

**UTAH STATE RETIREMENT BOARD
MINUTES OF THE
ADMINISTRATIVE BOARD MEETING
February 11, 2021, 3:00 p.m.
Via Video Conference**

Participated via Video Conference:

Mr. David Damschen, Board President
Mr. Larry Evans, Board Vice President
Mr. Roger Donohoe, Board Member
Mr. Richard Ellis, Board Member
Ms. Laura Houston, Board Member
Mr. Bill Wallace, Board Member

Excused: Mr. Ryan Hessenthaler, Board Member

Staff Participated via Video Conference:

Mr. Dan Andersen, Executive Director
Mr. Mark Cain, Deputy Executive Director
Mr. Rob Dolphin, Chief Financial Officer
Mr. Dee Larsen, General Counsel
Mr. Chet Loftis, PEHP Director
Ms. LuAnn Miskin, Executive Assistant
Mr. Craig Stone, Defined Contribution Savings Plans Director

Guests Participated via Video Conference:

Call to Order

President David Damschen called the meeting to order at 3:04 p.m. and welcomed Board members and staff.

Approval of Minutes

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Richard Ellis, to approve the minutes of the January 21, 2021, Administrative Board Meeting. The motion passed unanimously, 6-0.

ACTION: Mr. Bill Wallace moved, seconded by Ms. Laura Houston, to approve the minutes of the January 21, 2021, Investment Board Meeting. The motion passed unanimously, 6-0.

Legislative Overview

Mr. Dee Larsen gave an overview of the 2021 legislative session and updated the Board about legislation relating to URS. S.B. 16, Utah Retirement Systems Amendments, was substituted in a committee meeting this morning and then unanimously recommended the bill to

the House floor. The substitute version has additional language to authorize, but not require, certain independent entities to make a withdrawal election from URS participation. Like with Valley Mental Health and the Workers' Compensation Fund previously, employer withdrawal from URS participation requires legislative authorization and this language is based on those precedents. He noted that URS and the Utah Dairy Council have been negotiating about potential withdrawal (for a couple of years) and we're finally to a point that both parties have agreed to these provisions, so it was added to S.B. 16 rather than having to get another bill through the legislative process. The bill is now in third position on the House calendar for Senate bills.

URS continues to work with Representative Gwynn, the sponsor of H.B. 150, Public Safety Post-retirement Reemployment Amendments. URS staff have spent many hours with legislators and other stakeholders about the post-retirement reemployment restrictions and the costs of making changes to those rules. The current plan is to have an in-depth study of this issue in the Interim period following the session and URS will be heavily involved in that.

S.B. 115, Retirement System Transparency Requirements, amends provisions related to the public disclosure of transparency information by participating employers of URS through the Utah Public Finance Website which is administered by and will bring them under the jurisdiction of the state auditor. URS itself is exempted from the requirements in this bill.

Mr. Larry Evans asked about H.B. 280, State Employment Amendments. Mr. Larsen will look into it.

Budget Review

Mr. Rob Dolphin provided a mid-year review of the Budget, including the following items:

- Review cycle and budget practices
- Projections of FY 2021 admin expenses
- Review of historical expenses and FTEs
- Review AUREUS and HealthEdge multi-year budget

LGRP Refund

Mr. Chet Loftis reviewed the request for approval by the Board for a refund to the LGRP agencies of \$5 million to \$5.5 million. PEHP performs an annual review of the reserves within LGRP. The return amount is determined in October of each year with the refund payments going out between October and May, depending on the timing of each employer group's renewal. The actual amount of the refund is determined by agency experience, which is not finalized until April 2021.

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Larry Evans, to approve the LGRP PEHP premium refund range of \$5 million to \$5.5 million. The motion passed unanimously, 6-0.

Adjournment

Mr. Roger Donohoe moved to adjourn the meeting. The motion passed unanimously, 6-0.

The meeting adjourned at 4:20 p.m.

David C. Damschen, President

Daniel D. Andersen, Executive Director