

**MINUTES OF THE
UTAH STATE RETIREMENT BOARD
ADMINISTRATIVE BOARD MEETING
August 20, 2026, 1:00 p.m.
540 Board Room, Retirement Office
540 East 200 South, Salt Lake City, Utah**

Hybrid Meeting

Board Members Attending In-Person:

Mr. Marlo Oaks, Board President
Ms. Christie Behunin, Board Vice President
Mr. Richard Ellis, Board Member
Mr. Larry Evans, Board Member
Mr. Karl Wilson, Board Member

Board Members Attending Virtually:

Ms. Aaryn Birchell, Board Member
Ms. Laura Warnock, Board Member

Staff Attending In-Person:

Mr. Dan Andersen, Executive Director
Mr. Steve Berg, Director – Information Technology
Mr. Kory Cox, Director of Legislative & Government Affairs
Mr. Rob Dolphin, Chief Financial Officer
Ms. Jayne Knecht, HR & Administrative Support Services Director
Mr. Dee Larsen, General Counsel
Mr. Marc Lawson, Internal Audit Director
Mr. Chet Loftis, Managing Director – PEHP
Mr. Jason Morrow, Deputy Chief Investment Officer
Ms. Stacie Petersen, Executive Assistant
Mr. Kendall Rima, Managing Director – Retirement
Mr. Dustin Seely, Retirement Director

Staff Attending Virtually:

Mr. Daniel Boster, Savings Plans Director
Mr. Kevin Catlett, Chief Investment Counsel
Mr. Quinten Christensen, Chief Actuary & Director of Data Analytics
Ms. Jordan Thomas, Investment Counsel

Guests Attending In-Person:

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

Guests Attending Virtually:

Mr. Chris Doll, CEM Benchmarking, Inc.

Call to Order

President Marlo Oaks called the meeting to order at 1:00 p.m. and welcomed Board members, staff, and guests.

Approval of Minutes

ACTION: Mr. Richard Ellis moved, seconded by Ms. Christie Behunin, to approve the minutes of the June 18, 2026, Administrative Board Meeting. The motion passed unanimously, 5-0. Ms. Laura Warnock and Mr. Karl Wilson were absent for this vote.

ACTION: Mr. Larry Evans moved, seconded by Mr. Richard Ellis, to approve the minutes of the June 18, 2026, Investment Board Meeting. The motion passed unanimously, 5-0. Ms. Laura Warnock and Mr. Karl Wilson were 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 2026-2027 Employee Compensation Package.

ACTION: Ms. Christie Behunin moved, seconded by Mr. Larry Evans, to approve the 2026-2027 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 26 new FTE requests.

ACTION: Mr. Karl Wilson moved, seconded by Mr. Larry Evans, to approve the following 26 new FTEs and the associated budget increase:

- 1 – Investments – Investment Data Analyst III
- 1 – Investments – Investment Analyst
- 2 – Finance – Investment Valuation Manager
- 1 – Finance – Senior Systems Analyst
- 1 – Finance – Assistant Controller
- 2 – Shared Services IT – Senior Systems Analyst
- 1 – Retirement Benefits – Customer Service Manager
- 8 – Retirement Benefits – Customer Service Specialist I
- 1 – Savings Plans – Customer Service Manager
- 2 – Savings Plans – Customer Service Specialist I
- 1 – Employer Services – Sr Employer Support Technician
- 1 – PEHP Admin – Nurse II
- 2 – PEHP Admin – LTD Specialist I
- 2 – PEHP Admin – Administrative Systems Analyst I

The motion passed unanimously, 7-0.

PEHP Rate Renewals

Mr. Quinten Christensen reviewed the PEHP rate renewal changes effective September 1, 2026, for the Utah School Board Association, Jordan School District, and Park City School District.

ACTION: Mr. Richard Ellis moved, seconded by Ms. Christie Behunin, to ratify the PEHP rate renewals, effective September 1, 2026, as follows:

- Utah School Board Association – Approximate composite rate of \$254.98 PEPM
- Jordan School District – Approximate composite rate of \$151.38 PEPM
- Park City School District – Approximate composite rate of \$52.25 PEPM

The motion passed unanimously, 7-0.

