

**UTAH STATE RETIREMENT BOARD  
MINUTES OF THE  
ADMINISTRATIVE BOARD MEETING  
August 13, 2020, 3:00 p.m.  
Via Video Conference**

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**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. Rob Dolphin, Chief Financial Officer  
Mr. Dee Larsen, General Counsel  
Mr. Chet Loftis, PEHP Director  
Ms. LuAnn Miskin, Administrative Assistant  
Mr. Todd Rupp, Deputy Executive Director

**Guests:**

Mr. Danny White, Gabriel, Roeder & Smith Consulting  
Mr. Lewis Ward, Gabriel, Roeder & Smith Consulting  
Ms. Janie Shaw, Gabriel, Roeder & Smith Consulting  
Mr. Michael Barela, Voya Investment Management

**Call to Order**

President Ryan Hessenthaler called the meeting to order at 3:00 p.m. and welcomed Board members, staff, and guests.

**Approval of Minutes**

**ACTION:** Mr. Roger Donohoe moved, seconded by Mr. Richard Ellis, to approve the minutes of the June 18, 2020, Administrative Board Meeting. The motion passed unanimously, 7-0.

**ACTION:** Mr. David Damschen moved, seconded by Mr. Bill Wallace, to approve the minutes of the June 18, 2020, Investment Board Meeting. The motion passed unanimously, 7-0.

**ACTION:** Ms. Laura Houston moved, seconded by Mr. Larry Evans, to approve the minutes of the June 25, 2020, Board Approval via Email. The motion passed unanimously, 7-0.

### **Operational Update**

Mr. Dan Andersen gave an Operational Update for the following departments/divisions (included in the meeting materials):

- Retirement Benefits
- Retirement Planning
- Savings Plans
- Employer Services
- PEHP

### **New Employer – Elwood City**

The application for Elwood City to participate in the Public Employees' Retirement System was reviewed. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Mr. David Damschen moved, seconded by Mr. Roger Donohoe, to approve Elwood City as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 7-0.

### **New Employer – Summit County Service Area #3 Special Service District**

The application for Summit County Service Area #3 Special Service District to participate in the Public Employees' Retirement System was reviewed. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Mr. Larry Evans moved, seconded by Mr. Richard Ellis, to approve Summit County Service Area #3 Special Service District as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 7-0.

### **Board Resolution #2020-03 Tier 2 Public Safety and Firefighter Member Contributions During the First Year of Employment**

Mr. Dee Larsen reviewed the Board Resolution #2020-03 Tier 2 Public Safety and Firefighter Member Contributions During the First Year of Employment.

**ACTION:** Mr. Bill Wallace moved, seconded by Mr. Roger Donohoe, to approve the Board Resolution #2020-03 Tier 2 Public Safety and Firefighter Member Contributions During the First Year of Employment. The motion passed unanimously, 7-0.

### **PEHP Rate Renewals**

Mr. Chet Loftis reviewed the Jordan School District, Salt Lake City School District, and Utah School Board Association (USBA) renewals that will be effective September 1, 2020.

**ACTION:** Mr. David Damschen moved, seconded by Mr. Bill Wallace, to ratify the following PEHP Renewals, effective September 1, 2020:

- Jordan School District – Medical/Rx 0.0% rate hold
- Salt Lake City School District – Medical/Rx 0.0% rate hold
- USBA – Medical/Rx -3.0% decrease

The motion passed unanimously, 7-0.

### **Employee Compensation Package**

Mr. Dan Andersen reported that URS is in a soft hiring freeze. URS recommends following the state with a 0% COLA and 0% Merit for the 2020-2021 fiscal year for URS employee compensation. The salary structure will be adjusted so the salary grades do not get too far behind the market curve. Discussion followed.

**ACTION:** Ms. Laura Houston moved, seconded by Mr. Bill Wallace, to approve the 2020-2021 Employee Compensation Package of 0% COLA and 0% Merit. The motion passed unanimously, 7-0.

### **GRS Actuarial Valuation and Experience Study**

Mr. Danny White reviewed the Actuarial Valuation Report as of January 1, 2020, and the Actuarial Experience Study as of December 31, 2019, including the following topics:

- Changes Since Prior Valuation
- Membership Experience
- Asset Experience
- 2020 Experience Investigation
- Funded Status
- Contribution Rates
- Other Items

The valuation performed as of January 1, 2020, does not reflect possible impact due to the COVID-19 pandemic. The valuation reflects recommended assumption changes from the experience study performed this year. The analysis of the investment return assumption is delayed to next year.

**ACTION:** Mr. Richard Ellis moved, seconded by Mr. Bill Wallace, to accept the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2020. The motion passed unanimously, 7-0.

### **Approval of FY 2021-2022 Preliminary Contribution Rates**

**ACTION:** Mr. David Damschen moved, seconded by Mr. Roger Donohoe, to approve the proposed preliminary contribution rates for the 2021-2022 fiscal year as contained in Utah Retirement Systems Actuarial Valuation Report as of January 1, 2020, and found on pages 71-73 of the Board Book, subject to legislation in the 2021 General Session. The motion passed unanimously, 7-0.

At 4:35 p.m., Mr. Roger Donohoe moved, seconded by Ms. Laura Houston, to move into Closed Session to discuss confidential pending legal matters. The motion passed unanimously, 7-0.

At 4:40 p.m., Mr. David Damschen moved, seconded by Mr. Bill Wallace, to move back into Open Session. The motion passed unanimously, 7-0.

### **Final Motions/Other Business**

#### **Stipulated Order of Voluntary Dismissal 19-38H**

**ACTION:** Mr. Larry Evans moved, seconded by Mr. Richard Ellis, to approve the Stipulated Order of Voluntary Dismissal 19-38H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 7-0.

### **Adjournment**

Mr. Roger Donohoe moved, seconded by Mr. Richard Ellis, to adjourn the meeting. The motion passed unanimously, 7-0.

The meeting adjourned at 4:53 p.m.

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Ryan Hessenthaler, President

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Daniel D. Andersen, Executive Director