



Board Actions and Resolutions 2018

Board Actions and Resolutions

2018

Table of Contents

ACTION 2018-01	URS STAFF EMPLOYEES RETIREE HEALTH CARE PLAN (“OPEB”) ACTUARIAL VALUATION REPORT 4
ACTION 2018-02	LONG-TERM DISABILITY (LTD) PROGRAM PREMIUM RATE ADJUSTMENT 4
ACTION 2018-03	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER 2016-12D 4
ACTION 2018-04	DB IPS UPDATE 4
ACTION 2018-05	URS AND PEHP INDEPENDENT AUDITOR RFP 4
ACTION 2018-06	FTE REQUESTS..... 4
ACTION 2018-07	ORDER DENYING PETITIONER’S OBJECTION TO RESPONDENTS NOTICE TO SUBMIT FOR DECISION OF RESPONDENT’S MOTION TO DISMISS; AND ORDER GRANTING RESPONDENT’S MOTION TO DISMISS PETITIONER’S REQUEST FOR BOARD ACTION, FINDINGS OF FACT, AND CONCLUSIONS OF LAW 17-34R 5
ACTION 2018-08	ORDER TO DISMISS 15-08D 5
ACTION 2018-09	FINDINGS OF FACT, CONCLUSIONS OF LAW, ORDER AND JUDGMENT 16-26S 5
ACTION 2018-10	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER 16-36H 5
ACTION 2018-11	FOUR YEAR INTERNAL AUDIT PLAN APPROVAL..... 5
ACTION 2018-12	CONTRIBUTION RATE APPROVAL..... 6
ACTION 2018-13	DEFAULT JUDGMENT ON NOTICE OF BOARD ACTION 17-27S..... 6
ACTION 2018-14	ORDER TO DISMISS 15-29H 6
ACTION 2018-15	ORDER TO DISMISS 14-08H 6
ACTION 2018-16	ORDER TO DISMISS 17-38H 6
ACTION 2018-17	APPLICATION FOR RECONSIDERATION 17-34R..... 6
ACTION 2018-18	FTE REQUESTS..... 6
ACTION 2018-19	BUDGET REVIEW 7
ACTION 2018-20	PEHP RENEWALS 7
ACTION 2018-21	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER 17-22H 7
ACTION 2018-22	NEW EMPLOYER – STANSBURY PARK IMPROVEMENT DISTRICT 8
ACTION 2018-23	URS/PEHP EMPLOYEE MEDICAL/RX AND DENTAL INSURANCE BUDGET 2018-2019 8
ACTION 2018-24	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER 17-30R 8
ACTION 2018-25	ORDER TO DISMISS 17-06D 8
ACTION 2018-26	NEW EMPLOYER – BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT 8
ACTION 2018-27	INDEPENDENT AUDITOR RFP 8
ACTION 2018-28	ORDER TO DISMISS 15-27D 9
ACTION 2018-29	NEW EMPLOYER – HERRIMAN CITY POLICE DEPARTMENT..... 9

