



**Colorado Public Employees' Retirement Association
Board Meeting Minutes**

**Raymond "Doc" Heath Memorial Boardroom
1301 Pennsylvania Street
Denver, Colorado
January 17, 2020
8:30 a.m.**

Trustees Present: Timothy M. O'Brien, Chairman, Marcus Pennell, Vice Chairman, Ramon Alvarado, Thomas Barrett, Guillermo Barriga, Rebecca Freyre, Julie Friedemann, Amy Grant, David Hall, Roger Johnson via conference call, Suzanne Kubec, Tina Mueh, Susan Murphy, Bill Parker, Cheryl Pattelli, David Young

Staff Present: Ron Baker, Kevin Carpenter, Adam Franklin, Tara May, Amy C. McGarrity, Brenda Meidl, Sarah Wager

Timothy M. O'Brien, Chairman, called the meeting to order at 8:31 a.m.

Approval of the Agenda

A motion was made by Suzanne Kubec and seconded by Thomas Barrett that, "the Board of Trustees approve the Consent Agenda as published with the following items:

- a. *Approval of Agenda*
- b. *Approval of November 15, 2019, Board Meeting Minutes*
- c. *Approval of December 10, 2019, Special Board Meeting Minutes*
- d. *Committee Assignments*
- e. *Resolution for Signature Authorization*
- f. *Board Service Provider Annual Report*

The motion was approved.

Committee Reports
Executive Committee

Marcus Pennell, Vice Chairman, reported that the Committee met on January 13, 2020, and approved the November 13, 2019, Committee minutes. The Committee reviewed the October 31, 2019, and November 30, 2019, Unaudited Financial Statements. In addition, they reviewed the 2019 Board Education Compliance Report, which showed all Trustees are in compliance with the Board Education Policy. Finally, they reviewed the 2019 Budget Report and the January 17, 2020, Board Meeting Agenda and Schedule.

Evaluation Committee

Timothy M. O'Brien, Chairman, reported that the Committee met on January 7, 2020. The Committee discussed the Board Performance Evaluation and the Board Education Needs Assessment Report as forwarded by Cortex. The reports were distributed to the full Board electronically. In addition, the Committee reviewed and approved the 2020 Executive Director Performance Evaluation as forwarded by Cortex.

Pursuant to the Colorado Open Meetings Act, when the issues to be discussed involve performance and compensation of an employee, the employee may request a Closed Executive Session. Ron Baker, PERA Executive Director, requested that the Board go into Closed Executive Session.

A motion was made by Suzanne Kubec and seconded by Susan Murphy that, *"the Board go into Closed Executive the issues to be discussed involve personnel matters pursuant to C.R.S. § 24-6-402(3)(b)(I)."* The motion was approved and the Board went into Closed Executive Session at 8:35 a.m. The Trustees participated in the Closed Executive Session all others left the room. The Closed Executive Session concluded at 8:49 a.m.

A motion was made by Timothy M. O'Brien that the Evaluation Committee recommends, *"that the Executive Director be paid a 2019 performance award of 20 percent and the Executive Director's annual base compensation be adjusted by an increase of 5 percent effective January 1, 2020."* The motion was approved.

Public Comment

Celeste Rossmiller, PERA Retiree, and Roberta Mooney, PERA Member from Fossil Free PERA, provided their views and opinions related to divestment from fossil fuels.

Economic Commentary

Amy C. McGarrity, PERA Chief Investment Officer, introduced Craig Botham, Schroders Emerging Markets Economist. Mr. Botham provided an economic commentary and responded to questions.

Legislative Update

Ron Baker, PERA Executive Director, and Michael Steppat, PERA Public & Government Affairs Manager, reviewed the Legislative Update presentation. Mr. Baker and Mr. Steppat responded to questions.

The Board recessed at 10:43 a.m. and reconvened at 10:52 a.m.



Actuarial Signal Light 2.0

Brad Ramirez, Segal Consulting, Vice President and Consulting Actuary, and Matt Strom, Segal Consulting, Senior Vice President and Actuary, provided a presentation regarding the Actuarial Signal Light 2.0, which was transmitted to Trustees as Tab F. Mr. Ramirez and Mr. Strom responded to questions.

Strategic Plan–PERA Employer Satisfaction Survey

Tara May, PERA Chief Communications Officer, provided a presentation regarding the PERA Employer Satisfaction Survey, which was transmitted to Trustees as Tab G.

The Board recessed at 11:26 a.m. and reconvened at 12:38 p.m.

Strategic Plan Employee Engagement

Kevin Carpenter, PERA Chief Administrative Officer, reviewed the Employee Engagement results. The presentation was transmitted to Trustees as Tab H. Mr. Carpenter responded to questions.

Staff Reports

Chief Administrative Officer Update

Kevin Carpenter, PERA Chief Administrative Officer, reviewed the Chief Administrative Officer Update presentation, which was transmitted to Trustees as Tab K.

Cyber Security

A motion was made by David Hall and seconded by Thomas Barrett that, *“the Board go in to Closed Executive Session to discuss issues that involve details of security arrangements concerning PERA.”*

The motion was approved and the Board went into Closed Executive Session at 1:36 p.m. In addition to the Trustees, the Executive Director and the General Counsel, all the Chief Officers, the Internal Audit Manager, IT Audit Project Manager, and the Manager of the Executive Director’s Office participated in the Closed Executive Session. The Closed Executive Session concluded at 1:55 p.m.

Staff Reports (Continued)

Executive Director Report

Ron Baker, PERA Executive Director, reviewed the Executive Director Report, which was transmitted to Trustees as Tab I. Mr. Baker reported that a Benchmark Study on Board Governance will be conducted this year by Cortex. Mr. Baker responded to questions.

Market and Portfolio Update

Amy C. McGarrity, PERA Chief Investment Officer, reviewed the Market and Portfolio Update presentation. The presentation and the investment portfolio report was transmitted to Trustees as Tabs J1 and J2. Ms. McGarrity responded to questions.



David Hall left the meeting at 2:30 p.m. and did not return.

Chief Communications Officer Update

Tara May, PERA Chief Communications Officer, introduced Jeffrey Sprole, PERA Community Affairs Manager, Madalyn Knudsen, PERA Director of Creative Services, Laura Morsch-Babu, PERA Director of Communications, and Kirsten Lopkoff, PERA Director of Field Education. Ms. May provided the Chief Communications Officer update. This information was transmitted to Trustees as Tab L in the meeting materials. Ms. May and Mr. Sprole responded to questions regarding the Ambassador Program.

General Counsel Update

Adam Franklin, PERA General Counsel, provided an update on the risk insurance program. The presentation was transmitted to Trustees as Tab M1. Mr. Franklin responded to questions.

Other Business

With no further business to discuss, Timothy M. O'Brien, Chairman, Board of Trustees, adjourned the Board meeting at 3:06 p.m.

Board Meetings

March (19) 20, 2020

June (18) 19, 2020

September 9-11, 2020 Planning Session

November (19) 20, 2020

Respectfully submitted by

Brenda E. Meidl

Manager of the Executive Director's Office

Timothy M. O'Brien, Chairman, Board of Trustees

Ron Baker, Executive Director
Approval Date: March 20, 2020