



Board of Trustees Meeting Agenda
Tuesday, October 22, 2019
1:00 P.M.

- I. Call to Order** (*Dr. Brian Rutledge, Chairman*)
 - A. Invocation**
 - B. Pledge of Allegiance**
 - C. Approval of Agenda**
 - D. Approval of Minutes** – *August 27, 2019*

- II. Report of Administrative Committee** (*Dr. Lee Childress*)
 - A. State Representative Election Schedule**
 - B. Regulation 34 – Reemployment after Retirement** (*final adoption*)
 - C. Regulation 41 – MDC Marketing Policy & Guidelines** (*final adoption*)
 - D. PERS Funding Policy**
 - E. Approval of 2020 Board Meeting Schedule**
 - F. Other**

- III. Report of Audit Committee** (*Ms. Kimberly Hanna*)
 - A. Other**

- IV. Report of Claims Committee** (*Dr. Randy McCoy*)
 - A. New Agency Joinder Agreement – City of Amory Housing Authority**
 - B. Other**

- V. Report of Legislative Committee**
 - A. Other**

- VI. Report of Defined Contribution Committee** (*Dr. Brian Rutledge*)
 - A. Approval of MDC Small Cap Finalist**
 - B. Approval of MDC Mid Cap Finalist**
 - C. Other**

- VII. Report of Investment Committee** (*Treasurer Lynn Fitch*)
 - A. Other**

- VIII. FY 2020 Municipal COLA Certification – City of Tupelo**

- IX. Disability Appeals Committee**

- X. Staff Reports**
 - A. Executive Director’s Update**
 - B. Litigation Report**
 - C. Retiree Report**
 - D. Investment Report**

- XI. Adjourn**

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The Board of Trustees of the Public Employees' Retirement System (PERS) met in the fourth floor board room of the PERS Building, 429 Mississippi Street, Jackson, Mississippi, at 1:00 p.m., Tuesday, October 22, 2019. This meeting was duly announced to the public, at 2:00 p.m., October 9, 2019, *via* the Public Meetings Notice website of the Mississippi Department of Finance and Administration.

The following PERS Board members were present at the meeting: Board Chair, Dr. Brian Rutledge; Mr. Bill Benson (*via* teleconference); Dr. Lee Childress; Mr. George Dale; Deputy State Treasurer Jesse Graham, representing State Treasurer Lynn Fitch; Ms. Kimberly Hanna; Dr. Randy McCoy; and Mr. Drew Snyder. Absent: Mr. Kelly Breland and Mr. Chris Howard; Also attending was PERS Legislative Liaison member, Representative John Read.

Staff members present: Ray Higgins, Davetta Lee, Kenny Grissett, Terri Hudson, Susan Lyon, Terrance Yarbrough, Alicia Houston, Pauline Howard, Terrance Yarbrough, Terri Bennett, Amy Marquez, David DeGuire, Ryan Holliday, Charles Nielsen, Jason Clark, Billy Means, Mason Frantom, LaMelody Lewis, Shelley Powers, and Mary Jones. Also attending was Special Assistant Attorney General Martin Millette.

Guest attendees were: Ray Wright, Joint Committee on Performance Evaluation and Expenditure Review; Lee Anne Robinson, Legislative Budget Office; Eugene Durman, Retired Education Personnel of Mississippi; Kelly Riley, Mississippi Professional Educators; and Allan Cooper, Department of Finance and Administration.

Chairman Rutledge called the meeting to order at 1:00 p.m. Dr. Lee Childress gave the invocation and led the attendees in the Pledge of Allegiance to the United States flag.

Agenda | Chairman Rutledge called for a motion to approve the meeting agenda. The motion was made by Dr. McCoy, seconded by Mr. Snyder, which motion duly passed, to approve the meeting agenda. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Minutes | Chairman Rutledge called for a motion to approve the minutes of the board meeting of August 27, 2019. The motion was made by Mr. Dale, seconded by Dr. Childress, which motion duly passed, to approve the minutes of the board meeting of August 27, 2019. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Administrative Committee | Dr. Lee Childress, Administrative Committee chair, reported that the committee met Tuesday, October 22, 2019.

