

MEETING NOTICE
STATE POST-RETIREMENT BENEFITS TRUST FUND AND THE
ELECTED OFFICIAL POST-RETIREMENT BENEFITS TRUST FUND
BOARD OF TRUSTEES

Wednesday, December 18, 2024
1:00 P.M.

Anchor Location: 350 N State Street (State Capitol) Suite 170
Electronic Meeting Link: meet.google.com/ert-rawc-eeh
Call in Number: 1 530-564-6918 PIN: 948 719 483#

AGENDA

1. CALL MEETING TO ORDER: STATE TREASURER, CHAIR
2. APPROVAL OF MINUTES FROM THE DECEMBER 19, 2023 MEETING
3. REVIEW TRUST FUND FINANCIAL STATEMENTS AS OF JUNE 30, 2024
 - State Employee OPEB
 - Elected Officials OPEB
 - OEBT
4. REVIEW AND APPROVE TRUST FUND FISCAL YEAR 2025 BUDGETS
 - State Employee OPEB
 - Elected Officials OPEB
 - OEBT
5. ESTABLISH LABOR ADDITIVE RATES FOR FISCAL YEAR 2026
 - State Employee OPEB
 - OEBT
6. OTHER ITEMS FOR DISCUSSION

In compliance with the Americans with Disabilities Act, individuals requiring special accommodations during the meeting should notify LeAnn Jorgensen, Executive Assistant, at State Capitol Suite 180, 801-538-1042 at least three working days prior to the meeting.

STATE POST-RETIREMENT BENEFITS TRUST FUND AND THE
ELECTED OFFICIAL POST-RETIREMENT BENEFITS TRUST FUND
BOARD OF TRUSTEES

December 19, 2023

1:00 P.M.

Pending Minutes

Meeting Location: Utah State Capitol Building and Electronic.

Board Members Attending: Marlo Oaks, Van Christensen, and Duncan Evans.

Others Attending in Person: Kirt Slaugh and Nate Osborne.

Others Attending Online: Katherine Nuttall, Allen Rollo, Brooke McCarrick, Darin Janzen, and Patricia Nelson

Mr. Oaks opened the meeting.

The first item on the agenda was to approve the meeting minutes from the November 17, 2023 meeting. Mr. Christensen made a motion to approve the minutes and Mr. Evans seconded the motion. The board unanimously approved the motion, the vote of each Board member is noted below.

Oaks – Yes

Christensen – Yes

Evans – Yes

The second item on the agenda was to review the trust fund financial statements as of June 30, 2023 for the State Employees' OPEB Trust Fund, Elected Officials OPEB Trust Fund and OEFT Fund. Ms. Nelson noted that the biggest driver of change in the statements is the labor additive rates. The labor additive rates for the State Employees' OPEB were reduced in fiscal year 2023 for the Public Safety and Transportations plans due to improvements in funding status and eliminated for the General and Public Education plans because the plans are fully funded (See page 9 of the meeting packet for the actual rates over the last three years as well as the proposed rates for fiscal year 2025). Mr. Rollo commented that investment returns improved in fiscal year 2023 compared to the prior fiscal year due to interest rates stabilizing at higher levels. Ms. Nelson then reviewed the results of the OEFT Fund as shown on page 5 of the meeting packet.

The third item on the agenda was to review and approve fiscal year 2024 budgets for the State Employees' OPEB Trust Fund, Elected Officials OPEB Trust Fund and OEFT Fund. Ms. Nelson explained that the revenues for the proposed budgets are based off the labor additive rates and projected investment income and the expenditures are based on a five percent increase in benefits from the previous fiscal year. The board reviewed the proposed budgets as presented on pages six through eight of the meeting packet. Mr. Christensen made a motion to approve the fiscal 2024 budgets for the State Employees' OPEB Trust Fund, Elected Officials OPEB Trust Fund and OEFT funds. The motion was seconded by Mr. Evans. The board unanimously approved the motion, the vote of each Board member is noted below.

Oaks – Yes

Christensen – Yes

Evans – Yes

The final agenda item was to establish the labor additive rates for the State Employees' OPEB and OEBT pools for fiscal year 2025. Mr. Janzen explained that the rates were calculated by taking covered payroll, adding projected cost of living adjustments and targeted salary increases and calculating a rate that would generate the actuarially determined contribution. Mr. Janzen noted that the General and Public Education OPEB pools and the Public Education OEBT pool does not have a rate because they are fully funded. Mr. Christensen made a motion to approve the labor additive rates for the State Employees' OPEB and OEBT pools for fiscal year 2025. The motion was seconded by Mr. Evans. The board unanimously approved the motion, the vote of each Board member is noted below.

