Jeff Cilek
Joy Fisher
Darin DeAngeli
Park Price
Lori Wolff

Executive Director Don Drum, Deputy Director Michael Hampton, Deputy Attorney General Cheryl George, Chief Investment Officer Richelle Sugiyama, Deputy Chief Investment Officer Chris Brechbuhler, and Management Assistant Eliza Storms were also in attendance.

In attendance in-person or via zoom were:

Diane Kaiser	PERSI	Ann O'Bradovich	Callan
Mike Anderson	PERSI	Ben Taylor	Callan
Stephanie O'Dear	Empower	Dave Ramirez	Empower
Aaron Chochon	CavMac		

At 2:01 p.m., Chairman Cilek called the meeting to order.

DEPUTY HAMPTON

Annual Choice 401(k) Plan (Defined Contribution) Update

Deputy Hampton introduced Diane Kaiser, DC Plan Manager who provided an overview of the Choice 401(k) Plan and a recap of the changes implemented over the past year.

Choice 401(k) Plan Fees

Mike Anderson, Portfolio Accounting Manager, presented the changes made to the Choice 401(k) Plan fee structure and the impact on reserves.

Choice 401(k) Plan Performance and Industry Update

Ann O'Bradovich with Callan provided an overview of the PERSI Choice 401(k) Plan, including the current investment structure and performance review as of 2Q 2023. Ms. O'Bradovich also provided an update on Secure 2.0 and an overview of retirement income solutions.

Choice 401(k) Plan Third Party Administrator (TPA) Update

The PERSI Choice 401(k) Plan TPA representative, Stephanie O'Dear, Vice President, provided a summary of Empower's focus for 2023, Deriving ideas – differently, and understanding the needs and

challenges of a diverse population. Ms. O'Dear introduced Dave Ramirez, Managing Director with Empower, to provide plan performance insights.

Mr. Ramirez presented an executive summary covering key plan performance indicators as well as progress achieved on 2023 action items. Mr. Ramirez highlighted the new hire experience and the positive results the plan has achieved.

In closing, Ms. Kaiser provided the Board the new Summary Plan Description (SPD) which is now available to all participants.

The Board thanked Ms. Kaiser, the consultants and administrators for their work and dedication.

2024 Budget Request Review and 2025 Budget Request

Deputy Hampton and Chief Financial Officer Alex Simpson provided a review and update of the FY 2024 budget requests. Deputy Hampton gave a quick rundown of the total new FTE's that were approved, which included three positions for Member Service department, two positions for Fiscal department, three positions for Programs department, and 1 position for Quality Assurance department.

Deputy Hampton and Chief Financial Officer Alex Simpson provided the FY 2025 proposed budget request for Board review and discussion. After a lengthy discussion regarding the line-item requests in the FY 2025 proposed budget, the Board requested changes be made to the proposed line-item budget requests. PERSI staff will update the line-items as requested and present the updated proposed budget request to the Board at the August 22nd Board meeting.

EXECUTIVE DIRECTOR

Rate Discussion

Director Drum introduced Aaron Chochon with Cavanagh Macdonald Counseling (CavMac). Mr. Chochon provided the Board with a quick recap of Senate Bill 1054.

Robert Schmidt with Milliman joined the discussion providing an updated cost analysis based on preliminary June 30, 2023, valuation data. Mr. Schmidt provided the Board additional information regarding public safety contribution rate adjustments to fund SB 1054, current scheduled contribution rate increases for the next three years, and explained the seven contribution rate adjustment scenarios requested by the Board and the estimated impact each scenario would have on the amortization period. The Board and PERSI staff discussed the seven scenarios presented. Director Drum discussed the time frame that is available should the Board wish to make any contribution rate adjustments.

Mr. Chochon provided a quick review of the potential impact to the return-to-work contribution rate adjustments for Public Safety should the sunset date of June 30, 2027, be removed.

The Board thanked both CavMac and Milliman for their work. The Board will continue to review the contribution rates scenarios provided.

Executive Session


At 4:32 p.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code §74-206(1)(a)(b) and (f).

Trustee Fisher moved to enter executive session in accordance with Idaho Code §74-206(1)(a) to consider hiring a public officer, employee, staff member or individual agent and Idaho Code §74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, and Idaho Code §74-206(1)(f) to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Trustee Price seconded the motion and the Board voted unanimously via roll call vote.

Upon conclusion of the executive session, Trustee Price moved to return to regular session. Trustee Wolff seconded the motion, which passed unanimously.

Regular Session: The Board returned to regular session at 5:44 p.m. No decisions were made.

Adjournment: There being no further business to come before the Board, the meeting adjourned at 5:45 p.m.



Don Drum
Executive Director

9/21/23

Date



Jeff Cilek
Chairman

9-19-23

Date