State Employees' Representative Election Schedule | Dr. Childress reported that the committee reviewed the PERS Board Election Schedule for the State Employees' Representative to the board, as presented by staff. Dr. Childress advised that this position is currently held on the board by Mr. Chris Howard.

**PERS Board Election Schedule
State Employees' Representative**

Term ends 6/30/26
December 2, 2019
December 2, 2019

Notice mailed to agencies soliciting potential candidates
News release

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January 8, 2020	Deadline for receipt of petitions
February 10, 2020	Deadline for preparation of ballot
Feb. Board Meeting	Board approval of ballot at regularly scheduled meeting
March 6, 2020	Deadline to mail ballots
April 6, 2020	Deadline for receipt of ballots/votes
April Board Meeting	Board approval of election results at regularly scheduled meeting
Runoff Schedule (tentative)	
May 5, 2020	Ballots mailed
June 5, 2020	Deadline for receipts of ballots/votes
June Board Meeting	Board approval of election results at regularly scheduled meeting
July 1, 2020	Deadline for swearing in of new Board member

The motion was made by Dr. Childress, seconded by Ms. Hanna, which motion duly passed, to approve the State Employees' Representative Election Schedule, as presented by staff. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Regulation 34 | Dr. Childress reported that the committee reviewed amended Board Regulation 34, *Reemployment after Retirement*, presented by staff. He advised that the committee took no action on this regulation, as this item is still pending a Private Letter Ruling from the Internal Revenue Service.

Regulation 41 | Dr. Childress reported that the committee reviewed amended Board Regulation 41, *Mississippi Deferred Compensation (MDC) Marketing Policy and Guidelines*, presented by staff for final adoption.

**Public Employees' Retirement System
Board of Trustees
October 22, 2019
Proposed Amendments to Board Regulation**

Staff requests the Board's final approval of the proposed amendments to the following regulation:

Chapter 41: PERS Marketing Policy and Guidelines - Deferred Compensation Plan

PERS Regulation 41 provides enrollment guidelines for the Deferred Compensation Administrator to be used in presenting information to and enrolling employees in the Deferred Compensation Plan.

The proposed amendments to Regulation 41 would:

1. Amend § 102 to update the language.
2. Amend § 103 to allow the PERS executive director to provide member information to the Deferred Compensation Administrator to assist in enrolling employees in the Deferred Compensation Plan and update the language. The Deferred Compensation Administrator will be treated much like the Retiree Insurance Providers.

The effective date of the proposed amendment will be December 1, 2019.

The motion was made by Dr. Childress, seconded by Dr. McCoy, which motion duly passed, to approve final adoption of amended Board Regulation 41, *PERS Marketing Policy and Guidelines - Deferred Compensation Plan*, as recommended by staff. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard. (*Addendum A – Regulation 41*)

PERS Funding Policy | Dr. Childress reported that the committee reviewed the revised PERS Funding Policy. He advised that the committee approved the revised PERS Funding Policy, as submitted by staff.

The motion was made by Dr. Childress, seconded by Mr. Dale, which motion duly passed, to approve the revised PERS Funding Policy, as submitted by staff. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard. (*Addendum B – PERS Funding Policy*)

2020 Board & Committee Meetings Schedule | Dr. Childress reported that staff presented the committee with two proposed 2020 PERS Board and Committee Meetings Schedules for review. He advised that one schedule was set by staff for the customary Monday and Tuesday meetings, in accordance with the Board's Standard Operating Procedures (SOP) guidelines. He stated that the other schedule presented by staff was set based on having all the meetings on Tuesdays and Wednesdays instead.