Oaks – Yes

Christensen – Yes

Evans – Yes

Mr. Evans made a motion to adjourn. The meeting was adjourned.

**State Employee
Other Post Employment Benefits Trust Funds
Statement of Changes In Net Position
For the Period Ended June 30, 2024
(Unaudited Statements)**

	Public Safety Fund 0015	General Pool Fund 0025	Public Ed Fund 0035	UDOT Pool Fund 0045	Total All
ADDITIONS					
Employer Contributions	\$ 3,994,329	\$ -	\$ -	\$ 2,380,786	\$ 6,375,115
Investment Income:					
Net Increase/(Decrease) in FMV	(2,454,304)	(27,228,915)	(1,447,374)	(3,873,902)	(35,004,495)
Gain/(Loss) on Sale Investments	2,721,680	29,509,762	1,472,344	4,385,589	38,089,375
Interest and Dividends	602,145	6,774,029	198,606	1,090,192	8,664,973
Net Investment Income/(Loss)	869,522	9,054,876	223,576	1,601,879	11,749,853
Total Additions	4,863,852	9,054,876	223,576	3,982,665	18,124,968
DEDUCTIONS					
Retiree Healthcare Benefits	3,309,922	20,825,257	338,731	5,449,924	29,923,834
Total Deductions	3,309,922	20,825,257	338,731	5,449,924	29,923,834
Change in Net Position	1,553,929	(11,770,381)	(115,155)	(1,467,259)	(11,798,865)
Net Position - Beginning	16,943,782	198,354,063	5,421,061	34,739,432	255,458,337
Net Position - Ending	\$ 18,497,711	\$ 186,583,681	\$ 5,305,906	\$ 33,272,173	\$ 243,659,472

**State Employee
Other Post Employment Benefits Trust Funds
Statement of Changes In Net Position
As of June 30, 2024
(Unaudited Statements)**

	Public Safety Fund 0015	General Pool Fund 0025	Public Ed Fund 0035	UDOT Pool Fund 0045	Total All
ASSETS					
Cash	\$ 301,430	\$ 782,747	\$ 804,658	\$ 833,499	\$ 2,722,335
Restricted Cash	\$ 150,000	\$ 1,950,000	\$ -	\$ 300,000	\$ 2,400,000
Total Cash	<u>\$ 451,430</u>	<u>\$ 2,732,747</u>	<u>\$ 804,658</u>	<u>\$ 1,133,499</u>	<u>\$ 5,122,335</u>
Investments:					
Real Estate	-	4,846,605	139,976	755,226	5,741,808
Fixed Income	13,142,891	128,310,160	2,981,065	22,428,333	166,862,449
Other Directional Strategies	2,731,288	29,174,232	776,721	5,114,852	37,797,093
Relative Value Strategies	2,146,592	23,181,670	626,913	4,081,949	30,037,123
Total Investments	<u>18,020,771</u>	<u>185,512,667</u>	<u>4,524,675</u>	<u>32,380,360</u>	<u>240,438,473</u>
Accounts Receivable - Benefits	278,282	-	-	182,483	460,765
Total Accounts Receivable	<u>278,282</u>	<u>-</u>	<u>-</u>	<u>182,483</u>	<u>460,765</u>
Total Assets	<u><u>\$ 18,750,484</u></u>	<u><u>\$ 188,245,415</u></u>	<u><u>\$ 5,329,334</u></u>	<u><u>\$ 33,696,341</u></u>	<u><u>\$ 246,021,573</u></u>
LIABILITIES					
Benefits Payable	252,772	1,661,733	23,427	424,168	2,362,101
Total Liabilities	<u>\$ 252,772</u>	<u>\$ 1,661,733</u>	<u>\$ 23,427</u>	<u>\$ 424,168</u>	<u>\$ 2,362,101</u>
Total Net Position	<u><u>\$ 18,497,711</u></u>	<u><u>\$ 186,583,681</u></u>	<u><u>\$ 5,305,906</u></u>	<u><u>\$ 33,272,173</u></u>	<u><u>\$ 243,659,472</u></u>
Other Information:					
Unrealized Gain/(Loss) on Investments					
Investments at Cost					
Total Investments at Cost	<u>17,672,111</u>	<u>180,876,921</u>	<u>4,435,465</u>	<u>31,550,878</u>	<u>234,535,376</u>
Unrealized Gain/(Loss) on Investments	<u>\$ 348,660</u>	<u>\$ 4,635,746</u>	<u>\$ 89,210</u>	<u>\$ 829,481</u>	<u>\$ 5,903,097</u>

Elected Officials
Other Post Employment Benefits Trust Funds
Statement of Changes In Net Position
For the Period Ended June 30, 2024
(Unaudited Statements)

