



MINUTES

The Board of Trustees of the Public Employees Retirement Association met in regular session in the Association offices, 60 Empire Drive, Room 117, Saint Paul, Minnesota, on Thursday, February 8, 2018 at 9:30 a.m., notice having been given ten days prior thereto by the Secretary.

The following members were present:

Kathy Green, President	
Ross Arneson	Leigh Lenzmeier
Paul Bourgeois	Rebecca Otto/Ramona Advani
Mary Falk	Thomas Stanley
Paul Ford	Lori Volz
Barbara Johnson	Lawrence Ward

constituting a quorum.

Attorney General Representative: Kevin Finnerty

Staff members present: Doug Anderson, Executive Director; Julie Leppink, Legal Director; Shana Jones, Policy and Organizational Planning Director; Mike Hagerty, Chief Financial Officer; Beth Reed, Manager of Pension Services; Linda Habel, Manager of Communication and Education Services; Luis Argueta, Communication Specialist; Jim Riebe, GASB Specialist; Carrie Dittmer, Accounting Specialist; Sharyn North, Accounting Specialist; Mary Daly, Executive Program Specialist and Gladys Rodriguez, Executive Assistant.

Others present: Harry Grigsby, Retired Member; Dave Johnson, MMRA; Valentina Stone, Office of the Legislative Auditor; Tracy Gebhard, Office of the Legislative Auditor; Chris Buse, Office of the Legislative Auditor.

1.0 Call to Order President Green called the meeting to order at 9:30 a.m.

Arneson moved to accept the agenda as presented. The motion was seconded by Volz. Motion passed unanimously.

The agenda was taken in the following order.

2.0 Consent Calendar The consent calendar included the following reports:
Approval of Minutes (December 14, 2017, Regular Meeting and January 9, 2018, Special Meeting)
Operational Report Education, Payments, and Membership Counts (Memo dated February 8, 2018, from Linda Habel, Cheryl Keating and Beth Reed)
Financial Report (Comprehensive Annual Financial Report)

Trustee Stanley noted that his name was misspelled and should be corrected in the minutes.

Bourgeois moved to accept the consent calendar with the minutes as corrected. The motion was seconded by Falk. Motion passed unanimously.

3.0 Presentation **Office of the Legislative Auditor- Chris Buse and Tracy Gebhard**
Reference was made to PERA Comprehensive Annual Financial Report.

The Office of the Legislative Auditor presented the audit of PERA's financial statements to the PERA Board of Trustees.

4.0 Appeals **None**

5.0 Decision Items **5.1 Election of PERA Board of Trustees Officers.**
Reference was made to PERA's Governance Manual – Section 2.1, Board of Trustees, PERA Board Organization.

Stanley moved that Kathryn Green continue as President of the PERA Board of Trustees for the next year. The motion was seconded by Arneson and passed unanimously.

Volz nominated Stanley for the position of Vice President. The motion was seconded by Arneson and passed unanimously.

5.2 PERA's Operating Budget FY18- Year to Date Report
Reference was made to a memo from Mike Hagerty dated February 8, 2018.

Hagerty reported on levels and trends of the budget, actual spending and differences between budget and actual. According to the trends, PERA will underspend its FY2018 Budget.

Due to unexpected challenges and increases in the lobby remodel project budget, staff asked the Trustees to transfer funds within spending categories as permitted by PERA's Administrative manual, section 1.1 (c)(3) Amending the Budget, to allow for the full scope of the lobby remodeling project to continue.

Otto moved that the PERA Board of Trustees approve the funds to complete the project. The motion was seconded by Stanley and passed unanimously.

6.0 Information Items **6.1 Update on Legislative Session**
Reference was made to a memo dated February 8, 2018, from Doug Anderson.

Anderson summarized a sequence of meetings where the pension fund directors presented their 2018 legislative proposals to the Legislative Commission on Pensions and Retirement. The presentations were primarily informative and no actions were taken.

6.2 Summary of Performance Evaluation for Douglas Anderson, Executive Director

Reference was made to Letter from President Kathy Green dated February 8, 2018.

Green provided a written summary of the performance review of Executive Director Doug Anderson. It was the finding of the Board that under the leadership of Director Anderson, PERA is on track with its vision and mission statement.

Green instructed staff to file the summary of the performance review in Director Anderson's personnel file.

7.0 FYI

7.1 2017 NCPERS Public Retirement Systems Study

President Green made reference to the Study conducted by the National Conference on Public Employee Retirement Systems and Cobalt Community Research dated January 10, 2018.

8.0 Other Business

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Green read into the record the following Board Resolution to be presented to retired PERA staff member Marsha Nelson.

WHEREAS, Marsha Nelson is retiring after serving in a variety of roles within the Public Employees Retirement Association (PERA) from June 25, 1973, through January 31, 2018; and

WHEREAS, Marsha's vision of what PERA's applications could be, culminated in many system enhancements and process changes that enabled PERA to deliver its services with significantly increased efficiency; and

WHEREAS, Marsha's infectious enthusiasm for PERA's success, and her kindness and genuine interest in seeing everyone with whom she has had the opportunity to work, meet their fullest potential; and

WHEREAS, we wish for Marsha many years of enjoyment in her retirement; NOW THEREFORE,

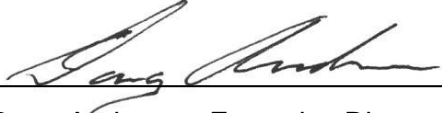
BE IT RESOLVED that the Board of Trustees of the Public Employees Retirement Association, in regular session in the City of St. Paul, Minnesota, this 8th day of February, 2018, takes this opportunity to thank Marsha for her 44 years and 8 months of loyal and dedicated service to PERA; and

BE IT FURTHER RESOLVED that this resolution be formally included in the minutes of the Board of Trustees and that the Secretary be instructed to transmit a formal copy of this of resolution to Marsha.

Arneson moved adoption of the Board resolution. The motion was seconded by Stanley and passed unanimously.

9.0 Date of Next Meeting The next meeting of the PERA Board of Trustees will be held Thursday, April 12, 2018, starting at 9:30 a.m.

10.0 Adjourn *There being no further business to come before the PERA Board, Falk moved to adjourn the meeting at 10:31 a.m. The motion was seconded by Bourgeois and passed unanimously.*



Doug Anderson, Executive Director
Saint Paul, Minnesota