After reviewing the two schedules, the committee voted to maintain the Monday and Tuesday schedule set by staff according to the guidelines of the Board SOP, with the exception of the April 2020 meetings. The committee voted to adjust the April 2020 meetings to Tuesday and Wednesday, April 28 and 29, instead of Monday and Tuesday, due to the April 27 Confederate Memorial Day state holiday.

**PERS BOARD & COMMITTEE MEETINGS
 2020 SCHEDULE**

February 24 February 25	Defined Contribution & Investment Committee Meetings Board Meeting & Other Committee Meetings
April 28 April 29	Defined Contribution & Investment Committee Meetings Board Meeting & Other Committee Meetings
June 22 June 23	Defined Contribution & Investment Committee Meetings Board Meeting & Other Committee Meetings
August 24 August 25	Defined Contribution & Investment Committee Meetings Board Meeting & Other Committee Meetings
October 26 October 27	Defined Contribution & Investment Committee Meetings Board Meeting & Other Committee Meetings
December 14 December 15	Defined Contribution and Investment Committee Meetings Board Meeting & Other Committee Meetings

**INVESTMENT COMMITTEE PRESENTATIONS
 2020 SCHEDULE**

These meetings to be held ONLY when Investment Finalists' Presentations become necessary
 (The Mondays two weeks prior to the Board Meeting, contingent/subject to Board discretion and availability)

- Monday, February 10**
- Monday, April 13**
- Monday, June 8**
- Monday, August 10**
- Monday, October 12**

**Monday, November 30
CLAIMS COMMITTEE HEARINGS
2020 SCHEDULE**

These meetings to be held ONLY when Claims Hearings become necessary.
(The 4th Tuesday of every other month – NOT the months of the Board meetings)

- Tuesday, January 28**
- Tuesday, March 24**
- Tuesday, May 19** (3rd Tuesday, due to Memorial Day)
- Tuesday, July 28**
- Tuesday, September 22**
- Tuesday, November 17** (3rd Tuesday, due to Thanksgiving)

The motion was made by Dr. Childress, seconded by Mr. Dale, which motion duly passed, to approve the aforementioned 2020 PERS Board and Committee Meetings Schedule. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Audit Committee | Ms. Hanna, Audit Committee chair, reported that the Audit Committee met Tuesday, October 22, 2019. She advised that the committee received information on several PERS audit items, but no action was taken by the committee.

Claims Committee | Dr. McCoy, Claims Committee chair, reported that the Claims Committee met Tuesday, October 22, 2019.

New Agency Joinder Agreement – City of Amory Housing Authority | Dr. McCoy reported that the committee reviewed and approved the New Agency Joinder Agreement of the City of Amory Housing Authority.

<u>Entity</u>	<u>Coverage Requested</u>	<u>Effective Date</u>
City of Amory Housing Authority	Retirement Coverage	November 1, 2019

The Housing Authority of the City of Amory

The Housing Authority of the City of Amory has submitted a request for retirement coverage for its employees under the Public Employees' Retirement System of Mississippi (PERS). The Housing Authority was established by the city of Amory on June 3, 1958.

Special Assistant Attorney General, Martin Millette, has verified that The Housing Authority of the City of Amory is an eligible public entity. Also, members of the PERS executive staff, have reviewed the audited financial statements submitted and have determined, based upon that limited review, that The Housing Authority of the City of Amory has the financial resources to participate in PERS.

Therefore, we recommend that The Housing Authority of the City of Amory be approved for PERS retirement coverage with an effective date of November 1, 2019.

The motion was made by Dr. McCoy, seconded by Mr. Graham, which motion duly passed, to approve the New Agency Joinder Agreement of the City of Amory Housing Authority, as presented by staff, to provide this entity with PERS Retirement coverage effective November 1, 2019. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

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Legislative Committee | Dr. Brian Rutledge, acting Legislative Committee chair, reported that the committee met Tuesday, October 22, 2019. He advised that the committee reviewed a report by staff of proposed PERS legislation, but no action was required of the committee and no action was taken.

