

**UTAH STATE RETIREMENT BOARD
MINUTES OF THE
ADMINISTRATIVE BOARD MEETING
June 18, 2020, 3:00 p.m.
Via Video Conference**

Participated via Video Conference:

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

Excused:

Staff Participated via Video Conference:

Mr. Dan Andersen, Executive Director
Mr. Ryan Ashcraft, Retirement Planning Director
Mr. Rob Dolphin, Chief Financial Officer
Mr. Dee Larsen, General Counsel
Ms. LuAnn Miskin, Administrative Assistant
Mr. Todd Rupp, Deputy Executive Director

Guests Participated via Video Conference:

Mr. Joe Anderson, Lighthouse Research & Development
Mr. Wesley Larson, Lighthouse Research & Development
Mr. Mike Reid, CEM Benchmarking, Inc.

Call to Order

President Ryan Hessenthaler called the meeting to order at 3:01 p.m. and welcomed Board members, staff, and guests.

Approval of Minutes

ACTION: Mr. Bill Wallace moved, seconded by Mr. Richard Ellis, to approve the minutes of the May 14, 2020, Administrative Board Meeting. The motion passed unanimously, 6-0. Mr. Roger Donohoe was absent for this vote.

ACTION: Mr. David Damschen moved, seconded by Ms. Laura Houston, to approve the minutes of the May 20, 2020, Audit/Risk/Insurance Committee Meeting. The motion passed unanimously, 6-0. Mr. Roger Donohoe was absent for this vote.

ACTION: Mr. Richard Ellis moved, seconded by Mr. Larry Evans, to approve the minutes of the May 21, 2020, Investment Board Meeting. The motion passed unanimously, 6-0. Mr. Roger Donohoe was absent for this vote.

Operational Update

Mr. Dan Andersen reported that URS and PEHP are still functioning well. We are working on a curbside service program for those who prefer to come to the office. We are also looking at the upcoming budget year to see how expenses can be reduced. President Ryan Hessenthaler asked about recent news reports around the nation of public safety employees losing their jobs, but they do not lose their pensions. He asked how it works in Utah. Mr. Andersen explained the felony forfeiture bill that was passed a few years ago. It provides for a pension to be forfeited when a public employee is convicted of an employment-related felony; the portion of the benefit is forfeited based on service credit accrued from the date of the criminal offense going forward. Mr. Dee Larsen gave a brief explanation of the provisions that are found in Utah Code Section 49-11-1401.

Lighthouse URS Satisfaction Survey Results

Mr. Joe Anderson reviewed the 2020 URS Employer telephone survey results, including the following items:

- Communication with URS
- Website Usage
- URS Literature
- Understanding of URS Products
- Training and Employers Guide
- Final Thoughts

CEM Benchmarking DB Administrative Report

Mr. Mike Reid reviewed the URS Defined Benefit Pension Administration Benchmarking Results for the calendar year 2019.

As of December 31, 2019, URS pension administrative cost was \$70 per active and annuitant compared to a peer average of \$80. After adjusting for economies of scale, URS was \$21 below the adjusted peer average of \$92 per active and annuitant.

The total service score was 80 (out of 100) and was slightly lower than the peer median of 81. The total service score decreased from the previous year score of 81 due to slightly lower service levels in new pension inceptions and the call center.

Other Business

Mr. Dan Andersen informed the Board that the state is looking at ways to reduce their budget in the coming new fiscal year and that Mr. Chet Loftis has been discussing another refund of excess reserves from PEHP to the state, divided between medical and LTD. Since

details are being finalized and related legislation is currently pending in the legislative Special Session, the Board will be contacted by management through email for approval of a recommended, appropriate refund of excess reserves to qualifying participating employers and covered individuals.

Adjournment

Mr. David Damschen moved, seconded by Bill Wallace, to adjourn the meeting. The motion passed unanimously, 7-0.

The meeting adjourned at 4:20 p.m.

Ryan Hessenthaler, President

Daniel D. Andersen, Executive Director