



Joint State Government Commission
2017 Senate Bill 1, Printer's No. 902
Public Pension Management and Asset Investment Review Commission

July 30, 2018 @ 9:00 a.m.
Room G-50, Irvis Building
Harrisburg, Pennsylvania 17120

MINUTES

I. ATTENDANCE

PPMAIRC Members: James Bloom; Representative Michael Tobash (chair); Michael Torbert; Pennsylvania State Treasurer Joseph Torsella (vice-chair).

Guests: Steven Nickol (delegate for Commissioner Bernard Gallagher); expert witnesses (see list below)

Joint State Government Commission (JSGC) Staff: Yvonne Hursh, Counsel; Stephen Kramer, Esq.; Kahla Lukens, Administrative Assistant; Glenn Pasewicz, Executive Director; Elise Yoder, PPMAIRC Project Manager/Analyst.

Approximately 30 legislative staff, pension fund staff, and members of the general public.

II. RECORDS OF THE PROCEEDINGS

The proceedings were video live-streamed from the JSGC web site; this video will subsequently be available at a link from the JSGC web site. Also, a complete transcript of the proceedings will be published.

III. PPMAIRC BUSINESS MEETING

Chairman Tobash opened the meeting at 9:00 a.m.

Commissioners approved the minutes from the May 30 meeting.

The next meeting of the PPMAIRC will be held on August 16, providing that Dr. Ashby Monk, the external consultant engaged by Treasury, is available to give a status report on his data analysis and on his meetings with PSERS and SERS.

There will also be a PPM AIRC meeting on September 20. It will include the second public hearing. A list of expert witnesses suggested thus far was distributed. Commissioners are asked to submit any additional suggestions for expert witnesses to JSGC by August 13.

There will also be a meeting in October, date to be determined.

IV. PUBLIC HEARING

The following expert witnesses provided testimony and responded to questions from the commissioners.

Speaker: The Importance of Transparency in Lowering Costs and Aligning Interests

Dr. Ludovic Phalippou, Associate Professor of Finance - Saïd Business School, University of Oxford (participating from London via Skype)

Panel 1: Perspectives on Transparency in Public Sector Pensions

Jennifer Choi, Managing Director - Institutional Limited Partners Association (ILPA)

Renee Astphan, Senior Investment Officer - Rhode Island Treasury

Lorelei Graye, Principal - Leodoran Financial

Panel 2: Stress Testing

David Draine, Senior Officer - The Pew Charitable Trusts

Dr. Chester Spatt - Carnegie Mellon University and Massachusetts Institute of Technology

Panel 3: Stress Testing

Kenneth Kent, FSA, FCA, MAAA, EA Principal Consulting Actuary - Cheiron

Robert Stein, former Chair - Society of Actuaries Blue Ribbon Panel

Joseph Newton, FSA, MAAA, FCA, EA, Pension Market Leader - Gabriel Roeder Smith & Co.

V. ADJOURNMENT

The meeting was adjourned by Rep. Tobash, chair, at 3:01 p.m.

Minutes submitted by E. Yoder, Joint State Government Commission