Defined Contribution Committee | Dr. Brian Rutledge, Defined Contribution Committee chair, reported that the committee met Monday, October 21, 2019, but no actions were taken.

Approval of MDC Small Cap & Mid Cap Finalists | Dr. Rutledge reported that the committee met Monday, October 7, 2019, and heard finalists' presentations for a U.S. Small Cap Core Equity fund manager and a U.S. Mid Cap Core Equity fund manager for the Mississippi Deferred Compensation (MDC) investment manager search.

Dr. Rutledge advised that the committee selected Wellington Management Company LLP Small Cap Opportunistic fund manager for the small cap investment options, replacing the RBC Small Cap fund in the MDC investment portfolio.

The motion was made by Dr. Rutledge, seconded by Mr. Graham, which motion duly passed, to approve the selection of Wellington Management Company LLP Small Cap Opportunistic fund manager for the small cap manager in the MDC portfolio, replacing the RBC Small Cap fund in the MDC investment portfolio. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Dr. Rutledge advised that, also on Monday, October 7, 2019, the committee selected Aligned Investors Mid Cap Core fund to be added to the MDC mid cap investment options, replacing the BNY Mellon Mid Cap Opportunistic Value fund.

The motion was made by Dr. Rutledge, seconded by Dr. Childress, which motion duly passed, to approve the selection of Aligned Investors Mid Cap Core for the mid cap investment options in the MDC portfolio, replacing the BNY Mellon Mid Cap Opportunistic Value fund. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Investment Committee | Mr. Jesse Graham, Investment Committee chair, reported that the committee met Monday, October 21, 2019.

PERS Watch List | Mr. Graham advised that the committee discussed the recommendation of staff that Fisher Investments be added to the PERS Investment Manager Watch List, due to recent organizational concerns within the company.

The motion was made by Mr. Graham, seconded by Dr. Childress, which motion duly passed, to approve the recommendation of staff to add Fisher Investments to the PERS Investment Manager Watch List. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

FY 2020 Municipal COLA Certification - City of Tupelo | Mr. Grissett presented the Municipal Plan FY 2020 COLA (Cost-of-Living Allowance) Certification request of the city of Tupelo. He advised that the Cavanaugh Macdonald actuaries provided an analysis of the cost associated with this request. Mr.

Grissett stated that, in addition, the resolution of the city council of the city of Tupelo, authorizing this action, was included as supporting documentation. Mr. Grissett advised that staff was recommending approval to certify the payment of this 3% COLA, retroactive to October 1, 2019.

**APPROVAL OF THE PAYMENT OF AN AD HOC COST-OF-LIVING ADJUSTMENT
FOR THE CITY OF TUPELO**

The City of Tupelo, as authorized by Senate Bill 3138 of the 1996 Regular Session of the Mississippi Legislature, requests approval to pay a 3.0% ad hoc cost-of-living adjustment (COLA) to the 75 retirees and beneficiaries of the City of Tupelo Fire and Police Disability and Relief Fund retroactive to October 1, 2019.

The city council, by a vote of 6-0 and one absence, adopted a resolution on September 3, 2019 to authorize the payment which will not result in an increase of the millage rate. PERS' actuary, Cavanaugh Macdonald, calculated the financial impact for the increased benefits would result in a millage rate of 1.49. The current millage rate of the City of Tupelo is 1.61 since it has chosen to assess based on the old funding policy.

The motion was made by Dr. Childress, seconded by Dr. McCoy, which motion duly passed, to approve certification of the COLA for the city of Tupelo, retroactive to October 1, 2019, as recommended by staff. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard. (*Addendum C – FY2020 COLA Certification-City of Tupelo*)

**Disability Appeals
Committee**

Ms. Bennett presented the recommendation of the Disability Appeals Committee (DAC), which had been provided to the board members prior to the board meeting. She advised that staff was requesting approval of this recommendation of the DAC.

