



Board Actions and Resolutions 2022

Board Actions and Resolutions

2022

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**Action 2022-01 PEHP Rate Renewals
January 13, 2022**

The Board voted to ratify the PEHP Medical/Rx PEHP rate renewals, effective January 1, 2022, as follows:

- Canyons School District 0.00% rate hold
- Salt Lake County 0.00% rate hold

**Action 2022-02 PEHP Annual Administrative Fee Adjustment
January 13, 2022**

The Board voted to approve a 4% increase in the PEHP Administrative Fee, effective July 1, 2022.

**Action 2022-03 URS Employees Retiree Health Care Plan (OPEB) Actuarial
Valuation Report
January 13, 2022**

The Board voted to approve the Actuarial Assumptions contained in the OPEB Actuarial Valuation Report as of January 1, 2021, and continue the \$0 contribution rate for the URS Staff Employees Retiree Health Care Plan as discussed.

**Action 2022-04 New Employer – Uintah County Special Service District #1
January 13, 2022**

The Board voted to approve Uintah County Special Service District #1 as a participating employer in the Public Employees' Retirement System.

**Action 2022-05 Defined Benefit IPS Update
January 20, 2022**

The Board voted to approve changes to the Defined Benefit IPS as presented, except for the proposed change on page 6 to the Formal Review Schedule for Strategic Plans. These reviews will remain on an annual basis.

**Action 2022-06 Real Assets Strategic Plan
January 20, 2022**

The Board voted to approve the changes to the Real Assets Strategic Plan as presented.

**Action 2022-07 Absolute Return Strategic Plan
January 20, 2022**

The Board voted to changes to the Absolute Return Strategic Plan as presented.

**Action 2022-08 URS Self Insurance Reserve
February 10, 2022**

The Board voted to approve Board Resolution 2022-01 Self Insurance Reserves.

**Action 2022-09 URS Self Insurance Reserve
February 10, 2022**

The Board voted to approve as outlined on page 21 of the board book, that the following structural changes to the Self Insurance Reserve include the following:

1. The \$5 million in the current Self Insurance Reserve, plus the 2021 investment earnings on that reserve, shall be equally divided into two separate reserves:
 - Executive Risk Reserve; and
 - Real Assets Reserve.
2. The Board establishes the following funding ranges for each of the Self Insurance Reserves:
 - Executive Risk: \$5 million to \$9 million; and
 - Real Assets: \$5 million to \$10 million.
3. During the transition period from now until the Reserves reach the approved maximum funding, the Board specifically further authorizes:
 - The temporary funding of the Self Insurance Reserves below the approved funding minimums;
 - The funding of the Self Insurance Reserves from investment income systematically over time and not by creating additional budget funding requirement for each reserve (except that amounts paid on claims may need to be replaced); and
 - The Executive Director to have the discretion to transfer and use monies between the funds to pay a claim or liability from the appropriate Self Insurance Reserve.

**Action 2022-10 Salt Lake City Medical Premium Holiday
February 10, 2022**

The Board voted to approve Salt Lake City Medical Premium Holiday as discussed.

**Action 2022-11 Budget Review
February 10, 2022**

The Board voted to amend the FY2022 budget by increasing the investment and security handling budget by \$10 million.

**Action 2022-12 Stipulated Order of Voluntary Dismissal 19-36H
February 10, 2022**

The Board voted to approve the Stipulated Order of Voluntary Dismissal 19-36H as submitted by the Adjudicative Hearing Officer.

**Action 2022-13 Stipulated Order of Voluntary Dismissal 19-13D
February 10, 2022**

The Board voted to approve the Stipulated Order of Voluntary Dismissal 19-13D as submitted by the Adjudicative Hearing Officer.

**Action 2022-14 Stipulated Order of Voluntary Dismissal 20-11S
February 10, 2022**

The Board voted to approve the Stipulated Order of Voluntary Dismissal 20-11S as submitted by the Adjudicative Hearing Officer.

**Action 2022-15 FTE Requests
March 10, 2022**

The Board voted to approve one Investment Analyst FTE position and one Investment Risk Analyst FTE position for the Investments Department and the associated budget increase.

