

**MINUTES OF THE  
UTAH STATE RETIREMENT BOARD  
ADMINISTRATIVE BOARD MEETING  
August 15, 2024, 1:00 p.m.  
540 Board Room, Retirement Office  
540 East 200 South, Salt Lake City, Utah**

**Hybrid Meeting**

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**Board Members Attending In-Person:**

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

**Board Members Attending Virtually:**

Ms. Christie Behunin, Board Vice President  
Ms. Aaryn Birchell, Board Member  
Mr. Larry Evans, 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, Human Resource Director  
Mr. Dee Larsen, General Counsel  
Mr. Marc Lawson, Internal Audit Director  
Ms. Stacie Petersen, Executive Assistant

**Staff Attending Virtually:**

Mr. Chet Loftis, PEHP Director  
Mr. Dave Bjarnason, Chief Compliance Officer – Investments

**Guests Attending In-Person:**

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

**Call to Order**

President Karl Wilson called the meeting to order at 1:01 p.m. and welcomed Board members, staff, and guests. He welcomed Ms. Aaryn Birchell in her official capacity as a new Board member. Ms. Birchell introduced herself and expressed how happy she is to be serving on the Board.

### **Approval of Minutes**

**ACTION:** Mr. Richard Ellis moved, seconded by Ms. Laura Warnock, to approve the minutes of the June 20, 2024, Administrative Board Meeting. The motion passed unanimously, 5-0. Mr. Larry Evans and Mr. Marlo Oaks were absent for this vote.

**ACTION:** Mr. Richard Ellis moved, seconded by Ms. Christie Behunin, to approve the minutes of the June 20, 2024, Investment Board Meeting. The motion passed unanimously, 5-0. Mr. Larry Evans and Mr. Marlo Oaks were absent for this vote.

### **New Employer – River Heights City Corporation**

Mr. Dan Andersen reviewed the application for River Heights City Corporation 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. Marlo Oaks, to approve River Heights City Corporation as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 6-0. Mr. Larry Evans 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 2024-2025 Employee Compensation Package.

**ACTION:** Ms. Laura Warnock moved, seconded by Mr. Richard Ellis, to approve the 2024-2025 Employee Compensation Package of 4.0% COLA and 1.0% Merit. The motion passed unanimously, 7-0.

### **FTE Requests**

Mr. Dan Andersen discussed the rationale and business need for six new FTE requests – two for the Internal Audit Division, three for the Investment Division, and one for the Finance Division. Mr. Marc Lawson provided additional information regarding the needs in the Internal Audit Department.

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

- 1 – Finance, Administrative Assistant
- 1 – Investments, Asset Management Analyst I
- 1 – Investments, Investment Analyst (Real Estate)
- 1 – Investments, Investment Analyst (Energy, Mining/Minerals, Infrastructure)
- 2 – Internal Audit, Internal Auditor II

The motion passed unanimously, 7-0.

## PEHP Rate Renewals

Mr. Chet Loftis reviewed the PEHP rate renewal changes effective September 1, 2024, for Utah School Board Association, Jordan School District, and Park City School District.

**ACTION:** Mr. Larry Evans moved, seconded by Ms. Christie Behunin, to ratify the PEHP rate renewals, effective September 1, 2024, as follows:

- Utah School Board Association – Approximate composite rate of \$222.73 PEPM
- Jordan School District – Approximate composite rate of \$59.06 PMPM
- Park City School District – Approximate composite rate of \$48.54 PEPM

The motion passed unanimously, 7-0.

## Proposals for Long-Term Disability Coverage

Mr. Chet Loftis reviewed the proposal for changes in the PEHP Long-Term Disability Benefit program, including:

- Background
  - PEHP Offers a Long-Term Disability Benefit
  - Statutorily Defined Benefits
  - Competitive Pressures
- Proposal
  - Enhanced Benefits
  - Rate Reduction
  - Refund

**ACTION:** Ms. Laura Warnock moved, seconded by Ms. Aaryn Birchell, to approve the requested changes to the PEHP Long-Term Disability program as presented. The motion passed unanimously, 7-0.

**ACTION:** Ms. Aaryn Birchell moved, seconded by Ms. Laura Warnock, to approve Board Resolution #2024-01 Long-Term Disability Program Benefit Clarification and Enhancements. The motion passed unanimously, 7-0.

## GRS Actuarial Valuation

Mr. Danny White, Ms. Janie Shaw, and Mr. Lewis Ward reviewed the Actuarial Valuation Report, as of January 1, 2024, including the following:

- Changes Since Prior Valuation
- Membership Experience
- Asset Experience
- Funded Status
- Contribution Rates
- Update to Professionalism Standard

**ACTION:** Mr. Richard Ellis moved, seconded by Ms. Laura Warnock, to accept the GRS Annual Actuarial Valuation Report including the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2024. The motion passed unanimously, 7-0.

### **Approval of FY 2025-2026 Preliminary Contribution Rates**

Mr. Dan Andersen provided additional information regarding the actual changes to the preliminary contribution rates for FY 2025-2026.

**ACTION:** Mr. Richard Ellis moved, seconded by Mr. Larry Evans, to adopt the preliminary contribution rates for the 2025-2026 fiscal year as contained in Utah Retirement Systems Actuarial Valuation Report as of January 1, 2024, subject to legislation in the 2025 General Session. The motion passed unanimously, 7-0.

At 2:56 p.m., Mr. Richard Ellis moved, seconded by Ms. Laura Warnock, to move into Closed Session to discuss confidential legal and audit matters. The motion passed unanimously, 7-0.

At 3:43 p.m., Mr. Marlo Oaks moved, seconded by Mr. Richard Ellis, to move back into Open Session. The motion passed unanimously, 7-0.

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

#### **Stipulated Order of Voluntary Dismissal 22-07D**

**ACTION:** Ms. Laura Warnock moved, seconded by Mr. Richard Ellis, to approve the Stipulated Order of Voluntary Dismissal 22-07D as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 7-0.

#### **URS Internal Audit Department Charter**

**ACTION:** Mr. Marlo Oaks moved, seconded by Ms. Christie Behunin, to approve the revisions of the URS Internal Audit Department Charter as presented. The motion passed unanimously, 7-0.

### **Adjournment**

Mr. Richard Ellis moved, seconded by Ms. Laura Warnock, to adjourn the meeting. The motion passed unanimously, 7-0.

The meeting adjourned at 3:44 p.m.

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Karl W. Wilson, President

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Daniel D. Andersen, Executive Director