



**Public Employees' Retirement Association  
Board Meeting**

Cheyenne Mountain Resort  
3225 Broadmoor Valley Road  
Colorado Springs, Colorado

**September 22, 2023**

**8:30 a.m.**

**Trustees Present:** Marcus Pennell, Chair, Suzanne Kubec, Vice Chair, Eunice Botchway, Norm Franke, Rebecca Freyre, Julie Friedemann, Nate Geroche (V), Amy Grant, Taylor McLemore, Timothy M. O'Brien Jennifer Pasquino, Eric Rothaus, Trina Ruhland, Tracy Rushing

**Trustees Absent:** Ramon Alvarado, Scott Smith

**Staff Present:** Kevin Gallaway, Jeremy Hill, Koren Holden, Patrick Lane, Amy C. McGarrity, Pat Mauser, Brenda Meidl, Ande Sailer, Sarah Wager, TJ VandenBurg, Patrick von Keyserling

**Others Present:** Suzanne Dugan, PERA Fiduciary Counsel, Luke Bierman, Of Counsel, Cohen Milstein Sellers & Toll PLLC, Katie Comstock, Partner, Aon; Phil Kivarkis, Partner-Head of Investment Policy Services, Aon; Richard Parker, Partner, Aon; Brad Blackwell, Northern Trust

Marcus Pennell, Chair, Board of Trustees, called the meeting to order at 8:30 a.m.

**Approval of Consent Agenda**

A motion was made by Rebecca Freyre and seconded by Suzanne Kubec that, *"the Consent Agenda be approved with the following items:*

- a. Board Meeting Agenda
- b. June 1, 2023, Board Meeting Minutes
- c. June 16, 2023, Board Meeting Minutes
- d. Divestment From Companies With Prohibitions Against Israel Restricted Company List
- e. Board Committee Assignments

**Public Comment**

Tony Whiteley, CPA, Executive Director of Budget and Finance, St. Vrain Valley Schools, provided public comment on the auto-adjust provision and the unfunded liability.

Johan van Nieuwenhuizen, Superintendent, Weld RE-1 School District, provided public comment on hiring challenges for school districts.



Randy Zila, Retired Superintendent, 140 working Executive Director, Centennial BOCES, provided public comment on hiring challenges in rural school districts.

Monica Johnson, Retired Superintendent, provided public comment on hiring challenges in rural school districts.

Jason Westfall, Executive Director, East Central BOCES, provided public comment regarding upcoming auto-adjust increase in PERA contributions.

Karl Fisch, former Trustee and retired member of the School Division provided public comment on recommending a change to PERA statute to replace buying non-qualified years of service with simply years of service.

Melissa Gibson, Deputy Executive Director, Colorado Association of School Executives, provided public comment on increased employer contributions.

#### **Trustee JB Phillips Proclamation**

Suzanne Kubec, Vice Chair, Board of Trustees, Suzanne Kubec read the following proclamation regarding JB Phillips.

Whereas, JB Phillips served as a Trustee on the Board of the Public Employees' Retirement Association of Colorado (PERA) from July 2022 through June 2023; and

Whereas, JB was appointed in June 2022 by the PERA Board; and  
Whereas, during his time on the PERA Board, JB served as a member of the Benefits Committee and the Compensation and Budget Committee; and

Whereas, JB demonstrated his dedication and passion for the membership during deliberations of the PERA Board; and

Whereas, JB will be remembered for his commitment to Board governance and independence and for diligently representing the retirement interests of Colorado's public service employees; and

Whereas, JB embodied the highest qualities of a Trustee and earned the admiration and esteem of the PERA Board members and staff; and

Whereas, JB's term on the PERA Board of Trustees ended in June 2023; now, therefore, be it Resolved, that with the highest level of appreciation and congratulations, the Board of Trustees of Colorado PERA formally recognize and thank JB Phillips for his time and service to the PERA membership, and wish him well as he leaves the PERA Board; and Resolved, that a copy of this Resolution be placed in the official minutes of the September 22, 2023, PERA Board of Trustees meeting.