**Action 2022-16 2022-2023 Final Contribution Rates Approval
March 10, 2022**

The Board voted to give final approval of the Contribution Rates for 2022-2023 fiscal year as presented in the Board Meeting materials.

**Action 2022-17 New Employer – North Summit Fire Service District
March 10, 2022**

The Board voted to approve North Summit Fire Service District as a participating employer in the Public Employees' Retirement System and the Firefighters' Retirement System.

**Action 2022-18 New Employer – Spanish Fork (Firefighters)
April 21, 2022**

The Board voted to approve Spanish Fork City as a participating employer in the Tier 2 Public Safety and Firefighters' Retirement System.

**Action 2022-19 Order on Motion for Judgment on the Pleadings and Judgment
19-01S
April 21, 2022**

The Board voted to approve the Order on Motion for Judgment on the Pleadings and Judgment 19-01S as submitted by the Adjudicative Hearing Officer.

**Action 2022-20 July PEHP Renewals
April 21, 2022**

The Board voted to approve the PEHP Renewals, effective July 1, 2022, with the understanding that the LGRP July Medical final aggregate rate may be different due to agency migration or rate adjustments arising from the renewal process, as follows:

- | | |
|-----------------------------|----------------|
| • State of Utah Medical/Rx | 6.7% increase |
| • State of Utah Dental | 1.0% increase |
| • Salt Lake City Medical/Rx | 6.0% increase |
| • Salt Lake City Dental | 0.0% rate hold |
| • LGRP July Medical | 4.7% increase |
| • LGRP July Dental | -0.1% decrease |

**Action 2022-21 URS/PEHP Employee Medical/Rx and Dental Insurance Budget
2022-2023
May 12, 2022**

The Board voted to the proposed budget for the URS/PEHP Employee Medical/Rx and Dental insurance premiums for the July 1, 2022, to June 30, 2023, fiscal year.

**Action 2022-22 New Employer – Tooele City Corporation (FF)
June 9, 2022**

The Board voted to approve Tooele City Corporation as a participating employer in the Firefighters' Retirement System.

**Action 2022-23 Stipulated Order of Voluntary Dismissal 21-05H
June 9, 2022**

The Board voted to accept the Stipulated Order of Voluntary Dismissal 21-05H as submitted by the Adjudicative Hearing Officer.

**Action 2022-24 DC IPS Update
June 16, 2022**

The Board voted to approve the changes to the DC IPS as discussed.

**Action 2022-25 New Employer – Big Water Municipal (PE)
August 11, 2022**

The Board voted to approve Big Water Municipal as a participating employer in the Public Employees' Retirement System.

**Action 2022-26 New Employer – San Rafael Special Service District (PE)
August 11, 2022**

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

**Action 2022-27 New Employer – Town of Apple Valley (FF)
August 11, 2022**

The Board voted to approve Town of Apple Valley as a participating employer in the Firefighters' Retirement System.

**Action 2021-28 New Employer – Dammeron Valley Fire Special Service District
(FF)
August 11, 2022**

The Board voted to approve Dammeron Valley Fire Special Service District as a participating employer in the Firefighters' Retirement System.

**Action 2022-29 New Employer – South Weber City (FF)
August 11, 2022**

The Board voted to approve South Weber City as a participating employer in the Firefighters' Retirement System.

**Action 2022-30 Employee Compensation Package
August 11, 2022**

The Board voted to approve the 2022-2023 Employee Compensation Package of 5% COLA and 1% Merit.

**Action 2022-31 PEHP Rate Renewals
August 11, 2022**

The Board voted 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

**Action 2022-32 GRS Actuarial Valuation Report
August 11, 2022**

The Board voted to accept the actuarial assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2022.

**Action 2022-33 GRS Actuarial Valuation Report
August 11, 2022**

The Board voted to pause the Contribution Rate Management Plan for one year.

**Action 2022-34 Approval of FY 2023-2024 Preliminary Contribution Rates
August 11, 2022**

The Board voted 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.

**Action 2022-35 Order Dismissing Claim with Prejudice 19-10D
August 11, 2022**

The Board voted to approve the Order Dismissing Claim with Prejudice 19-10D as submitted by the Adjudicative Hearing Officer.