ACTION 2018-30	NEW EMPLOYER – JUAB SPECIAL SERVICE FIRE DISTRICT	9
ACTION 2018-31	FTE REQUESTS.....	9
ACTION 2018-32	EMPLOYEE COMPENSATION PACKAGE	9
ACTION 2018-33	PEHP RENEWALS	9
ACTION 2018-34	GRS ACTUARIAL REPORT	10
ACTION 2018-35	CONTRIBUTION RATE APPROVAL.....	10
ACTION 2018-36	ORDER TO DISMISS 18-07H	10
ACTION 2018-37	ORDER TO DISMISS 17-24D	10
ACTION 2018-38	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER 17-18D	10
ACTION 2018-39	ORDER TO DISMISS 16-45D	10
ACTION 2018-40	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER TO DISMISS 2016-13D	11
ACTION 2018-41	POLICY LANGUAGE UPDATES	11
ACTION 2018-42	NEW EMPLOYER – CENTRAL WASATCH COMMISSION	11
ACTION 2018-43	ORDER TO DISMISS 18-12H	11
ACTION 2018-44	FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER 16-37H	11
ACTION 2018-45	CONSOLIDATED URS/PEHP ANNUAL BUDGET REPORT	11
ACTION 2018-46	PEHP RATE RENEWALS.....	12
ACTION 2018-47	PCRA PLAN MODIFICATIONS.....	12
ACTION 2018-48	REQUEST FOR RECONSIDERATION 17-18D	12
ACTION 2018-49	ORDER TO DISMISS 18-03S.....	13
ACTION 2018-50	FINDINGS OF FACT, CONCLUSIONS OF LAW, ORDER AND JUDGMENT 16-46S.....	13
ACTION 2018-51	ORDER TO DISMISS 17-36H	13
ACTION 2018-52	ORDER GRANTING USBR’S MOTION FOR SUMMARY JUDGMENT AND DENYING PETITIONER’S MOTION FOR SUMMARY JUDGMENT 17-35R	13
ACTION 2018-53	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER 15-26D	13
ACTION 2018-54	ORDER TO DISMISS 15-40H	13
ACTION 2018-55	ABSOLUTE RETURN PLUS STRATEGY CLASS	14
ACTION 2018-56	DEFINED BENEFIT PLAN IPS CHANGES	14
ACTION 2018-57	ABSOLUTE RETURN STRATEGIC PLAN CHANGES	14
ACTION 2018-58	HIGHER EDUCATION RISK POOL	14
ACTION 2018-59	FINDINGS OF UNDISPUTED FACT, CONCLUSIONS OF LAW, AND ORDER OF SUMMARY JUDGMENT 16-44D	15
ACTION 2018-60	ORDER TO DISMISS 18-16H	15
ACTION 2018-61	REQUEST FOR RECONSIDERATION 17-35R	15
ACTION 2018-62	EQUITY PORTFOLIO BENCHMARK CHANGE	15

**Action 2018-01 URS Staff Employees Retiree Health Care Plan (“OPEB”)
Actuarial Valuation Report
January 11, 2018**

The Board voted to approve the Actuarial Assumptions and continue the \$0 contribution rate for the URS Staff Employees Retiree Health Care Plan as discussed.

**Action 2018-02 Long-Term Disability (LTD) Program Premium Rate
Adjustment
January 11, 2018**

The Board voted to approve the LTD Program premium rate of .5% of salary, effective March 1, 2018.

**Action 2018-03 Findings of Fact, Conclusions of Law, and Order 2016-12D
January 11, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 2016-12H as submitted by the Adjudicative Hearing Officer.

**Action 2018-04 DB IPS Update
January 18, 2018**

The Board voted to approve the change in the assumed real return on invested capital to 4.45%.

**Action 2018-05 URS and PEHP Independent Auditor RFP
January 18, 2018**

The Board voted to instruct staff to issue a Request for Proposal (RFP) and obtain new independent auditors for URS and PEHP after the December 31, 2017 audits are complete. The current independent audit firms will not be allowed to respond to the RFP which will be issued in May 2018. The reason for the change is for the business purpose of rotation after long service rather than any dissatisfaction with the firms' work.

**Action 2018-06 FTE Requests
February 8, 2018**

The Board voted to approve four new FTEs for the Retirement Division and the associated budget increase.

- (1) Senior Compliance Officer, Investment Compliance Department
- (1) Project Coordinator, Administration Department
- (2) Business Analysts, Administration Department

**Action 2018-07 Order Denying Petitioner's Objection to Respondents Notice to Submit for Decision of Respondent's Motion to Dismiss; and Order Granting Respondent's Motion to Dismiss Petitioner's Request for Board Action, Findings of Fact, and Conclusions of Law 17-34R
February 8, 2018**

The Board voted to approve the Order Denying Petitioner's Objection to Respondents Notice to Submit for Decision of Respondent's Motion to Dismiss; and Order Granting Respondent's Motion to Dismiss Petitioner's Request for Board Action, Findings of Fact, and Conclusions of Law 17-34R as submitted by the Adjudicative Hearing Officer.

**Action 2018-08 Order to Dismiss 15-08D
February 8, 2018**

The Board voted to approve the Order to Dismiss 15-08D as submitted by the Adjudicative Hearing Officer.

**Action 2018-09 Findings of Fact, Conclusions of Law, Order and Judgment 16-26S
February 8, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, Order, and Judgment 16-26S.

**Action 2018-10 Findings of Fact, Conclusions of Law, and Order 16-36H
February 8, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 16-36H as submitted by the Adjudicative Hearing Officer.

