

Minutes of the Special Meeting of the Board of Trustees

Arkansas Public Employees Retirement System

March 31, 2023

A special meeting of the Arkansas Public Employees Retirement System Board of Trustees was held on Friday, March 31, 2023, at 10:00 a.m. to discuss an amendment to Senate Bill 179. It will be presented to the Retirement Committee of the 94th General Assembly on Monday, April 3, 2023.

Jason Brady called the meeting to order. Chairperson Candace Franks and Vice-Chair Larry Walther were absent from the meeting. Mr. Brady asked if there were any objections to him being the temporary chair for this meeting. There were no objections to Mr. Brady chairing the meeting.

(Remote attendees indicated with an asterisk (*))

Quorum Present:

Mr. Jason Brady recognized the presence of a quorum.

Board Members Present:

Mr. Jason Brady State Treasurer's Office (*proxy*)
Mr. Dale Douthit (State Employee), Russellville, AR*
Mr. Richard Wilson, (Retired), Little Rock, AR*
Ms. Kaye Donham (Retired), Benton, AR*
Mr. Gary Wallace (Retired Law Enforcement), Greenbrier, AR*
Mr. Gary Carnahan (County Employee), Hot Springs, AR*
Mr. Barry Moehring (County Employee), Bentonville, AR *
Mr. Andy Babbitt, DF&A *proxy**
Mr. Joe Hurst, (City Employee), Van Buren, AR*
Mr. Russell White (Retired Law Enforcement), Alma, AR*
Mr. Eric Munson, State Treasurer's Office*

Visitors Present:

Mr. Chris Villines, AR Assoc. of Counties*
Mr. Mita Drazilov, GRS*
Ms. Heidi Barry, GRS*
Mr. Jody Carero, Actuary Retirement Committee*
Mr. Rodney Wright, Arkansas Sheriffs Association
Mr. Wickline, *Arkansas Democrat- Gazette*

APERS Staff Present:

Ms. Amy Fecher, Executive Director
Ms. Allison Woods, Deputy Director
Ms. Jennifer Taylor, Director of Benefits Administration*
Ms. Laura Gilson, Chief Legal Counsel
Mr. Richmond Giles, Staff Attorney*
Mr. Carlos Borromeo, Deputy Director of Investments & Finance
Ms. Jacobia Bates, Manager of Education Services
Ms. Cheryl Wilburn, Retirement Section Manager*
Ms. Kristi Brown, Retirement Coordinator*
Mr. Jason Willett, Chief Financial Officer*
Mr. Philip Norton, IT Specialist*
Mr. Ronald Barrick, IT Specialist*

APERS Staff Present- continued

Ms. Usha Doolabh, Investments Manager*
Ms. Shelly George, Retirement Coordinator*
Ms. Linda McGrath, Administrative Specialist*
Ms. Stacey Roche, Administrative Specialist

News Media Notified:

An e-mail with notification of the Arkansas Public employees' Retirement System Board meeting was sent to the Arkansas Democrat-Gazette, the Associated press, Television Station KLRT-Fox 16, Radio Station KARN, and Radio Station KAAY. This notification is pursuant to A.C.A. 25-19-101 (Act 93 of 1967) as amended-The Freedom of Information Act.

Possible Amendment to Senate Bill 179 Concerning Sheriffs' and Deputy Sheriffs' Increases in Retirement

APERS Director Amy Fecher told the board that she had called the special meeting to find out what the will of the Board is on the proposed amendment or if the board would like to make any recommendations for changes to the proposed amendment by Senator K. Hammer. The original bill was to create an

enhanced multiplier for certain law enforcement members of APERS for the positions of Sheriff and Deputy Sheriff. This change would affect APERS in that it could negatively increase the unfunded liability. Yet, it would also allow for a higher retirement amount for future Sheriffs and Deputy Sheriffs. The proposed amendment would add all certified law enforcement officers which would increase APERS unfunded liability further.

Several of the board members and visitors got a chance to ask questions and discuss the pros and cons of the increase from the APERS', employer's, and employee's perspectives.

Atty. Laura Gilson stated that Code 2-4-402 establishes that the Legislature sets the member's / employee's contribution rate. She also added that APERS can change the employer contribution rate.

Mr. Andy Babbitt made a motion to approve directing the APERS Director to work with the sponsor of the bill as well as the County Association and the Sheriff's Association and other interested parties to determine an appropriate member contribution rate or a decrease in the multiplier so that the bill is as close to revenue neutral as possible.

Mr. Gary Carnahan seconded the motion.

By a show of hands, the vote was:

Five (5) voting for the motion: Andy Babbett, Gary Carnahan, Frank Wallace, Kay Donham, and Judge Moehring.

Five (5) voting against the motion: Richard Wilson, Dale Douthit, Eric Munson, Russell White, and Joe Hurst.

There being a split vote, the acting chairperson voted. Jason Brady voted yes. The motion carried 6-5.

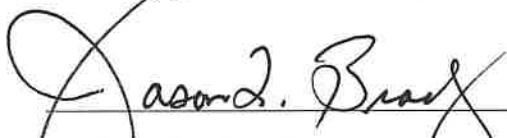
Next Quarterly Board Meeting:

Ms. Fecher reminded the board of the next quarterly Board Meeting scheduled for Wednesday, May 17, 2023, at 9:00 a.m.

She also announced that after discussing a training at the last quarterly board meeting, Callan will be offering training on private equity on May 16, 2023. So, that will be two days together that the board will be meeting. Ms. Fecher mentioned that those that will need overnight arrangements to please reach out and let us know and we will get that taken care of.

ADJOURNMENT:

There being no further business, the meeting was adjourned.



Mr. Jason Brady sitting in as temporary chair for
Chairperson Franks as she was absent.



Ms. Amy Fecher, APERS Executive Director