

**MINUTES OF THE
UTAH STATE RETIREMENT BOARD WORKSHOP
ADMINISTRATIVE BOARD MEETING
October 17-18, 2022, 1:30 p.m.
Stein Eriksen Lodge, Park City, Utah**

Participated In Person:

Mr. Richard Ellis, Board President
Mr. Larry Evans, Board Vice President
Ms. Christie Behunin, Board Member
Mr. Roger Donohoe, Board Member
Mr. Ryan Hessenthaler, Board Member
Mr. Marlo Oaks, Board Member
Mr. Karl Wilson, Board Member

Excused: Mr. Richard Ellis, Board President (at 3:30 p.m. October 17, 2022)

Staff Participated In Person:

Mr. Dan Andersen, Executive Director
Mr. Mark Brown, Business Operations Director - PEHP
Mr. Mark Cain, Deputy Executive Director
Mr. Rob Dolphin, Chief Financial Officer
Mr. Dave Hansen, Sr. Associate General Counsel
Ms. Jayne Knecht, Human Resource Director
Mr. Dee Larsen, General Counsel
Mr. Chet Loftis, PEHP Director
Ms. Tiffany Lund, Project Management Director – URS Administration
Ms. Ramsey Major, PEHP Administrative Systems Sr. Manager
Ms. LuAnn Miskin, Executive Assistant
Mr. Kendall Rima, Chief Information Officer
Mr. Travis Tolley, Clinical Management Director
Mr. Lance Toms, PEHP Administrative Systems and Project Manager
Mr. John Skjervem, Chief Investment Officer

Call to Order

President Richard Ellis called the meeting to order at 1:36 p.m. and welcomed Board members and staff.

Executive Session

At 1:36 p.m., Mr. Ryan Hessenthaler moved, seconded by Ms. Christie Behunin, to move into Executive Session to discuss fiduciary matters. The motion passed unanimously, 7-0.

The following were present:

- Board Members
- Mr. Dan Andersen (first portion of session)

At 2:30 p.m., Mr. Ryan Hessenthaler moved, seconded by Mr. Karl Wilson, to move into Closed Session to discuss confidential pending legal matters. The motion passed unanimously, 7-0.

At 2:36 p.m., Mr. Larry Evans moved, seconded by Mr. Karl Wilson, to move into Open Session. The motion passed unanimously, 7-0.

Approval of Minutes

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Karl Wilson, to approve the minutes of the August 11, 2022, Administrative Board Meeting. The motion passed unanimously, 7-0.

ACTION: Mr. Larry Evans moved, seconded by Ms. Christie Behunin, to approve the minutes of the August 16, 2022, Audit/Risk/Insurance Committee Meeting. The motion passed unanimously, 7-0.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Roger Donohoe, to approve the minutes of the August 18, 2022, Investment Board Meeting. The motion passed unanimously, 7-0.

ACTION: Ms. Christie Behunin moved, seconded by Mr. Larry Evans, to approve the minutes of the September 15, 2022, Investment Board Meeting. The motion passed unanimously, 7-0.

Other Business

Stipulated Order of Voluntary Dismissal 20-10R

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Ryan Hessenthaler, to approve the Stipulated Order of Voluntary Dismissal 20-10R as submitted by the Adjudicative Hearing Officer. The motion passed unanimously, 7-0.

URS/PEHP Annual Budget Report

Mr. Rob Dolphin reviewed the following budget items:

- Review of budget process
- Review of historical expenses and FTEs
- Review variances between budget and actuals
- Review proposed FY 2023, 2024, and 2025 capital budgets
- Board approvals of required budgets

The following motions were made to approve budgets as shown on page 66 of the Board Workshop meeting materials.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Ms. Christie Behunin, to approve the 2021-2022 Investment fee budget amendment. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Marlo Oaks moved, seconded by Mr. Karl Wilson, to approve the 2021-2022 final actual fiscal year ended expenditures as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Ms. Christie Behunin moved, seconded by Mr. Ryan Hessenthaler, to approve the 2022-2023 budget as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Marlo Oaks moved, seconded by Mr. Karl Wilson, to approve the 2023-2024 preliminary budget as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Ms. Christie Behunin, to approve the 2024-2025 preliminary budget as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Roger Donohoe moved, seconded by Mr. Ryan Hessenthaler, to approve the 2021-2022 final actual fiscal year ended capital expenditures as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Marlo Oaks moved, seconded by Mr. Karl Wilson, to approve the 2022-2023 capital projects budget as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Roger Donohoe moved, seconded by Ms. Christie Behunin, to approve the 2023-2024 preliminary capital projects budget as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Roger Donohoe, to approve the 2024-2025 preliminary capital projects budget as presented. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

Adjourn

Mr. Marlo Oaks moved, seconded by Mr. Roger Donohoe, to adjourn the meeting until the morning. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote. The meeting adjourned at 3:47 p.m. and will readjourn October 18, 2022, at 8:00 a.m.

October 18, 2022

Call to Order

Vice President Larry Evans called the meeting to order at 8:02 a.m. and welcomed Board members and staff.

Board Smart

Mr. Dan Andersen gave a brief overview of the updated Board Smart website that provides educational materials and training for board members.

Annual Fiduciary and Open & Public Meetings Training

Mr. Dee Larsen provided Annual Fiduciary and Open & Public Meetings training. The following topics were reviewed and discussed:

- Part I: Open & Public Meetings Training
- Part II: Fiduciary Duties Summary
- Part III: Fiduciary Hot Topics
- Part IV: Practical Steps
- Part V: Action Items and Next Steps

The Board Member Annual Fiduciary Compliance Certificate was distributed to each Board Member for completion and signature. The certificates will be kept on file at the URS Retirement Office.

PEHP Update

Mr. Chet Loftis gave a PEHP update, including the following items:

- Workforce
- Major Initiatives
- Central Services
- Six Phases of COVID
- Business Climate
- Political Climate
- Strategic Objectives
- Strategic Principles

PEHP Rate Renewals

Mr. Chet Loftis reviewed the PEHP rate renewal changes effective January 1, 2023, for the Local Governments Risk Pool (LGRP) January and Medicare Risk Pool.

ACTION: Mr. Ryan Hessenthaler moved, seconded by Mr. Karl Wilson, to approve the following PEHP rate renewals, effective January 1, 2023, with the understanding that the final aggregate rate may be different due to agency migration or rate adjustments arising from the renewal process:

- LGRP January 2023 rate changes
 - Medical/Rx: 4.4% increase
 - Dental: 0.0% rate hold
- Medicare 2023 rate changes
 - Medicare Supplement: 5.9% increase
 - Medicare Part D: -3.7% decrease
 - Medicare Dental: -2.8% decrease

The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

PEHP Core System Update

Mr. Lance Toms and Ms. Ramsey Major gave an update on the PEHP Core System project and implementation.

AUREUS Update

Ms. Tiffany Lund gave an overview and update on the AUREUS project, including the following items:

- AUREUS Project Overview
- Actual vs. Expected Progress
- Year in Review
- Data Conversion
- Look Ahead

Adjournment

Mr. Roger Donohoe moved, seconded by Mr. Karl Wilson, to adjourn the meeting. The motion passed unanimously, 6-0. President Richard Ellis was absent for this vote.

The meeting adjourned at 11:41 p.m.

Daniel D. Andersen, Executive Director