

**MINUTES OF THE
UTAH STATE MEMBERSHIP COUNCIL MEETING
October 7, 2024, 12:00 Noon
Utah Retirement Office
Hybrid Meeting**

Council Members Participating in Person:

Mr. Marty Peterson, Chair, Professional Firefighters of Utah
Mr. Rod Hurd, Vice Chair, Utah Education Association
Mr. JJ Allen, Utah League of Cities and Towns
Mr. Larry Millward, Utah Retired School Employees' Association
Ms. Lisa Nance, Utah Public Employees' Association

Council Members Participating via Video Conferencing:

Ms. Heather Anderson, Utah Association of Special Service Districts
Ms. Jenny Graviet, Utah Education Association
Ms. Anna Lewin, Utah Education Association
Judge Kara Pettit, Utah Judicial Council
Mr. Brandon Wolf, Utah School Employees' Association

Excused:

Ms. Sheri Dearden, Utah Association of Counties
Mr. Brad Hardesty, Utah Association of Retired Public Employees
Mr. Scott Wilberger, Utah Peace Officers' Association
Mr. Zane Woolstenhulme, Utah Association of School Business Officials

Staff Participating in Person:

Mr. Ryan Ashcraft, Retirement Planning Director
Mr. Daniel Boster, Savings Plans Director
Mr. Kory Cox, Director of Legislative & Government Affairs
Ms. Liza Eves, Senior Associate General Counsel
Mr. James Hammer, Employer Services Director
Mr. Dee Larsen, General Counsel
Ms. Stacie Petersen, Executive Assistant
Mr. Greg Poulton, Retirement Planning Advisor
Mr. Dustin Seely, Retirement Benefits Director

Staff Participating via Video Conferencing:

Mr. Chet Loftis, PEHP Director

Guests Participating in Person:

Mr. Brian Davidson, Professional Firefighters of Utah
Mr. Alan Kearsley, Utah Association of School Business Officials
Mr. Jason Putman, Professional Firefighters of Utah

Guests Participating via Video Conferencing:

Ms. Debra Valentine, State Division of Human Resource Management

Welcome

Chair Marty Peterson called the meeting to order at 12:02 p.m. and welcomed Council members, staff, and guests.

Approval of Minutes

Chair Marty Peterson asked for approval of the September 9, 2024, Membership Council Meeting minutes.

ACTION: Mr. Larry Millward moved, seconded by Ms. Heather Anderson, to approve the minutes of the September 9, 2024, Membership Council Meeting. The motion passed unanimously.

Report from Member Organizations

Chair Marty Peterson asked Council members and guests to provide a report from their organizations. He stated that they are excited that the Tier 1 Firefighter Division A System is now less expensive for employers than the Tier 2 Public Safety and Firefighter System. He also said they are working on mental health resources for firefighters and will be asking the legislature for money to help fund that. He will be attending the NCPERS conference and encouraged others to attend that conference at some point in the future as well.

Vice Chair Rodney Hurd reported that the first UEA meeting is this Friday. He stated his opposition to Amendment A, which may take money away from public education.

Ms. Anna Lewin echoed Mr. Hurd's comments and added how important school board elections are this election year. She is hopeful that legislation will be enacted to allow employer pickups for Tier 2 employees.

Ms. Heather Anderson had a conversation with Senator Harper regarding the pick-up legislation. She reported that it is already drafted and should be heard in an interim committee this month. She encouraged the members to let their legislators know of their support for this legislation.

Ms. Jenny Graviet also echoed all said by Mr. Hurd and Ms. Lewin. As she travels to schools, she is hearing that new teachers are unaware of the Tier 2 requirement regarding choosing a plan in their first year and wonders how to get information to those teachers. Mr. Kory Cox talked about the Retirement Planning Department and their efforts in helping employers get this information to their new employees. New employees receive five letters from URS informing them that they must choose a plan in their first year of employment or be defaulted into the Tier 2 Hybrid plan.

Mr. Alan Kearsley stated that they are in support of employers being able to pick up the 0.7% Tier 2 employee contribution.

Mr. Larry Millward was concerned about the "creeping contribution" requirement for Tier 2 employees and the possibility of continued increases each year. Mr. Dee Larsen and Mr. Kory Cox explained the history of URS, the Tier 2 systems, and contribution rates.

Mr. Brandon Wolf reported they are just watching what happens with Amendment A.

Ms. Lisa Nance's question was regarding the postretirement reemployment bill. Mr. Dee Larsen said he would address that in his presentation.

Mr. JJ Allen discussed his city's concern with contract employees, specifically 1099 employees that retired from the URS system and the burden that places on the employer to report their "rehired" status. Mr. Dee Larsen explained the difference between part-time employees and contractors.

Ms. Debra Valentine thanked URS for the support given to employers and members.

There were no other legislative reports from the Council Members.

2025 Legislation Update

Mr. Dee Larsen reported that the Retirement and Independent Entities Interim Committee will be meeting October 17, 2024, to hear several pieces of legislation including volunteer firefighters having the ability to earn more money as an exception to postretirement rules, allowing defined contribution vesting of active duty military spouses who get out of state orders before they meet the vesting requirement, and dealing with proposed changes to the long-term disability program administered by PEHP.

By statute, URS must submit a bill annually suggesting administrative and technical amendments to Title 49. This year, these changes are not substantive benefit modifications. They include:

- Participating employer records
- Withdrawing entities
- PEHP Health and Benefits' authority for an opioid prescribing policy

Mr. Larsen and Mr. Kory Cox also provided clarification regarding the Tier 2 employee contribution to Mr. Millward's concern regarding "creeping contributions." This stems from a rapid rise in salary increases, specifically among Tier 2 members. The actuaries anticipate a flattening out in the future for contribution rates for Tier 2 employees because they don't see that the recent salary increases can continue at that rate. There may be a pick-up bill approved this session which may help alleviate those concerns.

Steps to Consider as You Begin the URS Retirement Application Process

Mr. Greg Poulton presented on the URS retirement process, including the following:

- Primary Points of Contacts
- Timeline
 - 3 years
 - 90 days
 - Retirement Date
 - First Deposit
- Advisor Meeting including Advisor Analysis Examples
- Individual Retirement Planning Sessions

Other Business

None.

Adjournment

ACTION: Mr. Larry Millward moved to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at 1:14 p.m.

The next Membership Council Meeting will be on November 4, 2024, at 12 Noon. This will be a hybrid meeting.