**Action 2018-11 Four Year Internal Audit Plan Approval
February 15, 2018**

The Board voted to approve the 2018 Internal Audit Four Year Plan as discussed in the February 13, 2018 Audit/Risk Committee Meeting.

**Action 2018-12 Contribution Rate Approval
March 8, 2018**

The Board voted to give final approval of the Contribution Rates for 2018-2019, subject to rate increases resulting from 2018 legislation.

**Action 2018-13 Default Judgment on Notice of Board Action 17-27S
March 8, 2018**

The Board voted to approve the Default Judgment on Notice of Board Action 17-27S as submitted by the Adjudicative Hearing Officer.

**Action 2018-14 Order to Dismiss 15-29H
March 8, 2018**

The Board voted to approve the Order to Dismiss 15-29H as submitted by the Adjudicative Hearing Officer.

**Action 2018-15 Order to Dismiss 14-08H
March 8, 2018**

The Board voted to approve the Order to Dismiss 14-08H as submitted by the Adjudicative Hearing Officer.

**Action 2018-16 Order to Dismiss 17-38H
March 8, 2018**

The Board voted to approve the Order to Dismiss 17-38H as submitted by the Adjudicative Hearing Officer.

**Action 2018-17 Application for Reconsideration 17-34R
March 8, 2018**

The Board voted to deny the Application for Reconsideration 17-34R.

**Action 2018-18 FTE Requests
April 12, 2018**

The Board voted to approve 17 new FTEs; four for Shared Services, seven for PEHP, two for Retirement, and four for Investments and the associated budget.

- Shared Services
 - Web Developer (1)
 - Procurement/Business Continuity Coordinator (1)
 - Systems Analyst (2)
- Retirement
 - Compliance Auditor (1)
 - DC Plans Analyst (1)
- PEHP
 - Health Benefits Advisor (2)
 - Claims Adjustor (2)
 - Medicare Nurse III (1)
 - Recoveries Specialist I (1)
- Investments
 - Private Equity Investment Analyst (2)
 - Public Equity Investment Analyst (1)
 - Investment Operations Associate (1)

Action 2018-19 Budget Review
April 12, 2018

The Board voted to approve exceeding the 2017-2018 budget in account 4636 “Investment Advisor Services” based on the current investment allocation and investment manager contracts.

Action 2018-20 PEHP Renewals
April 12, 2018

The Board voted to approve the following PEHP rate renewals, effective July 1, 2018.

- | | |
|-----------------------------|------------------|
| • State of Utah Medical/Rx | 4.23% increase |
| • Salt Lake City Medical/Rx | 7.00% increase |
| • LGRP July Medical/Rx | 5.75% increase |
| • State of Utah Dental | (3.00%) decrease |
| • Salt Lake City Dental | 0.00% rate hold |
| • LGRP July Dental | (0.72%) decrease |

Action 2018-21 Findings of Fact, Conclusions of Law, and Order 17-22H
April 12, 2018

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 17-22H as submitted by the Adjudicative Hearing Officer.

**Action 2018-22 New Employer – Stansbury Park Improvement District
May 10, 2018**

The Board voted to approve Stansbury Park Improvement District as a participating employer in the Public Employees' Retirement System.

**Action 2018-23 URS/PEHP Employee Medical/Rx and Dental Insurance Budget
2018-2019
May 10, 2018**

The Board voted to approve the 2018-2019 URS/PEHP Employee Medical/Rx and Dental Budget increase of 3.68%.

**Action 2018-24 Findings of Fact, Conclusions of Law, and Order 17-30R
May 10, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 17-30R as submitted by the Adjudicative Hearing Officer.

**Action 2018-25 Order to Dismiss 17-06D
May 10, 2018**

The Board voted to approve the Order to Dismiss 17-06D as submitted by the Adjudicate Hearing Officer.

**Action 2018-26 New Employer – Big Plains Water and Sewer Special Service
District
June 21, 2018**

The Board voted to approve Big Plains Water and Sewer Special Service District as a participating employer in the Public Employees' Retirement System.

**Action 2018-27 Independent Auditor RFP
June 21, 2018**

The Board voted to approve the hiring of Eide Bailly as the Independent Auditor to perform the URS, SOC 1, OPEB, and PEHP audits for the next five years with an option for up to an additional three years, subject to additional client reference checks.

