



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 8:30 a.m., December 5, 2023. The following Trustees were present:

Jeff Cilek
Joy Fisher
Park Price
Darin DeAngeli
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:

Ann O'Bradovich	Callan	Erin Woods	BFA LLP
Javier Bleichmar	BFA LLP	Tom Lee	Advisor
Ash Williams	Staff Advisor	Bill Raver	Advisor
Garrett Walls	Staff Advisor	Paul Yett	Hamilton Lane
Bob Storer	Staff Advisor		
John Skjervem	Staff Advisor		
John Jenks	Staff Advisor		

At 8:32 a.m., Chairman Cilek called the meeting to order.

Approval of the Minutes Trustee Fisher moved to approve the minutes of the November 7 & November 27 meetings. Trustee DeAngeli seconded the motion. The motion passed unanimously.

PORTFOLIO

Investment Policy Statement Discussion

No discussion was held.

Quarterly Update

Ann O'Bradovich with Callan provided a market overview and summary of the Third Quarter 2023 Performance Evaluation. Over the last year, the DB Total Fund returned 12.2%, exceeding the Policy target return of 10.7%. Over the last 20 years, the DB Total Fund returned 7.47% exceeding both the Policy Target return of 7.40% and the Long-Term Target of 7.32%.

Ms. O'Bradovich also provided performance updates on the DC and Sick Leave Funds.

Monthly Portfolio Update

Chief Investment Officer Richelle Sugiyama provided the portfolio update and review as of December 4, 2023, and a monthly report as of November 28, 2023, highlighting the outperformance of Donald Smith and Brandes. CIO Sugiyama also commented on the private equity discussion/update, noting that commitment sizes will be increased to keep pace with commitment activity and related return targets.

Staff Advisor Comments

The Board welcomed the Staff Advisors present. Select Staff Advisors provided brief statements on topics including economic and market conditions and the governance, transparency, management, and 'fiduciary excellence' of the Fund. Mr. Williams stated PERSI is very well positioned at this time. The Staff Advisors expressed their appreciation to the Board. The Board thanked the Staff Advisors for their time and dedication.

EXECUTIVE DIRECTOR AND DEPUTY DIRECTOR

Legislative Tour Update

Deputy Hampton provided an update on PERSI's participation in the Legislative Tour. Mr. Hampton gave a brief update on who participated, attendees, and feedback from legislators. Director Drum stated this legislative tour was a perfect opportunity to reach out to legislators and informed the Board a legislative tour follow up meeting would occur next week.

Trustee Price asked what PERSI staff thought would be the best way to bring awareness to the legislators. Director Drum stated it is important to perform outreach before the legislative session begins, as legislators are very busy during session, and be available during session.

COLA Discussion

Director Drum and the Board discussed COLAs. Director Drum reviewed that the cost of a one (1) percent mandatory COLA is built into the contribution rates and discretionary COLAs are not considered in current contribution rates. He reminded the Board that in 2019 all retroactive COLAs were granted. Director Drum stated the cost of a 1% discretionary COLA continues to increase in cost and currently is estimated at \$130M.

Continued discussion centered around the Board's responsibility to act in the best interest of the entire fund, its members, and the long-term sustainability of the fund.

Securities Class Action Firm

Director Drum introduced Javier Bleichmar and Erin Woods, both partners with Bleichmar Fonti & Auld LLP, as PERSI's new securities class action firm. Mr. Bleichmar provided a quick background of their firm and philosophy. Ms. Woods added they are working well with PERSI and BNY Mellon and it has been a smooth transition.

Both Mr. Bleichmar and Ms. Woods thanked the PERSI Board and staff for the opportunity and are looking forward to working with PERSI staff.

Chairman Cilek thanked them for their good work.

Internal Audit

Trustee Fisher informed the Board of the process and completion of the internal audit RFP. Trustee Fisher thanked the committee that helped with the evaluation process and that the committee was ready to make a recommendation to the Board.

Trustee Fisher motioned to approve the hiring of Plante Moran as internal auditor. Trustee Price seconded the motion, which passed unanimously.

FISCAL

Quarterly Financial Statements

Chief Financial Officer, Alex Simpson updated the Board on the quarterly financial statements.

Fiscal Update/Travel/Expense Report

Chief Financial Officer, Alex Simpson provided the Board with an updated state travel reports and expenses.

Annual Comprehensive Financial Report

Chief Financial Officer, Alex Simpson provided the Board with the FY2023 annual comprehensive financial report (ACFR).

Chief Financial Officer, Alex Simpson and the Board held a brief discussion on Luma and current processes and status.

BOARD

January Agenda: The Board reviewed the proposed 2024 Board Meeting dates and will move forward with all proposed dates. The Board reviewed the January agenda, no changes at this time.

Chairman Cilek thanked Director Drum for his leadership over the past eighteen (18) years.


Executive Session: At 10:52 a.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code §74-206(1)(a) and (b).

Trustee Wolff 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. Trustee Fisher 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 Fisher seconded the motion, which passed unanimously.

Regular Session: The Board returned to regular session at 11:55 a.m. No decisions were made.

Adjournment: There being no further business to come before the Board, the meeting adjourned at 11:57 a.m.


Don Drum
Executive Director

1-18-24
Date


Jeff Cilek
Chairman

1-17-24
Date