Dr. Rutledge called for a motion concerning the following recommendation of the DAC:

PERS No. 19-01: This matter came on for hearing before the Disability Appeals Committee of the Board of Trustees January 7, 2019. The Disability Appeals Committee heard sworn testimony, received evidence, and gave due consideration to the applicable laws and regulations. The Disability Appeals Committee submits to the Board of Trustees this Statement of Facts, Conclusions of Law, and Recommendation that the claimant's request for duty-related disability benefits be denied.

The motion was made by Dr. McCoy, seconded by Ms. Hanna, which motion duly passed, to accept the findings of the DAC and approve the aforementioned DAC recommendation. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

**Executive
Director's Update**

Mr. Higgins presented the Executive Director's Update. He gave a brief overview of several administrative items including the plans for a 2020 Board of Trustees Educational Workshop possibly in May 2020; a new state treasurer position on the board will be coming up soon, due to the upcoming elections; the upcoming actuarial reports and the projection report; the recent bond rating agencies visit; and the new building security I.D. badges.

Litigation Report

Mr. Millette presented a summary of the statuses of PERS litigation cases since the last board meeting of August 27, 2019. He advised that there are currently 25 cases in the appellate process. He advised that there has been activity in the following cases since the August 27, 2019, report to the Board of Trustees:

CLAIMS COMMITTEE HEARINGS:

CIRCUIT COURT:

COLEMAN v. PERS: The Disability Appeals Committee of the PERS Board of Trustees entered an Order dated February 27, 2018, denying claimant's application for disability benefits. Coleman timely filed a Notice of Appeal with the Hinds County Circuit Clerk's office on March 21, 2018. The Administrative Record has been filed with the Court.

SMITH v. PERS: The Disability Appeals Committee of the PERS Board of Trustees entered an Order dated February 27, 2018, denying claimant's application for disability benefits. Smith timely filed a Notice of Appeal with the Hinds County Circuit Clerk's office on March 21, 2018. PERS has filed a certified copy of the transcript of Administrative Record with the Circuit Clerk. Briefing has been completed.

THOMAS v. PERS: The Disability Appeals Committee of the PERS Board of Trustees entered an Order dated February 27, 2018, denying claimant's application for disability benefits. Thomas timely filed a Notice of Appeal with the Hinds County Circuit Clerk's office on March 27, 2018. PERS has filed a certified copy of the transcript of Administrative Record with the Circuit Clerk. Briefing has been completed.

CIRCUIT COURT OPINIONS ISSUED:

SUPREME COURT/COURT OF APPEALS:

STAKELUM v. PERS: The PERS Board entered an Order dated February 24, 2015, upholding the Medical Board's decision to deny Stakelum's request for disability benefits. Stakelum appealed the decision to the Circuit Court of Hinds County. Stakelum filed her Brief of Appellant on April 25, 2017, and PERS filed its Brief of Appellee on August 17, 2017. On September 30, 2017, Stakelum filed a Motion to Remand to PERS to Consider Award of Social Security Disability or to take Judicial Notice thereof. PERS filed its Response in Opposition to the motion on October 5, 2017. The Circuit Court affirmed the decision of the Board on July 25, 2018. Stakelum timely filed a Notice of Appeal with the Supreme Court on August 24, 2018. Briefing has been completed. This case was assigned to the Court of Appeals on May 15, 2019.

BRADLEY v. PERS: On December 18, 2012, the PERS Board of Trustees entered an Order adopting the recommendation of the Disability Appeals Committee that Bradley's application for duty-related disability benefits be denied. Bradley appealed the decision to the Circuit Court. On March 21, 2018, the Court entered its Order affirming the Decision of the PERS Board of Trustees. Bradley filed a Notice of Appeal to the Supreme Court on April 17, 2018. The Court of Appeals affirmed the decision to deny benefits to Bradley on August 20, 2019. Bradley filed a Motion for Rehearing and PERS filed a Response on September 6, 2019.

