

**MINUTES OF THE
ADMINISTRATIVE BOARD MEETING
March 12, 2020 – 3:00 p.m. – Utah Retirement Office**

Present: Mr. Ryan Hessenthaler, Board President
Mr. David Damschen, Board Vice President
Mr. Roger Donohoe, Board Member
Mr. Richard Ellis, Board Member
Mr. Larry Evans, Board Member

Excused: Ms. Laura Houston, Board Member
Mr. Bill Wallace, Board Member

Staff: Mr. Dan Andersen, Executive Director
Mr. Dave Bjarnason, Chief Compliance Officer - Investments
Mr. Bruce Cundick, Chief Investment Officer
Mr. Rob Dolphin, Chief Financial Officer
Mr. Dee Larsen, General Counsel
Ms. LuAnn Miskin, Executive Assistant
Mr. Todd Rupp, Deputy Executive Director
Mr. Craig Stone, Defined Contribution Savings Plans Director

Guests: Mr. Ed Alter, former URS Board Member

Call to Order and Approval of Minutes

President Ryan Hessenthaler called the meeting to order at 3:00 p.m. and welcomed Board members and staff. He recognized Mr. Ed Alter and thanked him for his many years of service. Mr. Alter addressed the Board and thanked them and the staff for their service.

ACTION: Mr. Richard Ellis moved, seconded by Mr. Larry Evans, to approve the minutes of the February 13, 2020, Administrative Board Meeting. The motion passed unanimously, 4-0. Mr. David Damschen was absent for this vote.

ACTION: Mr. Larry Evans moved, seconded by Mr. Richard Ellis, to approve the minutes of the February 18, 2020, Audit/Risk/Insurance Board Committee Meeting. The motion passed unanimously, 4-0. Mr. David Damschen was absent for this vote.

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Richard Ellis, to approve the minutes of the February 20, 2020, Investment Board Meeting. The motion passed unanimously, 4-0. Mr. David Damschen was absent for this vote.

Approval of Defined Contribution Target Date Funds and Non-vested Fund Asset Allocation

Mr. Craig Stone briefly reviewed the proposed changes to the DC Target Date Funds and the Unvested Fund asset allocation that was discussed in the February 20, 2020,

Investment Board Meeting. Pages 90 and 111 from the February 20, 2020, Investment Board Meeting book showing the proposed changes were included in the Board Meeting materials.

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Richard Ellis, to approve the proposed changes to the Target Date Funds' asset allocation as presented on page 90 of the February 20, 2020 Investment Board Book. The motion passed unanimously, 4-0. Mr. David Damschen was absent for this vote.

ACTION: Mr. Larry Evans moved, seconded by Mr. Roger Donohoe, to approve the proposed asset allocation for the Unvested Fund as presented on page 111 of the February 20, 2020 Investment Board Book. The motion passed unanimously, 4-0. Mr. David Damschen was absent for this vote.

Review of Legislative Session

Mr. Dee Larsen reviewed the 2020 General Session: Summary of Selected URS-Related Bills that was included in the Board Meeting materials. The following bills were reviewed and discussed relating to retirement and health care:

- H.B. 22 Retirement Systems Amendments
- H.B. 173 Firefighter Retirement Amendments
- H.B. 225 Phased Retirement Amendments
- H.B. 279 1st Sub. Disability Benefit Amendments
- H.B. 289 Public Education Retirement Amendments
- H.C.R. 9 Concurrent Resolution Authorizing State Pick up of Public Safety and Firefighter Retirement Contributions
- 1st Substitute S.B. 56 Public Safety and Firefighter II Retirement Enhancements
- S.B. 217 State Retirement Amendments
- S.C.R. 10 Concurrent Resolution on State Employee Benefits and Providing a Refund from the State Health Insurance Pool
- 2nd Substitute H.B. 207 Insulin Access Amendments
- 4th Substitute H.B. 272 Pharmacy Benefit Amendments

Contribution Rates Approval

Mr. Dan Andersen reviewed the 2020-2021 Contribution Rates for final approval by the Board. He noted that the Tier 2 Public Safety and Firefighter Retirement System will now have a required employee contribution.

