

PUBLIC EMPLOYEES RETIREMENT BOARD MEETING

December 21, 2009

10:00 A.M.

A regular meeting of the Public Employees Retirement Board convened at 10:00 a.m., Monday, December 21, 2009, in the TierOne Conference Center, 1221 N Street, Lincoln, Nebraska.

The Board members were notified of this meeting by Agenda mailed December 14, 2009. Public notice of this meeting was published in the Lincoln Journal Star and Omaha World Herald on Monday, December 14, 2009. D. Blank chaired the meeting and V. Huber recorded the minutes.

MEMBERS PRESENT: DENIS BLANK, CHAIR
SGT. GLENN ELWELL, VICE-CHAIR
MARK SHEPARD
RICHARD WASSINGER
DON PEDERSON
ELAINE STUHR
JANIS ELLIOTT
JEFF STATES, EX-OFFICIO

MEMBERS ABSENT: JUDGE GLENN CAMERER

NONMEMBERS PRESENT:

PHYLLIS CHAMBERS Director	NEIL BATEMAN Retired Teachers
RANDY GERKE Deputy Director	ERIC ASBOE Nebraska Supreme Court
MIDEN EBERT Retirement Plan Supervisor	KRISTA DAVIS State Auditor's Office
FRED TURNER IT Manager	VICKI HUBER Staff Assistant
TERESA ZULAUF Internal Auditor	

Agenda Item 1: D. Blank stated this meeting will follow the Nebraska Open Meetings Act and a copy of the Act is located on the front table.

Agenda Items 2 and 3 – Meeting Called to Order: D. Blank called the December 21, 2009, Board Meeting to order at 10:00 a.m. Present at roll call: D. Blank, G. Elwell, M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, and J. States. Absent: G. Camerer.

Agenda Item 4 – Approval of Minutes: J. Elliott moved for approval of the minutes of the November 16, 2009, Board Meeting. G. Elwell seconded the motion. Members voted as follows: For: G. Elwell, M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, and D. Blank. Against: None. Motion carried.

Agenda Item 5 – Approval of Budget Status Report & November Retirement Report: D. Pederson moved to approve the budget status report and the November 2009 Retirement Report. E. Stuhr seconded the motion. Members voted as follows: For: M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, D. Blank, and G. Elwell. Against: None. Motion carried.

Excuse Board Members: D. Pederson moved to excuse G. Camerer. R. Wassinger seconded the motion. Members voted as follows: For: R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, D. Blank, G. Elwell, and M. Shepard. Against: None. Motion carried.

Agenda Item 6 – Public Comments or Correspondence from Citizens: There were no public comments or correspondence from citizens with business not scheduled on the agenda.

Agenda Item 7 – Information Update: F. Turner reported eight warranty problem incident reports (PIRs) and 40 post-warranty PIRs and stated the warranty PIRs should be completed soon. He stated 30 PIRs are assigned to Saber and 10 are assigned to the Office of the Chief Information Officer (OCIO) resources. He stated OCIO resources assumed the responsibility of handling all new PIRs on December 7, 2009.

F. Turner reported the OCIO developers have completed 19 functional training modules and delivered their first presentation to the OCIO web development team on December 17th.

He reported Chad Scholtfeld and Dean Gress have begun a web-based training session, which is necessary for NPERS' IT staff to take over the technical support aspect of NPRIS.

He stated the quarterly review with Saber was postponed to January.

R. Wassinger moved to approve the Information System Update. M. Shepard seconded the motion. Members voted as follows: For: D. Pederson, E. Stuhr, J. Elliott, D. Blank, G. Elwell, M. Shepard, and R. Wassinger. Against: None. Motion carried.

Agenda Item 8 – Legislative Update: The legislative update was presented under Agenda Item 10.

Agenda Item 9 – Investment Officer's Update: J. States reported continued positive performance on investments. He stated preliminary calendar year to date systems assets are up approximately 19.5% and the fiscal year to date is up 15.3%.

He stated the Nebraska Investment Council (NIC) and the State Treasurer are nearing the completion of a Investment and Administrative Services RFP for a college savings plan, which should be announced in January.

E. Stuhr moved to accept the Investment Officer's Update. R. Wassinger seconded the motion. Members voted as follows: For: E. Stuhr, J. Elliott, D. Blank, G. Elwell, M. Shepard, R. Wassinger, and D. Pederson. Against: None. Motion carried.

