



PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO  
607 North 8<sup>th</sup> Street, Boise, Idaho 83702

MINUTES OF MEETINGS OF RETIREMENT BOARD

The Board of the Public Employee Retirement System of Idaho met in-person at 1:30 p.m., March 20, 2023. The following Trustees were present:

Jeff Cilek  
Darin DeAngeli  
Park Price  
Celia Gould

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 Joy Fisher was absent, and excused.

In attendance in-person or via zoom were:

Sally Haskins	Callan	Paul Yett	Hamilton Lane
Robert Schmidt	Milliman	Paul Lamb	Hamilton Lane
Alberto Gonzalez	ITS		

At 1:43 p.m., Chairman Cilek called the meeting to order.

Idaho Commercial Mortgage Program Preview

Sally Haskins with Callan provided an overview of Callan's role and focus with regard to the Idaho Commercial Mortgage Program review and asked if the Board had any specific questions or areas of interest that they would like Callan to review. Callan will provide the results of their review, in conjunction with D.B. Fitzpatrick & Co. at the April Board meeting.

SVB/Signature Event

Paul Yett and Paul Lamb with Hamilton Lane provided a brief update and comments on the failure of Silicon Valley Bank and the subsequent fall out.

Rule of 80 Update – Juvenile Detention

Director Drum provided an update on Senate Bill 1121aa. He informed the Board about multiple meetings held to review job titles being added to the bill and explained that the bill has gone through the amendment process, passed the Senate, and is currently in the House.

Rule of 80 Update – Re-Employment

Director Drum provided a summary of Senate Bill 1054 including the requirement that public safety members must have a thirty (30) day break in service rather than a ninety (90) day break in service, there is no promise or guarantee of reemployment, a sunset provision will be

effective until June 30, 2027, and a fairness adjustment could be considered based on the actuarial impact of cost. The bill was signed by the Governor on March 20, 2023.

The Board and Director Drum discussed the possibility of public safety stakeholders and PERSI's actuaries attending the May PERSI Board meeting.

#### Withdrawal Penalty & Sick Leave Access

##### Withdrawal Penalty:

Deputy Hampton discussed that the Board may want to consider proposing legislation that addresses withdrawal penalty for employers who could experience bankruptcy or closure due to insolvency. A number of ideas were discussed.

##### Sick Leave Access:

Deputy Hampton discussed that the Board may want to consider amending current sick leave statutes to protect employees from not being able to utilize sick leave benefit in the event of an employer's failure, dissolution, or bankruptcy. Deputy Director Hampton explained that this would only impact those employers who have mandated access to the sick leave fund.

#### Securities Litigation Policy

Deputy Hampton presented a possible alternative to the Board regarding the current Securities Litigation policy. Items for the Board to consider included whether the policy construction fits, the Board vision, and if the Board is comfortable establishing and delegating to an evaluation team for the purpose of making litigation decisions.

Trustee DeAngeli recommended having a team to review the draft before it is presented to the Board, with the possibility of having a Board member be part of the team.

The Board recommended PERSI staff continue working on a draft of a possible policy. The Board will review at future meetings.

#### Governance Policy Review/Governance Consultant

Deputy Hampton explained that the contracted service for a governance consultant the Board engaged with from August 2019 through June 2022 has been completed. The Board will review if further governance consultation is needed.

#### Milliman – Educational Session – ASOP 4

Robert Schmidt with Milliman, reviewed the actuarial standards of practice (ASOP), low-default-risk obligations measure (LDRM), actuarially determined contribution (ADC), COLA assumptions, and other changes and next steps.

Milliman will provide PERSI staff with drafts of the FY2023 valuation reports for the Base Plan, FRF, and JRF. PERSI staff and Milliman will review the reports before Milliman presents the valuations to the Board at a future meeting.

#### Information Technology Services (ITS)

Alberto Gonzalez, Administrator with Information Technology Services (ITS), provided the Board with an update and background on Information Technology Services (ITS). He explained ITS's statutory authority, mission, and vision. Mr. Gonzalez provided a summary of the services ITS has provided to 48 agencies for an estimated 8,800+ users, the current timeline, ITS's 2022 Focus, the action plan, and ITS's future phases for FY25-FY 27. He stated PERSI is stable and he is looking forward to working with PERSI and PERSI staff.

The Board thanked Mr. Gonzalez for attending.

Executive Session: No executive session was held.

Adjournment: The meeting adjourned at 4:30 p.m.

  
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Michael Hampton  
Deputy Director

4/28/23  
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Date

  
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Jeff Cilek  
Chairman

4/28/23  
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Date