ACTION: Mr. David Damschen moved, seconded by Mr. Richard Ellis, to give final approval of the Contribution Rates for 2020-2021 fiscal year as presented. The motion passed unanimously, 5-0.

Board Governance Policies Approval, Section 5

Mr. Dee Larsen reviewed the final changes of the Board Governance Policies Section 5. One addition was made in Section 5.9 Internal Auditor in the first paragraph, to the beginning of the second sentence "Prior to hiring a Director of Internal Audit,".

ACTION: Mr. Richard Ellis moved, seconded by Mr. David Damschen, to approve the Board Governance Policies Section 5 with the addition to section 5.9 Internal Auditor, paragraph 1. The motion passed unanimously, 5-0.

Board Resolution and Amendments

Mr. Dee Larsen reviewed the following new Board Resolution and amended Board Resolutions:

- Board Resolution 2020-01 Temporary Benefit for Emergency Health Concerns
- Amendments to Board Resolution 2004-09 Access to Data
- Amendments to Board Resolution 2019-04 Rules Regarding Employee Retirement Participation Elections

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Larry Evans, to approve Board Resolution 2020-01 Temporary Benefits for Emergency Health Concerns. The motion passed unanimously, 5-0.

ACTION: Mr. Richard Ellis moved, seconded by Mr. Roger Donohoe, to approve the Board Resolution 2004-09 Access to Data as amended. The motion passed unanimously, 5-0.

ACTION: Mr. Larry Evans moved, seconded by Mr. David Damschen, to approve Board Resolution 2019-04 Rules Regarding Employee Retirement Participation Elections as amended. The motion passed unanimously, 5-0.

New Hearing Officer

Mr. Dan Andersen informed the Board that Glen R. Dawson has been hired as the hearing officer on a contract basis. The previous hearing officers' contracts have been terminated due to changes in the policy for contract terms and multiple years of service.

Mr. Dee Larsen reported that the Legal team is working on avenues to mitigate concerns with legal matters moving forward in the face of COVID-19 restrictions.

President Ryan Hessenthaler asked Mr. Andersen to discuss URS decisions and accommodations regarding the COVID-19 pandemic regarding conferences, travel, events, employee health concerns, telecommuting, etc. Mr. Andersen responded that all non-essential travel has been cancelled including all international travel and conference travel. In-state travel to employers is being looked at on a case-by-case basis. Employees who have telecommuting

agreements are being allowed to telecommute up to five days a week. Decisions are being made daily and hourly as conditions change.

At 4:14 p.m., Mr. Roger Donohoe moved, seconded by Mr. Larry Evans, to move into Closed Session to discuss confidential pending legal matters. The motion passed unanimously, 5-0.

At 4:17 p.m., Mr. Richard Ellis moved, seconded by Mr. David Damschen, to move back into Open Session. The motion passed unanimously, 5-0.

Final Motions

Stipulated Order of Voluntary Dismissal 19-37H

ACTION: Mr. David Damschen moved, seconded by Mr. Larry Evans, to approve the Stipulated Order of Voluntary Dismissal 19-37H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 4-0. Mr. Roger Donohoe was absent for this vote.

Stipulated Order of Dismissal 20-05H

ACTION: Mr. Richard Ellis moved, seconded by Mr. David Damschen, to approve the Stipulated Order of Dismissal 20-05H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 4-0. Mr. Roger Donohoe was absent for this vote.

Executive Session

At 4:19 p.m., Mr. Larry Evans moved, seconded by Mr. Richard Ellis, to move into Executive Session to discuss fiduciary matters. The Executive Director's Mid-Year Review was postponed due to more pressing issues. The motion passed unanimously, 5-0.

The following were present:

- Board Members
- Mr. Dan Andersen
- Mr. Bruce Cundick

At 5:14 p.m., Mr. David Damschen moved, seconded by Mr. Larry Evans, to move back into Open Session. The motion passed unanimously, 5-0.

Adjournment

Mr. Roger Donohoe moved, seconded by Mr. Richard Ellis, to adjourn the meeting. The motion passed unanimously, 5-0.

The meeting adjourned at 5:15 p.m.

Ryan Hessenthaler, President

Daniel D. Andersen, Executive Director