

**MINUTES OF THE
ADMINISTRATIVE BOARD MEETING
March 10, 2016 – 3:00 p.m. – Utah Retirement Office**

Present: Ms. Sheri Nelson, Board President
Mr. Ed Alter, Board Member
Mr. Dave Damschen, Board Member
Mr. Roger Donohoe, Board Member
Mr. Ryan Hessenthaler, Board Member
Ms. Laura Houston, Board Member
Mr. Bill Wallace, Board Vice-President

Excused:

Staff: Mr. Jeff Allen, Shared Services Director
Mr. Dan Andersen, Executive Director
Mr. Steve Baker, PEHP Operations Director
Mr. Dave Hansen, PEHP Chief Legal Counsel
Mr. Kim Kellersberger, Finance Director
Mr. Dan Larsen, Real Estate Portfolio Manager, Investments
Mr. Dee Larsen, General Counsel
Mr. Mike Maires, Senior Real Estate Portfolio Manager, Investments
Mr. Todd Rupp, Deputy Executive Director
Mr. Darron Schryver, Chief Information Security Officer
Mr. Joel Sheppard, Marketing Director

Guests: Mr. Michael Pineschi, Unite Here

Call to Order and Approval of Minutes

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

ACTION: Mr. Bill Wallace moved, seconded by Mr. Ryan Hessenthaler, to approve the minutes of the February 16, 2016, Audit/Budget Committee Meeting. The motion passed unanimously.

ACTION: Mr. Ed Alter moved, seconded by Ms. Laura Houston, to approve the minutes of the February 18, 2016, Administrative/Investment Board Meeting. The motion passed unanimously.

Unite Here

Mr. Michael Pineschi addressed the Board about the recent developments at the Westin Long Beach Hotel. He distributed copies of the National Labor Relations Board (NLRB) First Amended Charge Against Employer form.

Mr. Dan Andersen read a message from AEW regarding the charges against the hotel.

Enterprise Risk Management Overview

Mr. Dan Andersen gave an overview of enterprise risk management (ERM). Items reviewed and discussed included the following:

- What is ERM?
- Board Questions for the Executive Director
- New York State Teachers
 - Risk Management Time Line Pre-ERM Initiative
 - Risk Management - Business Unit Activities
 - Goal: Consolidation, Reporting and Accountability
 - Risk Management Today, Clearly Articulated Governance Structure
 - Resources Allocated
 - An Incremental Process
 - Risk Management Framework
 - Key Takeaways
- Texas Teachers Retirement Systems
 - ERM Timeline
 - ERM Process
 - Stoplight Report
 - Risk Heat Map
 - Risk Governance and Management Structure

Discussion followed on the Board's interest in moving forward with an ERM program. The Board requested that Mr. Andersen provide an inventory of risks across the organization and include who is currently managing those risks. The Board will then revisit this issue to determine next steps.

Retirement Division Strategic Plan Update

Mr. Todd Rupp reviewed the status of the current year deliverables for the Retirement Division as of February 29, 2016. The Board asked to have the Management U Division Overview session made available to the Board.

Review of Legislative Session

Mr. Dee Larsen distributed a document titled, "2016 General Session: Summary of Selected URS-Related Bills." Using that document, he reviewed the provisions and current status of bills pertaining to URS and PEHP.

Contribution Rates

Mr. Dan Andersen discussed the contribution rates for fiscal year July 1, 2016, through June 30, 2017, that the Board formally approved on August 13, 2015, subject to legislation in

the 2016 General Session. If no legislation passes impacting these rates, they will become the final contribution rates.

At 4:11 p.m., Mr. Ryan Hessenthaler moved, seconded by Mr. Dave Damschen, to move into Closed Session for the purpose of discussing fiduciary and confidential matters. The motion passed unanimously.

Mr. Ed Alter moved, seconded by Mr. Roger Donohoe, to move back into Open Session. The meeting resumed at 5:06 p.m.

New Employer

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Ryan Hessenthaler, to approve Kaysville City Corporation as a participating employer in the Firefighters Retirement System. The motion passed unanimously.

Adjournment

Mr. Bill Wallace moved, seconded by Ms. Laura Houston, to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at 5:07 p.m.

Sheri K. Nelson, President

Daniel D. Andersen, Executive Director