

**MINUTES OF THE
ADMINISTRATIVE/INVESTMENT BOARD MEETING
January 10, 2019, 3:00 p.m., Utah Retirement Office**

Present: Ms. Laura Houston, Board President
Mr. Ryan Hessenthaler, Board Vice President
Mr. David Damschen, Board Member
Ms. Sheri Nelson, Board Member
Mr. Bill Wallace, Board Member

Excused: Mr. Ed Alter, Board Member
Mr. Roger Donohoe, Board Member

Staff: Mr. Dan Andersen, Executive Director
Mr. Michael Anderson, Sr. Compliance Officer, Investments
Mr. Dave Bjarnason, Chief Compliance Officer, Investments
Mr. Bruce Cundick, Chief Investment Officer
Mr. Rob Dolphin, Chief Financial Officer
Mr. Rich Eggett, Portfolio Manager, Investments
Ms. Heidie George, Sr. Compliance Officer, Investments
Mr. Dee Larsen, General Counsel
Mr. Chet Loftis, PEHP Director
Ms. LuAnn Miskin, Administrative Assistant, Administration
Mr. Todd Rupp, Deputy Executive Director

Guests:

Call to Order

President Laura Houston called the meeting to order at 3:00 p.m. and welcomed Board members and staff.

Approval of Minutes

ACTION: Mr. Bill Wallace moved, seconded by Mr. Ryan Hessenthaler, to approve the minutes of the December 13, 2018, Administrative/Investment Board Meeting. The motion passed unanimously, 4-0. Mr. David Damschen was absent for this vote.

Board BBQ Date

Mr. Dan Andersen reviewed the date options for the annual Board BBQ. It was decided to have the BBQ on June 13, 2019, at 12 noon.

Legislative Update

Mr. Dee Larsen gave an overview of retirement issues for the upcoming 2019 legislative session. The URS annual technical and administrative amendments bill has been numbered and was approved by the Interim Committee. Other bill requests and potential legislative issues

include: replacement of the firefighters' insurance premium tax funds; post-retirement reemployment restriction changes, including a surcharge funding mechanism approach, just making the change for Public Safety, or having a shortened separation period if the member has more years of service credit; a DROP program (deferred retirement option plan) for Public Safety/Firefighters, which has been initiated by the Unified Fire Department and they are calling a Planned Retirement Program; Public Safety Tier 2 reforms, which have been focused recently on increasing multiplier to 2%; and a legislator is looking at prospectively limiting pensions to the median wage in the state.

Mr. Chet Loftis discussed legislation relating to PEHP and the role that PEHP plays in the State Legislature that includes providing fiscal notes on healthcare bills and providing technical advice. Items of interest this year include pre-authorization, pharmacy, and emergency medical visits at out of network facilities.

Board Resolution 2019-01

Mr. Dee Larsen reviewed Board Resolution 2019-01, Public Safety Retirement Eligibility.

ACTION: Mr. David Damschen moved, seconded by Ms. Sheri Nelson, to approve Board Resolution 2019-01. The motion passed unanimously, 5-0.

New Employer – Grand County Emergency Medical Services Special Service District

Mr. Dan Andersen reviewed the application for Grand County Emergency Medical Services Special Service District to participate in the Public Employees' Retirement System. He reported that all eligibility requirements have been met.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Bill Wallace, to approve Grand County Emergency Medical Services Special Service District as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 5-0.

New Employer – Powder Mountain Water and Sewer Improvement District

Mr. Dan Andersen reviewed the application for Powder Mountain Water and Sewer Improvement District to participate in the Public Employees' Retirement System. He reported that all eligibility requirements have been met.

ACTION: Ms. Sheri Nelson moved, seconded by Mr. David Damschen, to approve Powder Mountain Water and Sewer Improvement District as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 5-0.

New Employer – Central Utah 911

Mr. Dan Andersen reviewed the application for Central Utah 911 to participate in the Public Employees' Retirement System. He reported that all eligibility requirements have been met.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Bill Wallace, to approve Central Utah 911 as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 5-0.

At 3:37 p.m., Mr. Dave Damschen moved, seconded by Mr. Ryan Hessenthaler, to move into Closed Session to discuss investment and pending confidential legal matters. The motion passed unanimously, 5-0.

Mr. David Damschen moved, seconded by Ms. Sheri Nelson, to move back into Open Session. The motion passed unanimously, 5-0. The meeting resumed at 4:17 p.m.

Final Motions

Findings of Fact, Conclusions of Law and Order 17-36R

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Bill Wallace, to approve the Findings of Fact, Conclusions of Law and Order 17-36R as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 5-0.

Variance Report

ACTION: Mr. Bill Wallace moved, seconded by Mr. David Damschen, to accept the Variance Report as of December 31, 2018. The motion passed unanimously, 5-0.

Adjournment

Mr. Bill Wallace moved, seconded by Ms. Sheri Nelson, to adjourn the meeting. The motion passed unanimously, 5-0.

The meeting adjourned at 4:19 p.m.

Laura O. Houston, Board President

Daniel D. Andersen, Executive Director