

**MINUTES OF THE
UTAH STATE RETIREMENT BOARD
ADMINISTRATIVE BOARD MEETING
Thursday, August 10, 2023, 3:00 p.m.
540 Board Room, Retirement Office
540 East 200 South, Salt Lake City**

Hybrid Meeting

Board Members Attending in Person:

Mr. Richard Ellis, Board President
Mr. Marlo Oaks, Board Member
Ms. Laura Warnock, Board Member
Mr. Karl Wilson, Board Vice President

Board Members Attending Virtually:

Ms. Christie Behunin, Board Member
Mr. Larry Evans, Board Member

Excused: Mr. Roger Donohoe, Board Member

Staff Attending in Person:

Mr. Dan Andersen, Executive Director
Mr. Mark Cain, Deputy Executive Director
Mr. Kory Cox, Director of Legislative and Government Affairs
Mr. Rob Dolphin, Chief Financial Officer
Ms. Jayne Knecht, HR Director
Mr. Dee Larsen, General Counsel
Mr. Chet Loftis, PEHP Director
Mr. John Skjervem, Chief Investment Officer

Staff Attending Virtually:

Ms. Liza Eves, Sr. Associate General Counsel
Mr. Guy Foutz, Investment Risk Officer
Mr. James Hammer, Employer Services Director
Ms. LuAnn Miskin, Executive Assistant
Mr. Jason Morrow, Deputy Chief Investment Officer

Guest Attending in Person:

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

Call to Order

Vice President Karl Wilson called the meeting to order at 3:01 p.m. and welcomed Board members, staff, and guests. He also welcomed our new Board Member, Ms. Laura Warnock.

At 3:05 p.m., Mr. Larry Evans moved, seconded by Ms. Christie Behunin, to move into Closed Session to discuss confidential pending legal matters. The motion passed unanimously, 4-0. Mr. Richard Ellis and Mr. Marlo Oaks were absent for this vote.

At 3:08 p.m., Ms. Laura Warnock moved, seconded by Mr. Larry Evans, to move back into Open Session. The motion passed unanimously, 4-0. Mr. Richard Ellis and Mr. Marlo Oaks were absent for this vote.

Motions

Findings of Fact, Conclusions of Law, and Order of Dismissal with Prejudice 20-12R

ACTION: Ms. Christie Behunin moved, seconded by Ms. Laura Warnock, to approve the Findings of Fact, Conclusions of Law, and Order of Dismissal with Prejudice 20-12R as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 4-0. Mr. Richard Ellis and Mr. Marlo Oaks were absent for this vote.

Findings of Fact, Conclusions of Law, and Order of Dismissal with Prejudice 19-17D

ACTION: Mr. Larry Evans moved, seconded by Ms. Laura Warnock, to approve the Findings of Fact, Conclusions of Law, and Order of Dismissal with Prejudice 19-17D as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 4-0. Mr. Richard Ellis and Mr. Marlo Oaks were absent for this vote.

Approval of Minutes

ACTION: Ms. Christie Behunin moved, seconded by Mr. Larry Evans, to approve the minutes of the June 8, 2023, Administrative Board Meeting. The motion passed unanimously, 5-0. Mr. Richard Ellis was absent for this vote.

ACTION: Mr. Larry Evans moved, seconded by Ms. Christie Behunin, to approve the minutes of the June 8, 2023, Audit/Risk/Insurance Committee Meeting. The motion passed unanimously, 5-0. Mr. Richard Ellis was absent for this vote.

ACTION: Ms. Christie Behunin moved, seconded by Mr. Marlo Oaks, to approve the minutes of the June 15, 2023, Investment Board Meeting. The motion passed unanimously, 5-0. Mr. Richard Ellis was absent for this vote.

Employee Compensation Package

Ms. Jayne Knecht explained the recommendation for a 4.0% COLA increase and 1.0% Merit increase for a total of 5.0% increase for the 2023-2024 employee compensation package.

ACTION: Mr. Richard Ellis moved, seconded by Ms. Christie Behunin, to approve the 2023-2024 Employee Compensation Package of 4.0% COLA and 1.0% Merit. The motion passed unanimously, 6-0.

FTE Requests

Mr. Dan Andersen, Mr. Rob Dolphin, Mr. Chet Loftis, and Mr. John Skjervem discussed the rationale and business need for 19 new FTE requests – two for the Finance Division, eight for the Investment Division, and nine for the PEHP Division.

ACTION: Mr. Marlo Oaks moved, seconded by Ms. Christie Behunin, to approve the following 19 new FTEs and the associated budget increase:

- 1 – Finance, Accounts Receivable Specialist II
- 1 – Finance, Deputy Finance Director
- 2 – Investments, Investment Operations Associate
- 1 – Investments, Investment Administrative Assistant – Real Estate
- 1 – Investments, Investment Analyst Intern
- 1 – Investments, Investment Analyst
- 2 – Investments, Investment Analyst – Real Estate
- 1 – Investments, Portfolio Manager – Real Estate
- 2 – PEHP, Medical Claims Adjuster I
- 6 – PEHP, Health Benefits Advisor I
- 1 – PEHP, Life/Accident Claims Specialist

The motion passed unanimously, 6-0.

New Employer – Glen Canyon Special Service District of Big Water

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

ACTION: Ms. Laura Warnock moved, seconded by Mr. Richard Ellis, to approve Glen Canyon Special Service District of Big Water as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 6-0.

GRS Actuarial Report

Mr. Danny White and Ms. Janie Shaw reviewed the Actuarial Valuation Report, as of January 1, 2023, and Experience Study for the period ending December 31, 2022, including the following:

- Changes Since Prior Valuation
- Membership Experience
- Asset Experience

- 2023 Experience Investigation
- Funded Status
- Contribution Rates

ACTION: Mr. Richard Ellis moved, seconded by Ms. Christie Behunin, to accept the GRS Annual Actuarial Valuation report and Experience Study including the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2023. This includes retaining the assumed 6.85% investment return rate. The motion passed unanimously, 6-0.

ACTION: Ms. Laura Warnock moved, seconded by Ms. Christie Behunin, to resume the Contribution Rate Management Plan. The motion passed unanimously, 6-0.

Approval of FY 2024-2025 Preliminary Contribution Rates

ACTION: Mr. Larry Evans moved, seconded by Mr. Richard Ellis, to adopt the preliminary contribution rates for the 2024-2025 fiscal year as contained in Utah Retirement Systems Actuarial Valuation Report as of January 1, 2023, on pages 63-65 of the Board Book, subject to legislation in the 2024 General Session. The motion passed unanimously, 6-0.

Adjournment

Mr. Richard Ellis moved, seconded by Mr. Marlo Oaks, to adjourn the meeting. The motion passed unanimously, 6-0.

The meeting adjourned at 5:23 p.m.

Richard K. Ellis, President

Daniel D. Andersen, Executive Director