**Action 2022-36 Asset Liability Study and Defined Benefit Plan 2022 Economic
Outlook and Capital Market Projections
October 17, 2022**

The Board voted to approve the proposed changes to the Asset Allocation Policy Mix within the URS Defined Benefit Plan as follows: increase the target allocation to Real Assets by 3% (from 15% to 18%) and decrease the target allocations to Global Equity by 2% (from 37% to 35%) and to Absolute Return by 1% (from 16% to 15%). The changes will be effective October 1, 2022.

**Action 2022-37 Stipulated Order of Voluntary Dismissal 20-10R
October 17, 2022**

The Board voted to approve the Stipulated Order of Voluntary Dismissal 20-10R as submitted by the Adjudicative Hearing Officer.

**Action 2022-38 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2021-2022 Investment fee budget amendment.

**Action 2022-39 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2021-2022 final actual fiscal year ended expenditures as presented.

**Action 2022-40 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2022-2023 budget as presented.

**Action 2022-41 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2023-2024 preliminary budget as presented.

**Action 2022-42 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2024-2025 preliminary budget as presented.

**Action 2022-43 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to the 2021-2022 final actual fiscal year ended capital expenditures as presented.

**Action 2022-44 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2022-2023 capital projects budget as presented.

**Action 2022-45 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2023-2024 preliminary capital projects budget as presented.

**Action 2022-46 URS/PEHP Annual Budget Report
October 17, 2022**

The Board voted to approve the 2024-2025 preliminary capital projects budget as presented.

**Action 2022-47 PEHP Rate Renewals
October 18, 2022**

The Board voted to approve the following PEHP rate renewals, effective January 1, 2023, with the understanding that the final aggregate rate may be different due to agency migration or rate adjustments arising from the renewal process:

- LGRP January 2023 rate changes
 - Medical/Rx: 4.4% increase
 - Dental: 0.0% rate hold
- Medicare 2023 rate changes

- Medicare Supplement: 5.9% increase
- Medicare Part D: -3.7% decrease
- Medicare Dental: -2.8% decrease

**Action 2022-48 Internal Audit Work Plan Approval
November 10, 2022**

The Board voted to approve the Internal Audit Four-Year Plan as discussed in the November 3, 2022, Audit/Risk/Insurance Committee Meeting.

**Action 2022-49 Elimination of OPEB Audit Approval
November 10, 2022**

The Board voted to approve the elimination of the separate external OPEB Audit, which will be included in the URS and PEHP Audits, as discussed in the November 3, 2022, Audit/Risk/Insurance Committee Meeting.

**Action 2022-50 External Auditor Contract Renewal Approval
November 10, 2022**

The Board voted to approve the external auditor contract for a period of five years, as discussed in the November 3, 2022, Audit/Risk/Insurance Committee Meeting.

**Action 2022-51 Participation Withdrawal of EMI Health and the Utah Public Employees' Association
November 10, 2022**

The Board voted to approve EMI's withdrawal from participation as an employer with URS, continuing its participation with URS for all employees who are active members of a system or plan on December 31, 2022, and withdraw from participation in all URS systems or plans for all EMI employees initially entering employment with EMI or who would have otherwise become a member of a URS system or plan on or after January 1, 2023.

**Action 2022-52 Participation Withdrawal of EMI Health and the Utah Public Employees' Association
November 10, 2022**

The Board voted to conditionally approve UPEA's withdrawal from participation as an employer with URS, subject to UPEA's Board of Directors formally approving a resolution designating a withdrawal effective date and electing to withdraw its

participation with URS under the “soft freeze” or “hard freeze” alternative.

**Action 2022-53 Resolution #2022-02 Self-Funded, Self-Administered Life Insurance Program for Retirees and Their Spouses
November 10, 2022**

The Board voted to approve Board Resolution #2022-02 Self-Funded, Self-Administered Life Insurance Program for Retirees and Their Spouses.

**Action 2022-54 LGRP Refund
November 10, 2022**

The Board voted to approve the LGRP annual review refund range of \$3.3 million to \$4.3 million.

**Action 2022-55 New Employer – Box Elder County (FF)
December 15, 2022**

The Board voted to approve Box Elder County as a participating employer in the Firefighters’ Retirement System.

