

**MINUTES OF THE
ADMINISTRATIVE/INVESTMENT BOARD MEETING
April 17, 2014—3:00 p.m.—Utah Retirement Office**

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. Dan Andersen, Executive Director
Mr. Paul Anderton, Chief Actuary
Mr. Ed Archer, Chief Compliance Officer
Mr. Steve Baker, Healthcare Services Director
Mr. Dave Bjarnason, Sr. Compliance Officer, Investments
Mr. Bob Cowan, Investment and Timber Director
Mr. Bruce Cundick, Chief Investment Officer
Mr. Rich Eggett, Sr. Investment Analyst
Mr. Dan Larson, Sr. Real Estate Investment Analyst
Mr. Chet Loftis, PEHP Director
Mr. Rich Matheson, Investment Analyst, Real Estate
Ms. LuAnn Miskin, Administrative Assistant
Mr. Devon Olson, Real Estate Director
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:

Presentations

Prior to the Administrative/Investment Board meeting, presentations were made by staff and the following Real Asset Consultant and Managers:

- Albourne
- TIAA-CREF
- TIAA-Henderson

Call to Order and Approval of Minutes

President Richard Ellis called the meeting to order at 3:05 p.m. and welcomed Board members and staff.

ACTION: Mr. Ed Alter moved, seconded by Mr. John Lunt, to approve the minutes of the March 13, 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 March 20, 2014, Investment Board Meeting. The motion passed unanimously.

PEHP Update

Mr. Chet Loftis reviewed the main points of the presentation made at the Employer Event on March 25, 2014.

- Today's Challenges
- Cost Conscious Plan Design
- PEHP Customer Tools
- PEHP Member Engagement
- Other Cost Savings Measures
- Member-centered Healthcare
- Self-funding: Impact Bottom Line

Employer Event Update

Mr. Dan Andersen gave an update on the Employer Event. He recapped the numbers from the satisfaction survey, which were good overall. He stated that URS/PEHP will be focusing on how to better serve the employers, in addition to the employees. He is developing a plan that will include in-person visits to the employers. He also discussed the new URS/PEHP mission statement.

At 3:51 p.m., Mr. Scott Berryessa moved, seconded by Mr. John Lunt, to move into Closed Session for the purpose of discussing confidential and fiduciary matters. The motion passed unanimously.

Ms. Kathy Jones-Price moved, seconded by Mr. Scott Berryessa, to move back into Open Session. The motion passed unanimously. The open meeting resumed at 4:32 p.m.

Default Judgment on Notice of Board Action 13-44D

ACTION: Mr. Ed Alter moved, seconded by Mr. John Lunt, to approve the Default Judgment on Notice of Board Action 13-44D as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

Order of Dismissal 13-16H

ACTION: Ms. Kathy Jones-Price moved, seconded by Mr. Scott Berryessa, to approve the Order of Dismissal 13-16H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

Findings of Fact, Conclusions of Law, and Order 10-13D

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

Order of Dismissal 12-32H

ACTION: Mr. Scott Berryessa moved, seconded by Ms. Kathy Jones-Price, to approve the Order of Dismissal 12-32H as submitted by the Adjudicative Hearing Officer. The motion passed unanimously.

Real Estate and Agriculture/Timber Strategic Plan Changes

ACTION: Mr. John Lunt moved, seconded by Ms. Kathy Jones-Price, to approve the changes to the Real Estate and Agriculture/Timber Strategic Plan including the corrections as discussed. The motion passed unanimously.

Real Assets Strategic Plan Changes

ACTION: Mr. Scott Berryessa moved, seconded by Ms. Kathy Jones-Price, to approve the changes to the Real Assets Strategic Plan as discussed. The motion passed unanimously.

PEHP Rates Approval

ACTION: Mr. Ed Alter moved, seconded by Mr. Scott Berryessa, to approve the proposed PEHP rate change as discussed, effective July 1, 2014, for LGRP Medical. The motion passed unanimously.

ACTION: Ms. Kathy Jones-Price moved, seconded by Mr. John Lunt, to approve the proposed PEHP rate change as discussed, effective July 1, 2014, for the State of Utah Medical program. The motion passed unanimously.

ACTION: Mr. Scott Berryessa moved, seconded by Mr. Ed Alter, to approve the proposed PEHP rate change as discussed, effective July 1, 2014, for LGRP Dental program. The motion passed unanimously.

ACTION: Mr. Ed Alter moved, seconded by Mr. Scott Berryessa, to approve the proposed PEHP rate hold, effective July 1, 2014, for the State of Utah Dental program. The motion passes unanimously.

Asset Allocation Report

ACTION: Ms. Kathy Jones-Price moved, seconded by Mr. Scott Berryessa, to accept the Asset Allocation Report as presented. The motion passed unanimously.

Executive Session

Mr. Scott Berryessa moved, seconded by Ms. Kathy Jones-Price to move to Executive Session.

Adjournment

Mr. Ed Alter moved, seconded by Ms. Kathy Jones-Price, to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at 5:00 p.m.

Richard K. Ellis, Board President

Daniel D. Andersen, Executive Director