



SERS Board Special Meeting MINUTES - Tuesday, January 29, 2019

ATTENDEES:

Members and Designees

David R. Fillman – Chairman

Stephen S. Aichele

Glenn E. Becker – via phone

Dan B. Frankel

Vincent J. Hughes

Charles T. McIlhinney, Jr.

T. Terrance Reese – via phone

Mary A. Soderberg

Michael G. Tobash

Joseph M. Torsella – via phone

Robin L. Wiessmann – via phone

Thomas Clancy – Designee for Treasurer Joseph M. Torsella

Christopher Craig – Designee for Treasurer Joseph M. Torsella

Bernie Gallagher – Designee for Representative Dan B. Frankel

Brian LaForme – Designee for Secretary Robin L. Wiessmann – via phone

Toni Marchowsky – Designee for Senator Vincent J. Hughes

Dan Ocko – Designee for Representative Dan B. Frankel – via phone

Leo Pandeladis – Designee for Secretary Robin L. Wiessmann

Consultants

Andrew Brett, NEPC, LLC – via phone

Michael Elio, StepStone Group LP - via phone

Matthew Ritter, NEPC, LLC – via phone

Matt Roche, StepStone Group LP – via phone

Executive Staff

Anthony Faiola

Bryan Lewis

N. Joseph Marcucci

Terrill Sanchez

Staff

Rose Agnew

Randy Albright

Don Bell

Jason Burger
Thomas Derr
David Felix
Jonathan Ferrar
Brian Gilroy
Randy Gilson
Jason Giurintano
Phillip Greenberg
Christopher Houston
Kevin Kiehl
Khalfani King
Barbara Kiral
Dan Krautheim
Alan Lin
Jeffrey McCormick
Matthew Meads
Jeffrey Meyer
James Nolan
M. Catherine Nolan
David Sedlak
Sharon Smith
Bruce Thomas
Joseph Torta

Outside Counsel

Suzanne Dugan

Visitors

James Bloom, Public Pension Management and Asset Investment Review Commission
Joseph DiStefano, Philadelphia Inquirer
Lloyd Ebright, PA Treasury
Alan Flannigan, PA Dept. of Banking & Securities-via phone
Matthew Lindsay, Senator Hughes' Office
Thomas Shingler, Callan LLC – via phone

1. CALL TO ORDER AND ROLL CALL OF PARTICIPANTS

Chairman Fillman called the special meeting to order at 1:05 pm. A roll call of the board members and designees was conducted by Executive Director Sanchez to certify their presence via conference call.

Chairman Fillman noted that the committee meetings were canceled and the *Tentative* SERB Committee Assignments were distributed to board members.

2. INTRODUCTION/WELCOME NEW BOARD MEMBER REPRESENTATIVE MICHAEL G. TOBASH

Chairman Fillman introduced and welcomed Representative Michael G. Tobash to the SERS board.

3. INTRODUCTORY PRESENTATION OF THE PUBLIC PENSION MANAGEMENT AND ASSET INVESTMENT REVIEW COMMISSION (PPMAIRC) REPORT {Presented by: Terri Sanchez}

Executive Director Sanchez presented the report of the PPMAIRC.

4. EXECUTIVE SESSION

Presentation: A. Fiduciary Considerations Affecting Board Assessment of Commission Report {Presented by: Suzanne Dugan}

Presentation: B. Questionnaire on Conflict of Interests {Presented by: Christopher Houston}

At 1:30 p.m., the board recessed and entered executive session to receive legal advice on executive session agenda items.

5. PUBLIC MEETING RESUMES

The public meeting resumed at 2:20 p.m.

6. GENERAL DISCUSSION ON THE PPMAIRC REPORT {Lead by: Chairman Fillman}

Chairman Fillman lead the general discussion on the PPMAIRC report and it was a consensus of the board to proceed with a review of the recommendations and assignment of the recommendations to committees.

7. OVERVIEW OF PROPOSED STATEMENT OF WORK FOR INDUSTRY BEST PRACTICES STUDY FOR COLLABORATION WITH PSERS TO BE CONDUCTED BY ERNST & YOUNG LLP {Presented by: Terri Sanchez}

Executive Director Sanchez presented the proposed Statement of Work. It was a consensus of the board to return to the original intent of Motion 2017-66 with items 6 and 7 being removed from the Statement of Work.

8. DISCUSSION ON DRAFT PPMAIRC REPORT RECOMMENDATIONS REVIEW PROCESS {Presented by: Terri Sanchez and Chairman Fillman}

Executive Director Sanchez presented the review process and spreadsheet of the PPMAIRC recommendations. She noted that the majority of work will be done at the committee level.

9. ASSIGNMENT OF PPMAIRC RECOMMENDATIONS TO COMMITTEES {Lead by: Chairman Fillman}

Chairman Fillman noted that senior staff will be assigned to each committee and any reassignment of recommendations will be discussed at the committee level.

10. TIMING CONSIDERATIONS {Presented by: Terri Sanchez}

Presentation: A. February 27-28, 2019 Committee and Regular Board Meetings

Executive Director Sanchez noted that the review of the recommendations should be completed, in a timely manner, with the hope of a late March or April finish date. There will be the February 27-28 committee and regular board meetings to complete work and the possibility of turning some board retreat (March 14-15) time into committee time to work on the recommendations.

11. CONFIRMATION OF NEXT STEPS {Lead by: Chairman Fillman}

Chairman Fillman finalized the previous discussions of steps to complete a review of the PPMAIRC Report recommendations.

12. MOTION TO ADJOURN

Action: A. Adjournment (MOTION REQUIRED)

MOTION: 2019-01

By motion of Chairman Fillman, the board unanimously agreed to adjourn the meeting at 3:52 p.m.

Respectfully submitted,



Terrill J. Sanchez
Executive Director