Agenda Item 10 – Director's Report: P. Chambers reported the agency remained open on December 8th and 9th during the snow storm and the two retirement seminars scheduled for those dates were postponed. The seminars have been rescheduled for the second week in January.

Final copies of the State, Judges, and Patrol actuary reports were provided to the Board.

P. Chambers reported adjusting NPERS' budget deficit request for Program 515, based on changes in the final actuarial report. There was a net increase \$105,000 for the State Patrol and a net decrease of \$59,000 for the School plan.

She reported working on a letter to the Appropriations Committee identifying the agency's plans for budget adjustments.

P. Chambers reported Retirement Committee hearings were held on December 4th regarding the college savings plan and general retirement issues.

She stated Joe Schaefer and Kate Allen have been working on technical language changes.

The Board briefly discussed legislative retirement issues regarding independent contractors in the School system.

P. Chambers reported NPERS has been working on State and County rules for employers, including language that clarifies part-time employees and their required participation in the retirement plan.

She stated the School, Judges, and Patrol audit is in progress. She stated NPERS' internal auditors will sample test "7% exemptions" when they audit school employers.

P. Chambers reported she is working with Joe Schaefer on revising the rules and regulations regarding PERB monthly meetings.

She reported touring Nebraska Education Television along with J. States. She gave a brief review of their tour and the possibilities of using the facility as a resource.

G. Elwell moved to approve the Legislative Update and Director's Report. J. Elliott seconded the motion. Members voted as follows: For: J. Elliott, D. Blank, G. Elwell, M. Shepard, R. Wassinger, D. Pederson, and E. Stuhr. Against: None. Motion carried.

Agenda Item 11 – Board Committee Reports: E. Stuhr reported for the Nomination Committee. Members of the committee include E. Stuhr, J. Elliott and R. Wassinger. She reported nominations were accepted by D. Blank for Chair, G. Elwell for Vice-Chair, and P. Chambers for Secretary. D. Blank stated the election of officers will take place at the January 19, 2010, PERB meeting.

Agenda Item 12 – Board Education/Travel Requests: There were no requests.

Agenda Item 13 – Future Meetings/Agendas: The next meeting will be held on Tuesday, January 19, 2010, in the TierOne Center, 1221 N Street, Lincoln, Nebraska, second floor Conference Center. M. Shepard moved to adopt the 2010 PERB meeting calendar as presented. D. Pederson seconded the motion. Members voted as follows: For: D. Blank, G. Elwell, M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, and J. Elliott. Against: None. Motion carried.

Agenda Items 14 and 15 – Executive Session: At 10:38 a.m., R. Wassinger moved that the Board exit Regular Session and convene in Executive Session for the purpose of discussing Disability Application for Retirement No. 128375, Contested Case No. 1-2009, and other legal matters. E. Stuhr seconded the motion. D. Blank repeated the motion for the record. Members voted as follows: For: D. Blank, G. Elwell, M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, and J. Elliott. Against: None. Motion carried.

At 11:44 a.m., R. Wassinger moved that the Board exit Executive Session and reconvene in Regular Session. E. Stuhr seconded the motion. Members voted as follows: For: G. Elwell, M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, and D. Blank. Against: None. Motion carried.

G. Elwell moved for approval of the Disability Application of Retirement No. 128375 to continue disability retirement benefits. R. Wassinger seconded the motion. Members voted as follows: For: M. Shepard, R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, D. Blank, and G. Elwell. Against: None. Motion carried.

G. Elwell moved to accept the hearing officer's Recommended Order in Contested Case No. 1-2009, specifically regarding section II, section IV, and section V with the following document corrections: the retirement number on page 1 should be changed from 135244 to 602803; the date range in the third paragraph of section III on page 3, indicating April and July of 2007, be changed to April and July of 2008; and any and all typographical errors be corrected. Also, that an order be prepared for the chairman's signature for approval of the same. D. Pederson seconded the motion. Members voted as follows: For: R. Wassinger, D. Pederson, E. Stuhr, J. Elliott, D. Blank, and G. Elwell. Against: None. Abstained: M. Shepard. Motion carried.

Adjournment: R. Wassinger moved the meeting adjourn. G. Elwell seconded the motion. Members voted as follows: For: D. Pederson, E. Stuhr, J. Elliott, D. Blank, G. Elwell, M. Shepard, and R. Wassinger. Against: None. Motion carried.

The meeting adjourned at 11:46 a.m.

Phyllis G. Chambers
Director