

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

April 28, 2021 | PERS Board Room

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Board of Trustees Meeting Agenda

Wednesday, April 28, 2021

1 P.M.

- I. **Call to Order** (*Mr. Chris Howard, Chair*)
 - A. **Invocation**
 - B. **Pledge of Allegiance**
 - C. **Approval of Agenda**
 - D. **Approval of Minutes** – February 23, 2020
- II. **Report of Administrative Committee** (*Dr. Lee Childress*)
 - A. **Actuarial Experience Study**
 - B. **Other**
- III. **Report of Legislative Committee** (*Mr. George Dale*)
 - A. **Other**
- IV. **Report of the Claims Committee** (*Mr. Bill Benson*)
 - A. **New Joinder Agreement** – Jackson Convention & Visitors Bureau (*Visit Jackson*)
 - B. **Certification of Delinquent Contributions**
 - a. Southwest Mississippi Medical Health
 - b. Town of Tchula
 - C. **Other**
- V. **Report of Investment Committee** (*Mr. Kelly Breland*)
 - A. **Invesco VI Private Real Estate Recommendation**
 - B. **Pathway 2021 Series Recommendation**
 - C. **Other**
- VI. **Staff Reports**
 - A. **Executive Director's Update**
 - B. **Retiree Report**
 - C. **Investment Report**
- VII. **Staff and Trustee Continuing Education**
 - A. **Conferences and Training**
 - **NCTR 21st Annual Trustee Workshop** (In-Person or Virtual); Location TBD; July 26-28, 2021
 - **NASRA 2021 Annual Conference**; Pittsburgh, PA; August 7-11, 2021
 - **IFEPP GAPP**
 - Pensions – Part I – Chicago, IL; July 13-14, 2021 (Tentative)
 - Pensions – Part II – Chicago, IL; July 15-16, 2021 (Tentative)
 - **NCTR Annual Conference**; Atlanta, GA; October 10-12, 2021
- VIII. **Economic Interest Disclosures** (Due May 1)
- IX. **Adjourn**

Board Members:

Mr. Chris Howard, *Board Chair*
Dr. Randy McCoy, *Board Vice Chair*
Mr. Bill Benson
Mr. Kelly Breland
Dr. Lee Childress

Mr. George Dale
Mr. Chris Graham
Ms. Kim Hanna
Treasurer David McRae
Dr. Brian Rutledge

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The Public Employees' Retirement System of Mississippi (PERS) Board of Trustees met Wednesday, April 28, 2021. This board meeting was duly announced to the public, Tuesday, April 13, 2021, at 10:54 a.m., on the Public Meetings Notice website of the Mississippi Department of Finance and Administration.

BOARD MEMBER ATTENDEES

The following individuals attended in person: Board Chair Chris Howard, Mr. Bill Benson, Mr. Kelly Breland, Mr. George Dale, Mr. Chris Graham, Dr. Randy McCoy, State Treasurer David McRae, and Dr. Brian Rutledge. Absent: Dr. Lee Childress and Ms. Kimberly Hanna. Also participating in the meeting were PERS legislative liaisons Representative Karl Oliver, Representative John Read, and Senator David Blount.

STAFF ATTENDEES

The following individuals attended in person: Executive Director Ray Higgins; Chief Investment Officer Robert Clark; Office of Administrative Services Senior Deputy Administrator Terri Hudson; Counsel and Policy Advisor Davetta Lee; Billy Means, Management Information Systems (MIS); Communications Director Shelley Powers; Employer Reporting Program Administrator Pauline Howard (P. Howard); Benefit Services Deputy Administrator Shirley Sessoms; and Benefit Payments Program Administrator Susan Lyon. Also present was Special Assistant Attorney General Martin Millette, Attorney General's Office.

The following individuals attended via video conference: Chief Financial Officer Cindy Ogletree; Call Center Program Administrator Amy Marquez; Retirement Education Program Administrator LaCarole Smith; Survivor and Disability Retirement Program Administrator Terri Bennett; Christy Smith, LeMelody Lewis, and Ruthann Jones, Accounting; Member Account Support Program Administrator Chris Hudson; and Edna Harris, Service Retirement.

GUEST ATTENDEES

The following individuals attended in person: Ray Wright, Joint Committee on Performance Evaluation and Expenditure Review; Ed Koebel, Cavanaugh Macdonald; Allan Cooper, Mississippi Department of Finance and Administration; and Rob Dowdle, Legislative Budget Office.

The following individuals attended via videoconference: Mike Larsen, Mississippi Retired Public Employees' Association; Jonathan Craven, Cavanaugh Macdonald; Lee Anne Robinson, Legislative Budget Office; and Elizabeth Wedelstaedt, Cabrera Capital Markets.

CALL TO ORDER

Howard, board chair, called the meeting to order at 1 p.m.

INVOCATION

Dale gave the invocation.

PLEDGE OF ALLEGIANCE

Dale led the Pledge of Allegiance.

AGENDA

Howard welcomed Graham, Oliver, and Blount to their first in-person meeting then called for a motion to approve the meeting agenda. The motion was made by McCoy, seconded by Dale, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

MINUTES

Howard called for a motion to approve the minutes of the February 23, 2021, PERS Board of Trustees' videoconference meeting. The motion was made by Breland, seconded by Rutledge, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

REPORT OF THE ADMINISTRATIVE COMMITTEE

Higgins reported that the committee met Wednesday, April 28, 2021, and voted to accept the Experience Investigation Report for the Four-Year Period Ending June 30, 2020 as presented by Cavanaugh Macdonald actuaries for the Public Employees' Retirement System of Mississippi, Mississippi Highway Safety Patrol Retirement System, Supplemental Legislative Retirement System, and Municipal Retirement Systems plans.

