

**MINUTES OF THE  
Retirement Board Workshop  
September 11-12, 2013—8:30 a.m.—Stein Eriksen Lodge**

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**Present:** Mr. Richard Ellis, Board President  
Mr. Ed Alter, Board Member  
Mr. Scott Berryessa, Board Member  
Ms. Laura Houston, Board Member  
Ms. Kathy Jones-Price, Board Member  
Ms. Sheri Nelson, Board Vice-President  
Mr. William Wallace, Board Member

**Excused:**

**Staff:** Mr. Daniel Andersen, Executive Director  
Mr. Paul Anderton, Chief Actuary  
Mr. Ed Archer, Chief Compliance Officer, Investments  
Mr. Steve Baker, Healthcare Services Director  
Mr. Bruce Cundick, Chief Investment Officer  
Mr. Kim Kellersberger, Finance Director  
Ms. Jayne Knecht, Human Resource Director  
Mr. Chet Loftis, PEHP Director  
Ms. LuAnn Miskin, Administrative Assistant  
Mr. Todd Rupp, Deputy Executive Director  
Mr. Craige Stone, Defined Contribution Director  
Mr. Bryant Weber, Sr. Investment Analyst

**Legal Counsel:** Mr. David Hansen  
Mr. Dee Larsen

**Guests:** Mr. James Callahan, Callan Associates  
Mr. Jay Kloepfer, Callan Associates

**Call to Order**

President Richard Ellis called the meeting to order at 8:30 a.m. and welcomed Board members, staff, and guests. He introduced and welcomed Mr. Wayne Kidd and Mr. Darin Underwood, Legislative Auditors.

At 8:31 a.m., Ms. Sheri Nelson moved, seconded by Mr. Scott Berryessa, to move to Closed Session. The motion passed unanimously.

At 1:49 p.m., Mr. Bill Wallace moved, seconded by Mr. Ed Alter, to move into Open Session. The motion passed unanimously.

## **Board Motions**

**ACTION:** Ms. Laura Houston moved, seconded by Mr. Scott Berryessa, to approve engaging a consultant for the Private Equity Asset Class, and to approve using the consultant to assist in rewriting the Private Equity Strategic Plan, as presented. The motion passed unanimously.

**ACTION:** Mr. Bill Wallace moved, seconded by Ms. Kathy Jones-Price, to approve the DB Plan Statement of Investment Policies, Objectives, and Guidelines changes as presented. The motion passed unanimously.

**ACTION:** Mr. Ed Alter moved, seconded by Mr. Scott Berryessa, to approve the Absolute Return Strategies Strategic Plan changes as presented. The motion passed unanimously.

**ACTION:** Ms. Sheri Nelson moved, seconded by Ms. Kathy Jones-Price, to approve the DC IPS changes as presented. The motion passed unanimously.

**ACTION:** Mr. Bill Wallace moved, seconded by Mr. Scott Berryessa, to approve the Findings of Fact, Conclusions of Law and Order 13-36H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

**ACTION:** Ms. Laura Houston moved, seconded by Ms. Sheri Nelson, to approve the Default Judgment on Notice of Board Action 13-32S as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

**ACTION:** Ms. Ed Alter moved, seconded by Mr. Bill Wallace, to accept the Asset Allocation Report for August 2014. The motion passed unanimously.

## **Managing Budgeted Employee Headcount and Recruiting Update**

Ms. Jayne Knecht reviewed definitions regarding Approved Budgeted Employee Headcount and the Overfill Summary (included in Meeting Materials.). She discussed the primary recruiting challenges for URS and the recruitment innovations and changes that the Human Resource Department are or will be working on to meet those challenges.

## **Fiduciary/Legislation Update**

Mr. Dee Larsen provided training on fiduciary responsibilities, focusing on Duty of Loyalty and Duty of Care.

He reviewed the Summary of Potential Items for the 2015 "Utah Retirement Systems Amendments" Bill and the 2015 "Tier II Retirement Systems Amendments" Bill.

He also reviewed known upcoming public legislation regarding retirement.

## **URS Budgets**

Mr. Kim Kellersberger presented the budgets for review and approval as follows:

- 2013-2014 Actual Expenditures
- 2014-2015 Revised Budget
- 2015-2016 Budget Request
- 2013-2014 Actual Expenditures - Capital Assets Fund
- 2014-2015 Revised Budget – Capital Assets Fund

**ACTION:** Mr. Ed Alter moved, seconded by Ms. Sheri Nelson, to approve the 2013-2014 Actual Expenditures as presented. The motion passed unanimously.

**ACTION:** Ms. Laura Houston moved, seconded by Ms. Kathy Jones-Price, to approve the 2014-2015 Revised Budget as presented. The motion passed unanimously.

**ACTION:** Mr. Bill Wallace moved, seconded by Mr. Ed Alter, to approve the 2015-2016 Budget Request as presented. The motion passed unanimously.

**ACTION:** Mr. Scott Berryessa moved, seconded by Ms. Kathy Jones-Price, to approve the 2013-2014 Actual Expenditures - Capital Assets Fund as revised. The motion passed unanimously.

**ACTION:** Ms. Sheri Nelson moved, seconded by Mr. Bill Wallace, to approve the 2014-2015 Revised Budget – Capital Assets Fund as presented. The motion passed unanimously.

## **Adjournment**

The meeting was adjourned at 4:36 p.m.

## **Call to Order**

The meeting was called to order on Friday, September 12, 2014, at 8:06 a.m.

## **PEHP Strategy**

Mr. Chet Loftis reviewed the PEHP Business Objectives for 2011-2012, 2012-2013, and 2013-2014, as well as Key Accomplishments and Key Horizon Issues (included in the Meeting Materials).

## **PEHP Operations**

Mr. Steve Baker reviewed PEHP Operations focusing on Managing Costs, Continual Improvement, and Serving Members Better (included in the Meeting Materials).

### **Risk Pools**

Mr. Paul Anderton gave a presentation on PEHP Medical Membership, Risk Pools, and Trend (included in the Meeting Materials).

### **PEHP Legal Update**

Mr. Dave Hansen gave an update on the Affordable Care Act (ACA).

### **Approval of Minutes**

**ACTION:** Ms. Kathy Jones-Price moved, seconded by Mr. Ed Alter, to approve the minutes of the August 19, 2014, Administrative Board Meeting. The motion passed unanimously.

**ACTION:** Mr. Bill Wallace moved, seconded by Ms. Sheri Nelson, to approve the minutes of the August 21, 2014, Investment Board Meeting. The motion passed unanimously.

### **New Employer – Big Water Municipal Public Safety**

Mr. Todd Rupp reviewed the application for Big Water Municipal Public Safety for membership in the Public Safety Retirement System. He noted that they meet the qualifications and recommended approval of the application.

**ACTION:** Ms. Laura Houston moved, seconded by Mr. Scott Berryessa, to approve the application for Big Water Municipal Public Safety for membership in the Public Safety Retirement System. The motion passed unanimously.

### **Board Discussion**

Chairman Ellis discussed the possibility of developing a URS operational plan.

### **Adjournment**

Mr. Bill Wallace moved, seconded by Ms. Sheri Nelson to adjourn the meeting. The meeting adjourned at 12:10 p.m.

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Richard K. Ellis, Board President

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Daniel D. Andersen, Executive Director