A motion was made by Suzanne Kubec and seconded by Norm Franke that, *“the foregoing proclamation be adopted into the minutes of the meeting.”* The motion was approved.

### **Committee Reports**

#### **Executive Committee**

Suzanne Kubec, Vice Chair, Board of Trustees, reported the Committee met on September 19, 2023, and approved the June 16, 2023, Committee Minutes. The Committee approved two educational waivers. The Committee reviewed the July 2023, Unaudited Financial Statement and Budget Report. Finally, the Committee reviewed the September Planning Session and Board Meeting Agendas.

#### **Ad Hoc Committee - Executive Director Search**

Taylor McLemore, Committee Chair, reported the Committee has had several meetings and conducted interviews of search firms and have hired Hudepohl & Associates as the executive search firm for the search for the Executive Director.

#### **Evaluation Committee Workplan**

A motion was made by Marcus Pennell and seconded by Rebecca Freyre that, *“Effective immediately, the Board approve the following changes to the Evaluation Committee: (i) the Committee will be renamed as the Governance Committee and (ii) pending changes to the Committee Charter, the Committee will be charged with additional duties that include oversight and review of charters and governance policies in the PERA Governance Manual.”* The motion was approved.

#### **AI in Focus: Insights from Public and Private Markets**

Michael McLean, Head of Private Equity Technology Investments, provided a presentation regarding Artificial Intelligence in Focus: Insights from Public and Private Markets. Mr. McLean responded to questions.

The Board recessed at 9:55 a.m. and reconvened at 10:14 a.m.

#### **Asset/Liability (A/L) Study**

Amy C. McGarrity, PERA Interim Executive Director introduced the topic. Ms. McGarrity introduced Katie Comstock, Aon: Partner; Phil Kivarkis, Partner-Head of Investment Policy Services; Richard Parker, Partner, reviewed the A/L study presentation and responded to questions.

The Board recessed at 11:22 a.m. and reconvened at 11:30 a.m. Taylor McLemore left the meeting at 11:30 a.m. and did not return.



## **Staff Reports**

### **Interim Executive Director Report**

Amy C. McGarrity, PERA Interim Executive Director/Chief Investment Officer, reviewed the Executive Director Report presentation. Michael Steppat presented Legislative information in the Interim Executive Director Report.

### **Market and Portfolio Update**

Amy C. McGarrity, PERA Interim Executive Director/Chief Investment Officer, reviewed the market and portfolio presentation.

### **Chief Benefits Officer Update**

Patrick Lane, PERA Chief Benefits Officer, reviewed the Chief Benefits Officer Update presentation.

Timothy M. O'Brien left the meeting at 12:15 p.m. and did not return.

### **Legal Update**

Kevin Gallaway, PERA General Counsel, requested the Board go in Closed Executive Session pursuant to C.R.S. § 24-6-402(3)(a)(II). The issues to be discussed involve pending or imminent litigation and specific legal questions regarding issues relevant to PERA addressed to General Counsel.

The Board voted to go into Closed Executive Session at 12:15 p.m.

In addition to the Trustees, the Executive Director, and the General Counsel, all the Chief Officers, and the Manager of the Executive Director's Office participated in the Closed Executive Session.

The Closed Executive Session concluded at 12:31 p.m.

### **Proposed 2024 Board Meeting Dates**

A motion was made by Suzanne Kubec and seconded by Rebecca Freyre that, *"the Board approve the following dates for the 2023 Board meetings:*

*January 19, 2024*

*March (14)15, 2024*

*June (20) 21, 2024*

*September 18-20, 2024, Planning Session and Board Meeting*

*November (14)15, 2024*

The motion was approved.



**2023 Board Meeting Dates Information**

November (16) 17, 2023

**Other Business**

With no further business to discuss Marcus Pennell, Chair, Board of Trustees, adjourned the meeting at 12:35 p.m.

Respectfully submitted by,

*Brenda Meidl*

Manager of the Executive Director's Office

*Marcus Pennell*

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Marcus Pennell, Chair, Board of Trustees