Savings Plans Document Updates – Successor Beneficiaries

Mr. Daniel Boster explained the plan document amendments due to the AUREUS implementation, specifically the addition of a provision which allows URS to distribute the entire remaining balance of a deceased beneficiary to the successor beneficiary(ies).

ACTION: Ms. Laura Warnock moved, seconded by Mr. Karl Wilson, to approve the plan document amendments as presented. The motion passed unanimously, 7-0.

CEM Benchmarking DB Administration Report

Mr. Chris Doll reviewed the URS Defined Benefit Pension Administration Benchmarking Results for the calendar year 2025. Before adjusting for economies of scale, the total URS pension administration cost was \$89 per active member and annuitant compared to a peer average of \$112. The total service score was 73 (out of 100) and was below the peer median of 79. URS showed strong digital performance with 95% digital reach vs. 74% peers, significantly higher secure website usage, and a high-touch counseling model that exceeded peer activity.

GRS Actuarial Valuation

Mr. Danny White, Ms. Janie Shaw, and Mr. Lewis Ward reviewed the Actuarial Valuation & Experience Study Report, as of January 1, 2026, including the following:

- Changes Since Prior Valuation
- Membership Experience
- Asset Experience
- Experience Study
- Funded Status
- Contribution Rates

During and following the prepared presentation, Board members asked questions about the systems' experience, trends, and the basis for the actuaries' assumptions

recommendations. In particular, Board members asked questions about the rate of investment return assumption.

This discount rate affects both normal cost and the unfunded actuarial accrued liability (UAAL). A 10-basis point change in the discount rate produces only a minimal effect on normal cost, but it does change the UAAL, and therefore, the amortization component of the contribution rate. The 6.85% current assumed rate of investment return produces slightly higher amortization payments and results in preliminary contribution rates that are modestly higher than the current assumptions due to an increase in the inflation and salary increase assumption and maintains current funding policy alignment. The 6.95% proposed rate reduces UAAL amortization due to higher discounting of liabilities and results in small decreases in the preliminary employer contribution rates for a larger number of funds and provides slightly lower costs but must be weighed against economic and investment assumptions.

ACTION: Mr. Karl Wilson moved, seconded by Mr. Richard Ellis, to accept the GRS Annual Actuarial Valuation & Experience Study Report including the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2026. The motion passed unanimously, 7-0.

Approval of FY 2027-2028 Preliminary Contribution Rates

Mr. Dan Andersen provided additional information regarding both sets of the preliminary rates developed by GRS, including maintaining the current 6.85% assumed rate of investment return or adopting a 6.95% discount rate for FY 2027-2028. There is no recommended increase in the certified contribution rate or in required member contributions for Tier 2 Public Employee and the Tier 2 Public Safety and Firefighter Hybrid Plan under either assumed rate of investment return option. Board members asked Mr. Jason Morrow, Deputy Chief Investment Officer, if the Investments Department would be negatively impacted by a change in the assumed rate of investment return to 6.95%. Mr. Morrow responded that the impacts of the change would be minor, and the Investments Department supported the change. A discussion was held regarding both discount rates and the pros and the cons of each.

ACTION: Mr. Richard Ellis moved, seconded by Mr. Karl Wilson, to adopt the preliminary employer contribution rates at the 6.95% assumed rate of investment return for the 2027-2028 fiscal year as contained in Utah Retirement Systems Actuarial Valuation Report as of January 1, 2026, subject to legislation in the 2027 General Session. The motion passed unanimously, 7-0.

At 3:37 p.m., Ms. Christie Behunin moved, seconded by Mr. Larry Evans, to move into Closed Session to discuss confidential audit matters. The motion passed unanimously, 7-0.

At 4:05 p.m., Ms. Christie Behunin moved, seconded by Mr. Richard Ellis, to move back into Open Session. The motion passed unanimously, 7-0.

Adjournment

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

The meeting adjourned at 4:06 p.m.

Marlo M. Oaks, President

Daniel D. Andersen, Executive Director