LANG v. PERS: The case was remanded to PERS by the Court of Appeals for further determination on October 23, 2012. The Board approved the recommendation of the Disability Appeals Committee and issued its Order February 25, 2014, to deny the claimant non-duty disability benefits. Following briefing by both parties, the Court entered its Order affirming the decision of the PERS Board of Trustees on April 3, 2018. Lang filed a Notice of Appeal to the Supreme Court on April 17, 2018. Briefing has been completed. The Oral Arguments were presented before the COA on August 28, 2019.

HICKS v. PERS: On October 24, 2017, the PERS Board of Trustees entered an Order adopting the recommendation of the Claims Committee to deny Hicks' claim regarding survivor benefits. Ms. Hicks appealed the decision to the Circuit Court of Hinds County on October 31, 2017. PERS filed the certified Administrative Record with the Circuit Clerk on January 2, 2018. Brief of Appellant was filed with Circuit Court on February 7, 2018. PERS Brief of Appellee was filed March 8, 2018. The Circuit Court affirmed the decision of the Board on June 13, 2018. Hicks filed a timely Notice of Appeal to the Supreme Court on July 9, 2018. The Court of Appeals affirmed the decision to deny benefits to Hicks on October 1, 2019.

THOMPSON v. PERS: The PERS Board entered an Order dated December 15, 2015, upholding the Medical Board's decision to deny Thompson's request for disability benefits. Thompson has appealed the decision to the Circuit Court of Hinds County. The Administrative Record was filed with the Clerk of the Court on March 23, 2016. Thompson filed her Brief of Appellant on April 25, 2017, and PERS filed its Brief of Appellee on June 23, 2017. On September 14, 2017, Thompson filed a Motion to Remand for a new hearing, alleging PERS violated due process right to a fair hearing. PERS filed Response in Opposition to the Motion on September 15, 2017. On March 26, 2018, Thompson filed a second Motion to Remand to Consider Social Security Determination or to take Judicial Notice thereof. PERS filed its Response in Opposition to the Motion on March 27, 2018. The Circuit Court affirmed the Decision of the Board on June 12, 2018. Thompson filed a timely Notice of Appeal to the Supreme Court on July 9, 2018. Briefing has been completed. This case was assigned to the Court of Appeals on April 17, 2019.

PINION v. PERS: The PERS Board of Trustees, upon recommendation of the Disability Appeals Committee, held in an Order dated February 26, 2013, that claimant's right to non-duty related disability should be denied. A Notice of Appeal was timely filed, but due to the death of the Court Reporter in attendance at the hearing, no transcript was available. The parties agreed to submit a Statement of Testimony in lieu of a transcript and the available Administrative Record was filed with the Clerk on April 26, 2016. The Brief of Appellant was filed July 24, 2016 and PERS' Appellee's Brief was filed September 22, 2016. The Circuit Court affirmed the decision of the Board on June 22, 2018. Pinion filed a timely Notice of Appeal to the Supreme Court on July 19, 2018. Briefing has been completed. The Oral arguments were presented before the COA on August 21, 2019.

PHILLIPS v. PERS: The Disability Appeals Committee of the PERS Board of Trustees determined that the claim for duty-related disability should be denied. A Notice of Appeal was timely filed on July 26, 2011. Due to the death of the Court Reporter in attendance at the hearing, no transcript was available. The parties agreed to submit a Statement of Testimony in lieu of a transcript and the available Administrative Record was filed with the Clerk on April 14, 2016. The Brief of Appellant was filed May 27, 2016 and PERS' Appellee's Brief was filed July 8, 2016. The Circuit Court affirmed the Decision of the Board on June 20, 2018. Richardson, the mother of Kari Phillips, who is deceased, filed a timely Notice of Appeal to the Supreme Court on July 19, 2018. The Court of Appeals affirmed the decision to deny benefits to Phillips on September 17, 2019. Phillips is currently drafting a Motion for Rehearing.