**Action 2018-28 Order to Dismiss 15-27D
June 21, 2018**

The Board voted to approve the Order to Dismiss 15-27D as submitted by the Adjudicative Hearing Officer.

**Action 2018-29 New Employer – Herriman City Police Department
August 9, 2018**

The Board voted to approve Herriman City Police Department as a participating employer in the Public Safety Retirement System.

**Action 2018-30 New Employer – Juab Special Service Fire District
August 9, 2018**

The Board voted to approve Juan Special Service Fire District as a participating employer in the Public Employees' Retirement System.

**Action 2018-31 FTE Requests
August 9, 2018**

The Board voted to approve four new FTEs; three for the Retirement Division and one for the Legal Department including associated budgets.

**Action 2018-32 Employee Compensation Package
August 9, 2018**

The Board voted to approve the salary increase for the 2018-2019 fiscal year for URS/PEHP employees of 2% COLA and 1% merit and increase the corresponding budget.

**Action 2018-33 PEHP Renewals
August 9, 2018**

The Board voted to ratify the following rates:

- Jordan School District 0.00% Rate Hold for Medical
- Utah School Board Association 0.00% Rate Hold for Medical/RX

**Action 2018-34 GRS Actuarial Report
August 9, 2018**

The Board voted to accept the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2018.

**Action 2018-35 Contribution Rate Approval
August 9, 2018**

The Board voted to approve the proposed contribution rates for the 2019-2020 fiscal year as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2018, subject to legislation in the 2019 General Session.

**Action 2018-36 Order to Dismiss 18-07H
August 9, 2018**

The Board voted to approve the Order to Dismiss 18-07H as submitted by the Adjudicative Hearing Officer.

**Action 2018-37 Order to Dismiss 17-24D
August 9, 2018**

The Board voted to approve the Order to Dismiss 17-24D as submitted by the Adjudicative Hearing Officer.

**Action 2018-38 Findings of Fact, Conclusions of Law, and Order 17-18D
August 9, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 17-18D as submitted by the Adjudicative Hearing Officer.

**Action 2018-39 Order to Dismiss 16-45D
August 9, 2018**

The Board voted to approve the Order to Dismiss 16-45D as submitted by the Adjudicative Hearing Officer.

**Action 2018-40 Findings of Fact, Conclusions of Law, and Order to Dismiss
2016-13D
August 9, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order to Dismiss 2016-13D as submitted by the Adjudicative Hearing Officer.

**Action 2018-41 Policy Language Updates
August 16, 2018**

The Board voted to approve the updates to the Defined Benefit Investment Policy Statement, Absolute Return Strategic Plan, Private Equity Strategic Plan, and Real Assets Strategic Plan as discussed.

**Action 2018-42 New Employer – Central Wasatch Commission
September 28, 2018**

The Board voted to approve Central Wasatch Commission as a member of the Public Employees' Retirement System.

**Action 2018-43 Order to Dismiss 18-12H
September 28, 2018**

The Board voted to approve the Order to Dismiss 18-12H as submitted by the Adjudicative Hearing Officer.

**Action 2018-44 Findings of Fact, Conclusions of Law and Order 16-37H
September 28, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law and Order 16-37H as submitted by the Adjudicative Hearing Officer.

**Action 2018-45 Consolidated URS/PEHP Annual Budget Report
September 28, 2018**

The Board voted to approve the 2017-2018 actual fiscal year ended expenditures as presented.

The Board voted to approve the 2018-2019 budget as presented.

The Board voted to approve the 2019-2020 preliminary budget as presented.

The Board voted to approve the 2017-2018 actual fiscal year ended capital purchases as presented.

The Board voted to approve the 2018-2019 capital projects budget as presented.

The Board voted to approve the Preliminary 2019-2020 capital projects budget as presented.

The Board voted to approve the multi-year AUREUS pension and defined contribution system modernization budget for fiscal years 2019-2023 as presented.

**Action 2018-46 PEHP Rate Renewals
October 11, 2018**

The Board voted to approve the LGRP Medical/Rx rate increase of 4.3%, effective January 1, 2019.

The Board voted to approve the LGRP Dental rate decrease of (1.0%), effective January 1, 2019.

The Board voted to approve the Medicare Supplement rate increase of 3.0%, effective January 1, 2019.

The Board voted to approve the Medicare Part D rate hold, effective January 1, 2019.