**Action 2022-56 PEHP Rate Renewals
December 15, 2022**

The Board voted to ratify the PEHP Medical/Rx PEHP rate renewals, effective January 1, 2023, as follows:

- Canyons School District 2.0% increase
- Salt Lake County 13.0% increase

**Action 2022-57 Stipulated Order of Voluntary Dismissal 21-10S
December 15, 2022**

The Board voted to approve the Stipulated Order of Voluntary Dismissal 21-10S as submitted by the Adjudicative Hearing Officer.

RESOLUTION #2022-01 SELF INSURANCE RESERVES

(Supersedes Resolution #2006-05)

February 10, 2022

WHEREAS, the Board previously created a self insurance reserve (“Self Insurance Reserve”) and established the purposes for which the Self Insurance Reserve may be used; and

WHEREAS, the Board desires to split the Self Insurance Reserve and clarify the expanded purposes for which the Self Insurance Reserves may be used; and

WHEREAS, the Board desires that the Self Insurance Reserves be used broadly in conjunction with the areas of coverage listed below; and

NOW, THEREFORE, BE IT RESOLVED, that the current Self Insurance Reserve shall be divided into two separate reserves:

- Executive Risk Reserve; and
- Real Assets Reserve.

BE IT FURTHER RESOLVED, that the Executive Risk Self Insurance Reserve shall be available to pay the costs of fiduciary and other claims for which the Board, the Office, or employees may be held liable as follows:

- deductible amounts that must be paid by the Office before commercial insurance, of any type, attaches to a particular claim;
- claims (other than claims for benefit payments) arising out of the operation and administration of the various systems, plans and programs;
- claims which exceed or are not covered by the scope of the various commercial insurance coverages obtained by the Office.

BE IT FURTHER RESOLVED, that the Real Assets Self Insurance Reserve shall be available to cover deductibles and co-insurance for claims arising out of assets in the real asset portfolio held exclusively for investment purposes.

BE IT FURTHER RESOLVED, that the Board shall, by formal action of the Board, establish a funding range for each of the Self Insurance Reserves.

BE IT FURTHER RESOLVED, that the Board authorizes the retention of earnings in the Self Insurance Reserves to allow the monies to grow within the reserves up to the Board authorized funding maximum for each of the Self Insurance Reserves.

BE IT FURTHER RESOLVED, that the various systems, plans, programs, and funds shall pay a proportionate share of the cost, if any, of funding the Self Insurance Reserves, as determined by the Executive Director in consultation with staff and outside consultants.

BE IT FURTHER RESOLVED, that the Executive Director shall have the discretion to determine when a claim or liability shall be paid from the Self Insurance Reserves in accordance with this Resolution. If a claim or liability arises that is not expressly addressed by this Resolution, but, in the discretion of the Executive Director, payment of the claim or liability is appropriate, the Executive Director may direct that such claim or liability may be paid out of the appropriate Self Insurance Reserve.

BE IT FURTHER RESOLVED, that liabilities equal to or greater than \$10,000 that directly affect the systems, plans, funds, and programs shall be payable from the appropriate Self Insurance Reserve. Liabilities of less than \$10,000 shall be absorbed by the systems, plans and programs. Liabilities other than those that directly affect the systems, plans and programs may be paid from the Self Insurance Reserve, regardless of the amount of the liability.

RESOLUTION #2022-02 Self-funded, Self-administered Life Insurance Program for Retirees and Their Spouses

(Supersedes Resolution #1995-01, Modified by Resolution #2004-01, Amended by Resolution #2016-01)

November 10, 2022

WHEREAS, Title 49 provides a lump-sum death benefit for retirees and their spouses in the following systems administered by URS, the Public Employees' Contributory Retirement System, the Public Employees' Noncontributory Retirement System, the New Public Employees' Tier II Contributory Retirement System, and the New Public Safety and Firefighter Tier II Contributory Retirement System. See Utah Code Annotated §§ 49-12-404, 49-13-404, 49-22-307, and 49-23-306;

WHEREAS, the lump-sum death benefit was established in Resolution #1995-01 and provided for coverage amounts and graduated benefits for retirees whose retirement dates are on or before December 31, 2022;

WHEREAS, in consultation with consultants, attorneys and actuaries URS has determined to increase the coverage amounts for retirees whose retirement dates are on or after January 1, 2023;