DAVIS v. PERS: On August 25, 2015, the Board of Trustees denied the claimant's application for disability benefits, both duty and non-duty. Davis appealed the decision to the Circuit Court of Hinds County on September 18, 2015. On September 29, 2015, the Circuit Court entered an Order granting PERS 30 days following receipt of a certified copy of the transcript in which to file the Administrative Record. PERS filed the Administrative Record with the Circuit Court on December 11, 2015. The Brief of Appellant

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was filed January 20, 2017, and PERS' Brief was filed March 20, 2017. The Circuit Court affirmed the decision of the Board on June 12, 2018. Davis filed a timely Notice of Appeal to the Supreme Court on July 9, 2018. Briefing has been completed. This case was assigned to the Court of Appeals on March 26, 2019.

BUCKHAULTS v. PERS: On September 26, 2012, the Appellant, Buckhaults, an unvested member of PERS, filed an application for PERS duty-related disability benefits. On June 24, 2014, the Board of Trustees denied the claimant's application for disability benefits. Buckhaults appealed the decision to the Circuit Court of Hinds County. PERS filed the Administrative Record with the Circuit Court on August 24, 2015. The Circuit Court affirmed the decision of the Board on June 26, 2018. Buckhaults filed a timely Notice of Appeal to the Supreme Court on July 19, 2018. The Court of Appeals affirmed the decision to deny benefits to Buckhaults on August 27, 2019. Buckhaults filed a Motion for Rehearing and PERS filed a response on September 27, 2019.

CARVER v. PERS: The Medical Board approved the Claimant for non-duty related disability. The PERS Board of Trustees, upon recommendation of the Disability Appeals Committee in an Order dated August 28, 2012, that his claim for duty-related disability should be denied. A Notice of Appeal was timely filed, but due to the death of the Court Reporter in attendance at the hearing, only a partial transcript was available. The parties agreed to submit a Statement of Testimony in lieu of a complete transcript and the available Administrative Record was filed with the Clerk on April 18, 2016. The Circuit Court affirmed the Decision of the Board on July 13, 2018. Carver filed a timely Notice of Appeal to the Supreme Court on July 3, 2018. Briefing has been completed. This case was assigned to the Court of Appeals on March 26, 2019

PERS Securities Litigation:

- Amedisys, Inc.
- Satyam Computer Services Limited
- Merck & Co., Inc. (VIOXX)
- Green Mountain Coffee Roasters
- IN RE: Canada, Inc. v. Qualcomm *et al.*
- Sprouts Farmers Market, Inc.
- Banco Bradesco S.A.
- Stericycle, Inc. *et al.*
- TreeHouse Foods, Inc.
- Roadrunner Transportation Systems, Inc.
- Endo International, PLC
- Signet Jewelers Limited
- Valeant Pharmaceuticals International
- Volkswagen AG (Germany)
- Dr. Reddy's Laboratories Ltd.
- Acuity Brands, Inc.
- Advance Auto Parts, Inc.
- WageWorks, Inc.
- Facebook, Inc.
- Columbia Pipeline Group, Inc.
- Nielsen Holdings plc.
- McDermott International, Inc.

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- The Boeing Company

Securities-Related Cases in which PERS is a Defendant:

- In Re: Tribune Company

Retiree Report Mr. Frantom reported that, as of the October 2019 payroll, all systems (PERS, SLRP, MHSPRS, and MRS) had a total of 112,084 retirees and survivors receiving monthly benefit payments, with a total monthly payroll of more than \$179.6 million, and a year-to-date total of more than \$717 million.