Howard made a motion to approve the Experience Investigation Report for the Four-Year Period Ending June 30, 2020 as presented by Cavanaugh Macdonald actuaries.* The motion was seconded by McRae, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

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- * This Experience Investigation Report was accepted by the Board; however, the recommendations of the Cavanaugh Macdonald actuaries included in this report were not adopted by the Board. These recommendations will be considered at a later PERS Board of Trustees meeting.

(Addendum A – PERS 2020 Actuarial Experience Study Presentation, Addendum B – MHSPRS 2020 Actuarial Experience Study Presentation)

REPORT OF THE LEGISLATIVE COMMITTEE

Dale, Legislative Committee chair, reported that the committee met Wednesday, April 28, 2021, and reviewed the PERS-related legislation presented by staff. He advised that there was no committee action, as this report was presented by staff for informational purposes only.

REPORT OF THE CLAIMS COMMITTEE

Benson, Claims Committee chair, reported that the committee met Wednesday, April 28, 2021. Benson reported that the committee voted to approve a new joinder agreement with Jackson Convention and Visitors Bureau and certified delinquent contributions from Southwest Mississippi Mental Health Commission. Benson noted that, while the Town of Tchula was on the agenda for certification of delinquent contributions, the committee was advised by staff that the town had since paid a large portion of its contributions and certification was no longer needed by the committee or Board for those contributions.

Jackson Convention and Visitors Bureau (Visit Jackson)

The Jackson Convention and Visitors Bureau (Visit Jackson) submitted an initial request in 2016; for Social Security and Retirement coverage for their employees with the Public Employees' Retirement System; unfortunately, at that time, the agency decided to 'postpone' the process. The agency remitted a secondary request for Social Security and Retirement coverage for their employees to PERS as of October 2020.

Special Assistant Attorney General, Martin Millette, has verified that the Jackson Convention and Visitors Bureau (Visit Jackson) is a public entity. Also, Internal Auditor, Mason Frantom has reviewed the financial statements submitted by Jackson Convention and Visitors Bureau (Visit Jackson) and has determined based upon that limited review, that the Jackson Convention and Visitors Bureau (Visit Jackson), has the financial resources to participate in the Public Employees' Retirement System of Mississippi.

We recommend that the Jackson Convention and Visitors Bureau (Visit Jackson) be approved for Social Security effective April 30, 2021 and Retirement coverage with an effective date of May 1, 2021.

Benson made a motion to approve the new joinder agreement with Jackson Convention and Visitor's Bureau. The motion was seconded by Breland, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

Benson made a motion to certify the delinquent contributions for Southwest Mississippi Mental Health Commission. The motion was seconded by McCoy, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna. *(Addendum C - Certifications of Delinquent Contributions and Penalties)*

REPORT OF THE INVESTMENT COMMITTEE

Breland, Investment Committee chair, reported that the committee met Tuesday, April 27, 2021. Breland advised that the committee heard a market update, performance review, and asset liability study from Callan; presentations from PIMCO, Alliance Bernstein, and Wellington fixed income managers; and miscellaneous updates from staff. As these items were for information only, no committee action was needed.

Breland also advised that the committee heard and approved staff recommendations for Invesco Real Estate U.S. Fund VI Private Real Estate Fund and Pathway 2021 Series Private Equity Fund.

Breland made a motion to approve and adopt a \$75 million investment in Invesco Real Estate U.S. Fund VI Private Real Estate Fund as recommended by staff. The motion was seconded by Benson, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

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Breland made a motion to approve and adopt a \$720 million investment in Pathway 2021 Series Private Equity Fund as recommended by staff. The motion was seconded by McCoy, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

EXECUTIVE DIRECTOR'S UPDATE

Higgins advised the Board to continue to review the recommended assumption changes outlined in the Experience Study, as well as continue to review previous actuarial reports, as the Board may consider these recommendations at its June meeting. He further informed that PERS had been asked to present to the Executive Development class of the John C. Stennis Institute of Government and Community May 6, the Supervisors Association June 15, and the Institutions of Higher Learning Board in June.

All items were presented for information only. No board action was needed.

RETIREE REPORT

Higgins presented the Retiree Report. He advised that the report had been provided to the board members in advance for their review. Higgins requested board approval of this report.

Howard called for a motion to accept the Retiree Report. The motion was made by Benson, seconded by Rutledge, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna. (*Addendum D - Retiree Report*)

INVESTMENT REPORT

Higgins presented the Investment Report. He advised that this report had been provided to the Board in advance. He requested board approval of this report, as well as of all trades and transactions performed by the PERS Investments division since the February 23, 2021, board meeting.

Howard called for a motion to approve the Investment Report, as well as of all trades and transactions performed by the PERS Investments division since the February 23, 2021, board meeting. The motion was made by Breland, seconded by Benson, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna. (*Addendum E - Investment Report*)

BOARD EDUCATION

Higgins advised the Board on upcoming staff and trustee continuing education opportunities.

ECONOMIC INTEREST DISCLOSURES

Higgins reminded the Board that the deadline for annual economic interest disclosures was May 1, 2021.

There being no additional business, Howard called for a motion to adjourn the meeting. The motion was made by Dale, seconded by Rutledge, which motion duly passed. Voting for: Benson, Breland, Dale, Graham, Howard, McCoy, McRae, and Rutledge. Voting against: None. Absent: Childress and Hanna.

The meeting was adjourned at 1:14 p.m.

Respectfully Submitted,



Ray Higgins
Jun 29, 2021 10:55 AM CDT



Chris Howard
Jul 6, 2021 1:26 PM CDT

H. Ray Higgins, Jr.
Executive Director
Public Employees' Retirement System

Chris Howard
Chair
PERS Board of Trustees

HRH