

**MINUTES OF THE  
ADMINISTRATIVE/INVESTMENT BOARD MEETING  
February 20, 2014—3:00 p.m.—Utah Retirement Office**

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

**Excused:**

**Staff:** Mr. Jeff Allen, Shared Services Director  
Mr. Daniel Andersen, Executive Director  
Mr. Ed Archer, Chief Compliance Officer  
Mr. Steve Baker, Healthcare Services Director  
Mr. Dave Bjarnason, Sr. Compliance Officer - Investments  
Mr. Bruce Cundick, Chief Investment Officer  
Ms. LuAnn Miskin, Administrative Assistant  
Mr. Todd Rupp, Deputy Executive Director  
Mr. Joel Sheppard, Marketing Director  
Mr. Craige Stone, Defined Contribution Director

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

**Guests:** Mr. Jim Callahan, Callan & Associates  
Ms. Anne Heaphy, Callan & Associates

**Call to Order and Approval of Minutes**

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

**ACTION:** Mr. Ed Alter moved, seconded by Mr. John Lunt, to approve the minutes of the January 9, 2014, Administrative Board Meeting. The motion passed unanimously.

**ACTION:** Ms. Sheri Nelson moved, seconded by Ms. Kathy Jones-Price, to approve the minutes of the January 16, 2014, Investment Board Meeting. The motion passed unanimously.

**Four Year Internal Audit Plan Approval**

Mr. Steve West previously reviewed the Four Year Internal Audit Plan at the February 18, 2014, Audit/Budget Committee Meeting.

**ACTION:** Ms. Kathy Jones-Price moved, seconded by Mr. Bill Wallace, to approve the Four Year Internal Audit Plan as discussed in the Audit/Budget Committee Meeting. The motion passed unanimously.

### **Defined Contribution Year End Review**

Mr. Craig Stone reviewed the Defined Contribution Plans for the year end 2013. Items reviewed included:

- State \$26 Match to 401(k)
- 401(k) Determination Letter
- Reduced Administrative Fees
- myRA: Federal Payroll Deducted Roth IRA
- Summary of Contributions and Withdrawals
- How Far Have We Come?
- Growth in Net Assets
- Participant Breakdown by Account Balance
- Total Portfolio
- Brokerage Window Available Since 2006

### **Defined Contribution Glide Path Approval**

Mr. Jim Callahan reviewed the URS Glide Path Plan. He stated that the focus of designing the Glide Path was on the Tier 2 participants. The following items were reviewed:

- Callan Custom Glide Path Design Process
- Risks
  - Shortfall Risk
  - Downside Risk
  - Inflation Risk
  - Longevity Risk
- Asset Classes
- Target Income Replacement Rate
- Incident of Retirement
- The URS Target Fund Date Funds
- Mapping
- Equity Structure
- Fixed Income Structure
- Real Assets Structure

Discussion followed. Mr. Stone reviewed the timeline for the rollout of the Glide Path Plan.

**ACTION:** Mr. John Lunt moved, seconded by Mr. Bill Wallace, to approve the URS Defined Contribution Glide Path as discussed. The motion passed unanimously.

At 4:28 p.m., Ms. Kathy Jones-Price moved, seconded by Mr. Scott Berryessa, to move into Closed Session for the purpose of discussing confidential and fiduciary matters. The motion passed unanimously.

Mr. Scott Berryessa moved, seconded by Ms. Sheri Nelson, to move into Executive Session.

Ms. Kathy Jones-Price moved, seconded by Mr. Scott Berryessa, to move back into open meeting. The motion passed unanimously. The open meeting resumed at 5:15 p.m.

### **Legislative Update**

Mr. Dee Larsen reviewed the current House and Senate bills relating to URS and PEHP.

### **COLA for Retirees**

Mr. Todd Rupp reported that the Cost-of-Living Adjustment (COLA) increase for Retirees will be 1.5% effective February 2014 through January 2015.

### **Findings of Fact, Conclusions of Law, and Order 13-06R**

**ACTION:** Ms. Kathy Jones-Price moved, seconded by Mr. Ed Alter, to approve the Findings of Fact, Conclusions of Law, and Order 13-06R as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

### **Findings of Fact, Conclusions of Law, and Order 13-10H**

**ACTION:** Ms. Sheri Nelson moved, seconded by Mr. John Lunt, to approve the Findings of Fact, Conclusions of Law, and Order 13-10H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

### **Asset Allocation Report**

Mr. Scott Berryessa moved, seconded by Mr. Bill Wallace, to accept the Asset Allocation Report as presented. The motion passed unanimously.

### **Adjournment**

Mr. Bill Wallace moved, seconded by Mr. Scott Berryessa, to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at 5:52 p.m.

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Richard K. Ellis, Board President

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Daniel D. Andersen, Executive Director