



**Public Employees' Retirement Association  
Board Meeting  
Virtual  
January 21, 2022  
8:00 AM**

**Trustees Present:** Marcus Pennell, Chairman, Suzanne Kubec, Vice Chair, Ramon Alvarado, Thomas Barrett, Guillermo Barriga, Rebecca Freyre, Norm Franke, Julie Friedemann, Nathan Geroche, Amy Grant, Taylor McLemore, Tina Mueh, Timothy M. O'Brien, Ashley Smith, Dave Young

**Staff Present:** Ron Baker, Kevin Carpenter, Adam Franklin, Patrick Lane, Amy C. McGarrity, Brenda Meidl, Ande Sailer, Sarah Wager, Annie Yao

**Others Present:** Katie Comstock, Aon; Rob Dwyer, Empower; John Lee, Aon; Danette Rausch, Empower; Jennah Ross, Empower

Marcus Pennell, Chairman, called the Board meeting to order at 8:00 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:*

- Approval of Agenda
- Approval of November 19, 2021, Board Meeting Minutes (Tab A)
- Committee Assignments (Tab B)
- Resolution for Signature Authorization (Tab C)
- Board Service Provider Annual Report (Tab D)

The motion was approved.

**Public Comment**

There was no Public Comment.

**Proclamation—Cheryl Pattelli**

Suzanne Kubec, Vice Chair, Board of Trustee, read the following Proclamation concerning Cheryl Pattelli.

Whereas, Cheryl Pattelli served as a Trustee on the Board of the Public Employees' Retirement Association of Colorado (PERA) from June 2019 through November 2021;

Whereas, Cheryl was first appointed in June 2019 to fill a Board vacancy and subsequently ran uncontested in 2020 and thereby appointed to serve a two-year term representing Local Government Division members; and

Whereas, during her time on the Board, Cheryl served as a member of the Audit and Benefits Committees; and



Whereas, Cheryl was ever mindful of her role as a fiduciary and financial steward and demonstrated her dedication and passion for the membership during deliberations of the Board; and

Whereas, Cheryl was an active listener and contributor to PERA's fiduciary duties and will be remembered for her propensity to represent the retirement interests of public service employees; and

Whereas, Cheryl contributed to the oversight of the Board's Strategic Plan, adoption of new Mission and Vision statements, and selection of a new Defined Contribution (DC) Plan Recordkeeper; and

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

Whereas, Cheryl's term on the PERA Board of Trustees ended in November 2021; now, therefore, be it

Resolved, that with the highest level of appreciation and congratulations, the PERA Board of Trustees formally recognizes and thanks Cheryl Pattelli for her service to the PERA membership during her time as a Trustee, and wishes her well as she leaves the PERA Board of Trustees; and

Resolved, that a copy of this Resolution be placed in the official minutes of the January 21, 2022, PERA Board of Trustees meeting.

A motion was made by Suzanne Kubec and seconded by Timothy O'Brien that, "*the foregoing Proclamation be approved.*" The motion was approved.

### **Committee Reports**

#### **Executive Committee**

Suzanne Kubec, Vice Chair, Board of Trustees, reported that the Executive Committee met on January 18, 2022 and approved the November 16, 2021, minutes. The Committee reviewed November 2021, Unaudited Financial Statements, the November 2021 Budget Report and the 2021 Board Education Compliance Report. Finally, the Committee reviewed the January Board Meeting Agenda.

#### **Investment Committee**

Rebecca Freyre, Chair, Investment Committee, provided information regarding the amendments to the CAP Statement of Investment Policy.

A motion was made by Ms. Freyre that the Investment Committee recommends that, "*the Board of Trustees approve the amended CAP Statement of Investment Policy, as published in Tab E of the Investment Committee Agenda, dated November 18, 2021.*"

The motion was approved.



