

**MINUTES OF THE  
UTAH STATE RETIREMENT BOARD  
ADMINISTRATIVE BOARD MEETING  
Thursday, August 11, 2022, 3:00 p.m.  
540 Board Room, Retirement Office  
540 East 200 South, Salt Lake City**

**Hybrid Meeting**

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**Board Members Attending in Person:**

Mr. Richard Ellis, Board President  
Mr. Roger Donohoe, Board Member  
Mr. Ryan Hessenthaler, Board Member  
Mr. Marlo Oaks, Board Member  
Mr. Karl Wilson, Board Member

**Board Members Attending Virtually:**

Mr. Larry Evans, Board Vice President  
Ms. Laura Houston, Board Member

**Excused:**

**Staff Attending in Person:**

Mr. Dan Andersen, Executive Director  
Mr. Mark Cain, Deputy Executive Director  
Mr. Kevin Catlett, Chief Investment Counsel  
Mr. Rob Dolphin, Chief Financial Officer  
Mr. Dee Larsen, General Counsel  
Ms. Jayne Knecht, HR Director  
Ms. LuAnn Miskin, Executive Assistant  
Mr. Kendall Rima, Chief Information Officer

**Staff Attending Virtually:**

Mr. Kevin Catlett, Chief Investment Counsel  
Ms. Liza Eves, Sr. Associate General Counsel  
Mr. James Hammer, Employer Services Director  
Mr. Chet Loftis, PEHP Director  
Mr. Dustin Seely, Retirement Benefits Assistant Manager

**Guest Attending in Person:**

Ms. Janie Shaw, GRS Consulting  
Mr. Lewis Ward, GRS Consulting  
Mr. Danny White, GRS Consulting

**Call to Order**

President Richard Ellis 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. Karl Wilson, to approve the minutes of the June 9, 2022, Administrative Board Meeting. The motion passed unanimously, 7-0.

**ACTION:** Mr. Ryan Hessenthaler moved, seconded by Mr. Larry Evans, to approve the minutes of the June 16, 2022, Investment Board Meeting. The motion passed unanimously, 7-0.

### **New Employer – Big Water Municipal (PE)**

Mr. Dan Andersen reviewed the application for Big Water Municipal to participate in the Public Employees' Retirement System. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Mr. Ryan Hessenthaler moved, seconded by Ms. Laura Houston, to approve Big Water Municipal as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 7-0.

### **New Employer – San Rafael Special Service District (PE)**

Mr. Dan Andersen reviewed the application for San Rafael Special Service District to participate in the Public Employees' Retirement System. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Mr. Marlo Oaks moved, seconded by Mr. Roger Donohoe, to approve San Rafael Special Service District as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 7-0.

### **New Employer – Town of Apple Valley (FF)**

Mr. Dan Andersen reviewed the application for Town of Apple Valley to participate in the Firefighters' Retirement System. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Ms. Laura Houston moved, seconded by Mr. Ryan Hessenthaler, to approve Town of Apple Valley as a participating employer in the Firefighters' Retirement System. The motion passed unanimously, 7-0.

### **New Employer – Dammeron Valley Fire Special Service District (FF)**

Mr. Dan Andersen reviewed the application for Dammeron Valley Fire Special Service District to participate in the Firefighters' Retirement System. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Mr. Roger Donohoe moved, seconded by Mr. Larry Evans, to approve Dammeron Valley Fire Special Service District as a participating employer in the Firefighters' Retirement System. The motion passed unanimously, 7-0.

### **New Employer – South Weber City (FF)**

Mr. Dan Andersen reviewed the application for South Weber City to participate in the Firefighters' Retirement System. All eligibility requirements have been met and approval of the application was recommended.

**ACTION:** Mr. Karl Wilson moved, seconded by Mr. Ryan Hessenthaler, to approve South Weber City as a participating employer in the Firefighters' Retirement System. The motion passed unanimously, 7-0.

### **Employee Compensation Package**

Ms. Jayne Knecht explained the recommendation for a 5.0% COLA increase and 1.0% Merit increase for a total of 6.0% increase for the 2022-2023 employee compensation package.

**ACTION:** Mr. Ryan Hessenthaler moved, seconded by Mr. Roger Donohoe, to approve the 2022-2023 Employee Compensation Package of 5% COLA and 1% Merit. The motion passed unanimously, 7-0.

### **PEHP Rate Renewals**

Mr. Chet Loftis reviewed the PEHP rate renewal changes effective September 1, 2022, for Medical/Rx for Jordan School District, Salt Lake City School District, and Utah School Board Association.

**ACTION:** Ms. Laura Houston moved, seconded by Mr. Karl Wilson, to ratify the following PEHP rate renewals, effective September 1, 2022:

- Jordan School District – Medical/Rx: 0.0% rate hold
- Salt Lake City School District – Medical/Rx: 0.00 rate hold
- Utah School Board Association – Medical/Rx: 21.1% increase

The motion passed unanimously, 7-0.

### **GRS Actuarial Valuation Report**

Mr. Danny White reviewed the Actuarial Valuation Report as of January 1, 2022, including the following:

- Changes Since Prior Valuation

- Membership Experience
- Asset Experience
- Funded Status
- Contribution Rates
- Actuarial Standards of Practice Update

The Board, Staff and GRS discussed whether to suspend the Contribution Rate Management Plan due to uncertain market conditions, high inflation trends, significant geopolitical unrest and the upcoming Experience Study to be done next year. In light of these considerations the Board decided to suspend the application of the Contribution Rate Management Plan and review it again next year in connection with the Experience Study.

**ACTION:** Mr. Ryan Hessenthaler moved, seconded by Mr. Karl Wilson, to accept the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2022. The motion passed unanimously, 7-0.

**ACTION:** Mr. Roger Donohoe moved, seconded by Mr. Marlo Oaks, to pause the Contribution Rate Management Plan for one year. The motion passed unanimously, 7-0.

### **Approval of FY 2023-2024 Preliminary Contribution Rates**

**ACTION:** Mr. Ryan Hessenthaler moved, seconded by Mr. Karl Wilson, to adopt the preliminary contribution rates for the 2023-2024 fiscal year as contained in Utah Retirement Systems Actuarial Valuation Report as of January 1, 2022, on pages 71-73 of the Board Book, subject to legislation in the 2023 General Session. The motion passed unanimously, 7-0.

At 4:19 p.m., Mr. Marlo Oaks moved, seconded by Mr. Roger Donohoe, to move into Closed Session to discuss confidential pending legal matters. The motion passed unanimously, 7-0.

At 4:21 p.m., Mr. Marlo Oaks moved, seconded by Ms. Laura Houston, to move back into Open Session. The motion passed unanimously, 7-0.

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

#### **Order Dismissing Claim with Prejudice 19-10D**

**ACTION:** Mr. Larry Evans moved, seconded by Mr. Karl Wilson, to approve the Order Dismissing Claim with Prejudice 19-10D as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 7-0.

### **Executive Session**

At 4:22 p.m., Mr. Ryan Hessenthaler moved, seconded by Mr. Roger Donohoe, to move into Executive Session to discuss fiduciary matters. The motion passed unanimously, 7-0.

The following were present:

- Board Members
- Mr. Dan Andersen
- Mr. Kevin Catlett
- Ms. Jayne Knecht
- Mr. Dee Larsen

At 4:51 p.m., Mr. Marlo Oaks moved, seconded by Mr. Ryan Hessenthaler, to move back into Open Session. The motion passed unanimously, 7-0.

### **Adjournment**

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

The meeting adjourned at 4:51 p.m.

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Richard K. Ellis, President

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Daniel D. Andersen, Executive Director