

Public Employees' Retirement Board Executive Director's Report

February 2014
Roxanne M Minnehan

The February Board meeting is scheduled for **Thursday, February 13, 2014** in the Board's conference room at 100 North Park, room 201. The regular Board meeting will begin at **8:30 am**. Projected adjournment is 1:45 pm.

This month's education is a brainstorming activity to determine useful information to provide new Board members during orientation as well as a reference source for all Board members. Included in your packet is a checklist used in past orientations.

The Board's strategic plan is included in this document. Work groups emerging from the retreat will provide updates during the discussion portion of the agenda.

An Audit Committee meeting is scheduled for 2:00 or at the conclusion of the board meeting.

Lunch is scheduled from 11:30 to 12:15. As always, menus are provided in your packet. Please make your lunch selection prior to the Board meeting. Cynthia Pearson will take your order and money (please include a tip for delivery service).

Executive Director's Report

A. Consent Agenda

The following items are on the consent agenda. An item may be removed from the consent agenda for full discussion upon request.

1. Board Meeting Minutes – *December 12, 2013, January 09, 2014*
2. Special Board Meeting Minutes – *December 20, 2013*
3. Building Lease Contract – BOI/PERB
4. Out of State Travel Authorizations – all travel requests are included in the FY 2014 Board approved budget.
 - a. APFFA – Las Vegas, May 4-7, Hollie Koehler
 - b. PRISM – Orlando, May 11-14, June Dosier/Dave Swenson
 - c. GFOA – Minneapolis, May 18-21, Diann Levandowski

B. Board Meeting Schedule

One of the strategic plan goals from the Board Retreat was to transition the Board meeting schedule from monthly to six times per year. The working committee (Sheena, Timm, Patty, Kate and Roxanne) met several times. The results were reported to the Board in January. The decision was to begin meeting every other month, starting in February to ensure an October meeting for the actuarial valuation presentation. The Board decided to start the process and in June debrief the effectiveness of this meeting schedule. President Moore placed this item on the agenda for further discussion due to the Executive Director transition period.

C. DC/457 Plans Administration

1. EIAC Member Appointments

We currently have two vacancies on EIAC. One local government employee position and one school district employee position. Steve Hagan has submitted a biography requesting appointment. He is currently the Assistant Chief of Police with the City of Helena. Staff recommends that Mr. Hagen be appointed to complete the current term vacated by Steve Johnson and follow that with a full term ending July 31, 2017.

2. EIAC Fund Recommendation – EIAC met January 16. EIAC voted to recommend replacing the Columbia Mid-Cap Value-Z fund with MFS Mid Cap Value I in the 457 Plan. The recommendation is based on the presentation from Wilshire Investment Consultants.

3. Investment Consultant RFP

The Board contracts with Wilshire Investment Consultants. The Investment Consultant attends the EIAC Board meetings providing an economic outlook and an analysis of the investment options. The Board's investment policy statements are used during this analysis to recommend retention, review, probation or termination. Wilshire also performs additional requests upon request. The current contract expires June 30, 2014. We need to complete an RFP process for vendor selection prior to contract termination. The RFP is in draft format awaiting Board appointments. Board member, Bob Bugni, was originally on the RFP Committee. The Board has discussed reviewing the decision of placing only one Board member on the Committee. Because of the delay to the RFP schedule, Mr. Bugni's term expiration, he will not be available for the entire process. The Board needs to appoint member(s) to the Committee.

D. Informal Consideration – Terra Verde Heights, Volunteer Fire Department

Terra Verde Heights is requesting the Board accept the late filed Annual Certificates for FY 2006 and FY 2013. This impacts 7 members and 8 members, respectively. These are the only two years Terra Verde has requested. There were no problems in receiving the requested information. Staff recommends Board acceptance.