Mr. Frantom provided additional breakdown information including the total number of recipients per plan, and the total number of recipients added or removed from payroll for each plan. Mr. Frantom provided the following breakdown of retirees and survivors by system and amounts paid per plan:

System	September 2019		October 2019	
	Retirees	Payments	Retirees	Payments
PERS	109,461	\$174,909,181.85	109,500	\$170,851,879.38
SLRP	215	\$91,180.38	214	\$87,907.92
MHSPRS	748	\$2,062,527.50	746	\$1,997,922.05
MRS	1,627	\$2,410,925.91	1,624	\$2,433,503.41
TOTAL	112,051	\$179,473,815.64	112,084	\$179,607,157.78

ALL SYSTEMS		COMBINED DAILY AND MONTHLY RETIREE PAYROLL		
MONTH	YEAR	DAILY PAYROLL**	MONTHLY PAYROLL	PAYROLL TOTALS
		\$	\$	\$
JULY	2019	\$42,852,338.28	\$178,832,373.07	\$221,684,711.35
AUGUST	2019	\$4,037,417.23	\$179,302,179.90	\$183,339,597.13
SEPTEMBER	2019	\$3,124,693.71	\$179,473,815.64	\$182,598,509.35
OCTOBER	2019	\$0.00	\$179,607,157.78	\$179,607,157.78
NOVEMBER	2019	\$0.00	\$0.00	\$0.00
DECEMBER	2019	\$0.00	\$0.00	\$0.00
DECEMBER 15th	2019	\$0.00	\$0.00	\$0.00
YTD		\$50,014,449.22	\$717,215,526.39	\$767,229,975.61

**Note: This information does not include the Refunds, only Retiree Payroll (PLSO and Benefits)

The motion was made by Dr. Childress, seconded by Mr. Graham, which motion duly passed, to approve the Retiree Report. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

Investment Report Mr. DeGuire presented the Report of Investments for the period ending September 30, 2019. He reported that as of September 30, 2019, the market value of the PERS investment portfolio was \$28.6 billion. He reported that, as of close of business yesterday, October 21, 2019, the PERS portfolio net asset value was \$28.8 billion.

Mr. DeGuire reported that PERS currently has 36 investment managers, managing 57 different portfolios. He reported that the total Securities Lending earnings amount for FY 2020 totals more than \$4.1 million.

Consolidated Portfolio Summary
As of : 09/30/2019

Asset Class	Book Value	% of Total Book Value	Market Value	% of Total Market Value
Domestic Equity	5,286,124,562.13	22.90%	8,035,742,885.01	28.04%
Fixed Income	5,630,140,929.53	24.39%	5,844,621,734.78	20.39%
International Equity	7,859,779,115.57	34.05%	8,862,019,997.07	30.92%
Real Estate	1,662,740,382.88	7.20%	2,734,548,365.74	9.54%
Private Equity	1,834,062,773.18	7.95%	2,403,251,379.94	8.39%
Cash & Cash Equivalent In-House	350,312,166.30	1.52%	350,312,166.30	1.22%
Cash & Cash Equivalent Manager	458,458,625.63	1.99%	429,807,720.83	1.50%
Total	23,081,618,555.22	100.00%	28,660,304,249.67	100.00%

The motion was made by Dr. Childress, seconded by Mr. Graham, which motion duly passed, to approve the Investment Report presented by staff and to approve and certify the investment transactions and fund transfers performed by staff, since the last board meeting of August 27, 2019. Voting for: Benson, Childress, Dale, Graham, Hanna, McCoy, Rutledge, and Snyder. Voting against: none. Absent: Breland and Howard.

There being no additional business, Chairman Rutledge called for a motion to adjourn the meeting.

The motion was made by Mr. Graham, seconded by Ms. Hanna, which motion duly passed, to adjourn the meeting. Voting for: Benson, Breland, Childress, Dale, Graham, Hanna, Howard, McCoy, Rutledge, and Snyder. Voting against: none. Absent: none.

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The meeting adjourned at 1:19 p.m.

Respectfully Submitted,



H. Ray Higgins, Jr.
Executive Director
Public Employees' Retirement System



Brian Rutledge, PhD
Chair
PERS Board of Trustees

HRH: maj