### **Evaluation Committee**

In accordance with the Colorado Open Meetings Act, the Board of Trustees in Open Session is to determine whether it will hold a Closed Executive Session which is allowed when the issues to be discussed involve personnel matters pursuant to C.R.S. § 24-6-402(3)(b)(I). Ron Baker, Executive Director, requested that the Board go into Closed Executive Session. The Board voted to go into Closed Executive Session at 8:11 a.m. all Trustees remained in the meeting, all other attendees left the meeting.

The Closed Executive Session concluded at 8:38 a.m. and all other attendees returned to the meeting.

A motion was made by Marcus Pennell that the Evaluation Committee recommends that, *“the Executive Director be paid a 2021 performance award of 20 percent and the Executive Director’s Annual Base Compensation be adjusted by an increase of 4.86 percent effective January 1, 2022.”* The motion was approved.

### **Empower Update**

Patrick Lane, PERA Chief Benefits Officer and Rob Dwyer, Empower Vice President, Government Markets, reviewed the Empower Update presentation and responded to questions.

### **Actuarial Audit Service Provider RFP**

Ron Baker, PERA Executive Director, provided update on the Actuarial Audit Service Provider RFP.

### **Fiduciary Counsel Review**

Adam Franklin, PERA General Counsel, reviewed the process and timeline to consider the Board’s Fiduciary counsel. Mr. Franklin responded to questions.

The Board recessed at 9:25 a.m. and reconvened at 9:40 a.m.

### **Legislative Update**

Ron Baker, PERA Executive Director, Michael Steppat, PERA Public & Government Affairs Manager reviewed the Legislative Update presentation. Mr. Baker and Mr. Steppat responded to questions and received the Board’s guidance for staff’s response to PERA related Bills introduced based on the Board’s Principles and Policies.

### **Investment Fireside Chat**

Amy C. McGarrity, PERA Chief Investment Officer, introduced PERA Directors: Jim Liptak, Equities, Keith Tayman, Fixed Income, Tim Moore, Private Equity, C.H. Meili, Real Estate, Gary Ratliff, Alternatives. They provided their views regarding the economic outlook and responded to questions.



The Board recessed at 11:39 a.m. and reconvened at 12:35 p.m.

### **Strategic Plan–Employee Engagement**

Kevin Carpenter, PERA Chief Administrative Officer, reviewed the presentation regarding the Employee Engagement. Mr. Carpenter responded to questions.

### **Strategic Plan–Communications**

Patrick von Keyserling, PERA Senior Director, Communications, reviewed the Communications presentation and responded to questions.

The Board recessed at 2:03 p.m. and reconvened at 2:18 p.m.

### **Staff Reports**

#### **Executive Director Report**

Ron Baker, PERA Executive Director, reviewed the Executive Director Report presentation. Mr. Baker responded to questions.

#### **Market & Portfolio Update**

Amy C. McGarrity, PERA Chief Investment Officer, reviewed the Market & Portfolio Update presentation.

#### **Chief Administrative Officer Update**

Kevin Carpenter, PERA Chief Administrative Officer reviewed the Chief Administrative Officer Update presentation.

#### **General Counsel Update**

Adam L. Franklin, PERA General Counsel, requested the Board go into Closed Executive Session to discuss issues that involve pending or imminent litigation and specific legal questions addressed to General Counsel. The Board voted to go into Closed Executive Session at 3:25 p.m.

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

The Closed Executive Session concluded at 3:55 p.m.

### **Other Business**

A motion was made by Norm Franke and seconded by Dave Young that, "*the Board approved the revised Committee Assignments as discussed.*" The motion was approved.

With no further business to discuss, Marcus Pennell, Chairman, Board of Trustees, adjourned the Board Meeting at 4:02 p.m.



**2022 Board Meeting Dates**

March (17) 18, 2022

June (16) 17, 2022

September 21-23, 2022 Planning Session and Board Meeting

November (17) 18, 2022

Respectfully submitted by

*Brenda E. Meidl*

*Manager of the Executive Director's Office*

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Marcus Pennell, Chairman, Board of Trustees

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Ron Baker, Executive Director

Approval Date: March 18, 2022