WHEREAS, the statutory requirements found in Utah Code Annotated §§ 49-12-404, 49-13-404, 49-22-307, and 49-23-306 provide in part;

- Upon retirement a retiree may elect to have an actuarially determined amount deducted from their retirement allowance to provide a lump-sum benefit payable to a beneficiary upon the death of the retiree;
- Upon retirement a retiree may elect to have an actuarially determined amount deducted from their retirement allowance to provide a lump-sum benefit payable to a beneficiary upon the death of the retiree's lawful spouse at the time of retirement;

- A retiree may make an irrevocable election to cancel the lump-sum benefit, after which the retiree's allowance shall be restored to its original amount and the lump-sum benefit will not be paid; and
- The Board shall make rules for the administration of the lump-sum benefit;

WHEREAS, under Utah Code Annotated § 49-11-612(5) the Board "may deduct the required amount from any benefit, payment, or other right accrued or accruing to any member or beneficiary of a system, plan or program under this title to offset any amount that member or beneficiary owes to a system, plan, or program administered by the board." Further, the Board shall make rules for implementing this provision of Title 49. See Utah Code Annotated § 49-11-612(6).

NOW, THEREFORE, BE IT RESOLVED, that the following rules and clarifications apply to the administration of the lump-sum benefit:

1. The amount deducted from a retiree's allowance for the lump-sum benefit may change upon the recommendation of URS consultants, attorneys and actuaries to maintain the feasibility of the benefit;
2. When a retiree makes an irrevocable election to cancel the benefit it cancels all lump- sum benefits including a benefit payable to a beneficiary upon the death of the retiree's lawful spouse at the time of retirement;
3. A retiree whose retirement date is on or before December 31, 2022, may choose one of the following amount(s) of coverage for both the lump-sum benefit payable upon the retiree's death and the benefit payable at the death of the retiree's lawful spouse at the time of retirement:
 - \$3,000; or
 - \$5,000; or
 - \$10,000.
4. For retirees whose retirement date is on or before December 31, 2022, the lump-sum benefit payable upon the retiree's death as well as the lump-sum benefit payable at the death of the retiree's lawful spouse at the time of retirement will be reduced if the death occurs within the following timeframes:
 - Reduced to 25% if the death occurs within 12 months from the selected retirement date of the retiree.
 - Reduced to 50% if the death occurs after 12 months and before 24 months from the selected retirement date of the retiree.
 - Reduced to 75% if the death occurs after 24 months and before 36 months from the selected retirement date of the retiree.
 - If the death occurs after 36 months from the retiree's selected retirement date, 100% of the lump-sum benefit is payable.
5. A retiree whose retirement date is on or after January 1, 2023, may choose one of the following amount(s) of coverage for both the lump-sum benefit payable upon the retiree's death and the benefit payable at the death of the retiree's lawful spouse at the time of retirement:
 - \$5,000; or
 - \$15,000; or
 - \$25,000.

6. For retirees whose retirement date is on or after January 1, 2023, the lump-sum benefit payable upon the retiree's death as well as the lump-sum benefit payable at the death of the retiree's lawful spouse at the time of retirement will be reduced if the death occurs within the following timeframes:
 - Reduced to the lesser of \$2,500 or 25% if the death occurs within 12 months from the selected retirement date of the retiree.
 - Reduced to the lesser of \$2,500 or 50% if the death occurs after 12 months and before 24 months from the selected retirement date of the retiree.
 - Reduced to the lesser of \$5,000 or 75% if the death occurs after 24 months and before 36 months from the selected retirement date of the retiree.
 - If the death occurs after 36 months from the retiree's selected retirement date, 100% of the lump-sum benefit is payable.
7. URS shall offset any amounts owing to URS for the overpayment of benefits paid to the retiree from the lump-sum benefit(s) if the offset is for amounts less than the amounts owed the remaining amount will be paid to the designated beneficiary(ies).

BE IT FURTHER RESOLVED, premium rates are determined based upon actuarially sound principles and to maintain the feasibility of the lump sum benefit upon recommendation of URS consultants, attorneys, and actuaries and reviewed annually.

This Resolution shall be effective on November 10, 2022.