The Board voted to approve the Medicare Dental rate hold, effective January 1, 2019.

**Action 2018-47 PCRA Plan Modifications
October 11, 2018**

The Board voted to approve the changes to the PCRA Plan as presented and outlined in the Board meeting materials.

**Action 2018-48 Request for Reconsideration 17-18D
October 11, 2018**

The Board voted to deny the Request for Reconsideration 17-18D.

**Action 2018-49 Order to Dismiss 18-03S
October 11, 2018**

The Board voted to approve the Order to Dismiss 18-03S as submitted by the Adjudicative Hearing Officer.

**Action 2018-50 Findings of Fact, Conclusions of Law, Order and Judgment 16-46S
October 11, 2018**

The Board voted to the Findings of Fact, Conclusions of Law, Order and Judgment 16-46S as submitted by the Adjudicative Hearing Officer.

**Action 2018-51 Order to Dismiss 17-36H
November 15, 2018**

The Board voted to approve the Order to Dismiss 17-36H as submitted by the Adjudicative Hearing Officer.

**Action 2018-52 Order Granting USRB's Motion for Summary Judgment and Denying Petitioner's Motion for Summary Judgment 17-35R
November 15, 2018**

The Board voted to approve the Order Granting USRB's Motion for Summary Judgment and Denying Petitioner's Motion for Summary Judgment 17-35R as submitted by the Adjudicative Hearing Officer.

**Action 2018-53 Findings of Fact, Conclusions of Law, and Order 15-26D
November 15, 2018**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 15-26D as submitted by the Adjudicative Hearing Officer.

**Action 2018-54 Order to Dismiss 15-40H
November 15, 2018**

The Board voted to approve the Order to Dismiss 15-40H as submitted by the Adjudicative Hearing Officer.

**Action 2018-55 Absolute Return Plus Strategy Class
November 15, 2018**

The Board voted to approve the new Absolute Return PLUS Strategy class as discussed.

**Action 2018-56 Defined Benefit Plan IPS Changes
November 15, 2018**

The Board voted to approve DB IPS changes regarding the new Absolute Return PLUS Strategy class.

**Action 2018-57 Absolute Return Strategic Plan Changes
November 15, 2018**

The Board voted to approve the Absolute Return Strategic Plan changes to implement the Absolute Return PLUS Strategy class.

**Action 2018-58 Higher Education Risk Pool
December 13, 2018**

The Board voted to approve that the Utah State Retirement Board officially establish the Higher Education Fund, Funds 17 and 18, as new risk pools for higher education employers whose retirement policies or practices materially limit the participation of their new employees' retirement benefits with URS.

Also, moved and seconded that the following participating employers be reassigned to Funds 17 and 18, for their employees who are members of the Public Employees' Retirement Systems, beginning on January 1, 2019:

- the University of Utah;
- University of Utah Hospital;
- Utah State University;
- Weber State University;
- Snow College;
- Dixie State University;
- Utah Valley University;
- Salt Lake Community College;
- Dixie Technical College;
- Mountainland Technical College; and
- Space Dynamics Lab.

Also, moved and seconded that staff and the consulting actuary are directed to implement the new risk pools to ensure that employees of these affected employers will continue to earn benefits in the Public Employees' Retirement Systems, but their liability, assets, contributions, and benefit payments will be moved to and separately tracked in the new risk pools.

Finally, moved and seconded that staff communicate with affected employers to ensure as smooth of a transition as possible into the new risk pools.

**Action 2018-59 Findings of Undisputed Fact, Conclusions of Law, and Order of Summary Judgment 16-44D
December 13, 2018**

The Board voted to approve the Findings of Undisputed Fact, Conclusions of Law, and Order of Summary Judgment 16-44D as submitted by the Adjudicative Hearing Officer.

**Action 2018-60 Order to Dismiss 18-16H
December 13, 2018**

The Board voted to approve the Order to Dismiss 18-16H as submitted by the Adjudicative Hearing Officer.

**Action 2018-61 Request for Reconsideration 17-35R
December 13, 2018**

The Board voted to deny the Request for Reconsideration 17-35R.

**Action 2018-62 Equity Portfolio Benchmark Change
December 13, 2018**

The Board voted to adopt the FTSE Global All Cap Index as the policy benchmark for the public equity portfolio effective January 1, 2019 and approve the respective changes to the DB IPS.

No Resolutions