



PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO
607 North 8th Street, Boise, Idaho 83702

RETIREMENT BOARD MEETING MINUTES

The Board of the Public Employee Retirement System of Idaho met in-person at 8:30 a.m., September 24th, 2024. The following Trustees and PERSI Staff were present:

Jeff Cilek – Chairman
Darin DeAngeli – Trustee
Lori Wolff – Trustee
Park Price – Vice Chair
Michael Hampton - Executive Director
Alex Simpson - Deputy Director
Cheryl George - General Counsel
Richelle Sugiyama - Chief Investment Officer
Chris Brechbuhler - Deputy Chief Investment Officer
Mike Anderson – Financial Executive Officer

Joy Fisher – Trustee; excused absence

Presenters in attendance in-person were:
Alex Torrens – Walter Scott & Partners Limited
Kiersten Christensen – Walter Scott & Partners Limited
Robert Schmidt – Milliman
Ryan Cook - Milliman

At 8:33 a.m., Chairman Cilek called the meeting to order.

APPROVAL OF THE MOTION TO AMEND AGENDA

Chairman Cilek noted that the published agenda was incorrect due to a change in presenters for Walter Scott. Trustee DeAngeli moved to amend the agenda to reflect the update in presenters. Trustee Wolff seconded the motion. The motion passed unanimously.

APPROVAL OF THE BOARD MEETING MINUTES

Trustee Wolff moved to approve the minutes of the August 19th and 20th 2024, Board meeting. Trustee DeAngeli seconded the motion. The motion passed unanimously.

PORTFOLIO

Monthly Portfolio Update

Richelle Sugiyama provided an overview of the investment portfolio, highlighting the volatility of August that preceded the 50 basis point rate cut by the Fed on September 18th. Equity markets rallied after the Fed's action with expectations of further rate cuts to come. She noted that the total fund hit an all-time high in terms of assets at just over \$25B. Richelle touched on performance drivers noting strong REIT returns, good performance from Adelante, Donald Smith and BLS, and broadening return strength away from the Russell 3000.

Alex Torrens presented an update on Walter Scott (including a summary of returns and team updates), reviewed the firm's investment approach and touched on market insights. He discussed the investment strategy, focusing on technology, healthcare, consumer, and the importance of strong balance sheets and valuations. Alex also, presented insights on the semiconductor market and the drivers of the industry.

Board Governance

Mike Hampton presented the Securities Litigation Policy Update summary, memo discussing the key changes encompassed in the new draft policy and recommended the board adopt the new policy. Trustee DeAngeli moved to approve and to adopt the updated policy. Trustee Price seconded the motion. The motion passed unanimously.

OPERATIONS AND ADMINISTRATION

Administrative and Operations Update

Alex Simpson updated the Board on the completion of construction completion on the first floor. He also provided an update on QA Manager position, ITS Modernization and welcomed a new BC South Fire Protection District to PERSI.

Mike Hampton presented data on the active member classes, highlighting the migration from general members to other classes and its impact on the overall cost of the plan. He also shared his travel plans for Employer presentations throughout the state for October and November.

Actuarial Valuation and Contribution Rate

Robert Schmidt and Ryan Cook provided the draft actuarial valuation for the JRF, FRF, Sick Leave and Base Plan. Robert Schmidt presented multiple future contribution rate adjustment option scenarios for the Base Plan. The scenarios contemplated the impact of delaying and/or reducing future rate adjustments.

FISCAL

Fiscal Update/Travel/Expense Report Update

Mike Anderson presented update on FY25 Fiscal summary expenses for August. All expenditures are under budget as of August 2024.

BOARD

Future Agenda

Board Meeting dates for 2025 were presented.

The October agenda was not included in the Board packet. It was sent via email after the Board meeting for further review.

The signature authorization document was presented to Trustee Price for signature.

Executive Session:

At 11:00 a.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code § 74-206 (1)(a)(b)(f).

Trustee Price moved to enter executive session in accordance with Idaho Code § 74-206 (1)(a) to consider hiring a public officer, employee, staff member or individual agent; Idaho Code §74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent; Idaho Code §74-206(1)(f) to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Trustee DeAngeli seconded the motion, which passed unanimously.

Upon conclusion of the executive session at 12:00 p.m., Trustee Price moved to return to regular session, Trustee DeAngeli seconded the motion, which passed unanimously.

Trustee DeAngeli moved to ratify the termination of Western Asset Management. Trustee Price seconded the motion, which passed unanimously.

Adjournment: With no further business to discuss, the Board adjourned at 12:04 p.m.