	Elected Officials Fund 0085
ADDITIONS	
Employer Contributions	\$ 1,248,800
Investment Income:	
Net Increase/(Decrease) in FMV	(3,205,025)
Gain/(Loss) on Sale Investments	3,781,342
Interest and Dividends	853,288
Net Investment Income/(Loss)	1,429,604
Total Additions	<u>2,678,404</u>
DEDUCTIONS	
Retiree Healthcare Benefits	919,928
Total Deductions	<u>919,928</u>
Change in Net Position	<u>1,758,476</u>
Net Position - Beginning	21,550,552
Net Position - Ending	<u><u>\$ 23,309,028</u></u>

Elected Officials
Other Post Employment Benefits Trust Funds
Statement of Changes In Net Position
As of June 30, 2024
(Unaudited Statements)

	Elected Officials Fund 0085
ASSETS	
Cash	\$ 6,444,346
Restricted Cash	\$ 300,000
Total Cash	<u>\$ 6,744,346</u>
Investments:	
Real Estate	327,015
Fixed Income	10,093,693
Other Directional Strategies	3,453,161
Relative Value Strategies	2,690,813
Total Investments	<u>16,564,681</u>
Total Assets	<u><u>\$ 23,309,028</u></u>
LIABILITIES	
Total Liabilities	<u>\$ -</u>
Total Net Position	<u><u>\$ 23,309,028</u></u>
 Other Information:	
Unrealized Gain/(Loss) on Investments	
Investments at Cost	
Total Investments at Cost	<u>15,958,038</u>
Unrealized Gain/(Loss) on Investments	<u><u>\$ 606,644</u></u>

Other Employment Benefits Trust Funds
Statement of Changes In Net Position
For the Period Ended June 30, 2024
(Unaudited Statements)

	Public Safety Fund 7715	General Pool Fund 7725	Public Ed Fund 7735	UDOT Pool Fund 7745	Total All
ADDITIONS					
Employer Contributions	\$ 1,867,619	\$ 11,847,434	\$ -	\$ 2,886,549	\$ 16,601,602
Investment Income:					
Net Increase/(Decrease) in FMV	(707,806)	5,456,522	206,955	133,809	5,089,480
Gain/(Loss) on Sale Investments	928,378	(3,779,093)	(159,569)	(110,882)	(3,121,166)
Interest and Dividends	334,854	2,155,229	218,735	163,873	2,872,691
Net Investment Income/(Loss)	555,426	3,832,658	266,121	186,800	4,841,005
Total Additions	2,423,045	15,680,092	266,121	3,073,349	21,442,607
DEDUCTIONS					
Benefits	496,552	6,700,166	115,224	890,157	8,202,099
Total Deductions	496,552	6,700,166	115,224	890,157	8,202,099
Change in Net Position	1,926,493	8,979,926	150,897	2,183,192	13,240,508
Net Position - Beginning	8,417,121	59,375,284	4,858,251	3,505,188	76,155,844
Net Position - Ending	\$ 10,343,614	\$ 68,355,210	\$ 5,009,148	\$ 5,688,380	\$ 89,396,352

Other Employment Benefits Trust Funds
Statement of Changes In Net Position
As of June 30, 2024
(Unaudited Statements)

	Public Safety Fund 7715	General Pool Fund 7725	Public Ed Fund 7735	UDOT Pool Fund 7745	Total All
ASSETS					
Cash	\$ 419,789	\$ 892,095	\$ 2,651,881	\$ 827,136	\$ 4,790,901
Restricted Cash	\$ 150,000	\$ 750,000	\$ -	\$ -	\$ 900,000
Total Cash	<u>\$ 569,789</u>	<u>\$ 1,642,095</u>	<u>\$ 2,651,881</u>	<u>\$ 827,136</u>	<u>\$ 5,690,901</u>
Investments:					
Fixed Income	7,054,527	48,134,039	1,084,686	3,492,878	59,766,130
Other Directional Strategies	1,480,463	10,102,713	711,796	645,623	12,940,595
Relative Value Strategies	1,138,296	7,855,527	571,649	501,494	10,066,966
Total Investments	<u>9,673,286</u>	<u>66,092,279</u>	<u>2,368,131</u>	<u>4,639,995</u>	<u>82,773,691</u>
Accounts Receivable - Benefits	130,116	771,323	-	221,249	1,122,688
Total Accounts Receivable	<u>130,116</u>	<u>771,323</u>	<u>-</u>	<u>221,249</u>	<u>1,122,688</u>
Total Assets	<u><u>\$ 10,373,191</u></u>	<u><u>\$ 68,505,697</u></u>	<u><u>\$ 5,020,012</u></u>	<u><u>\$ 5,688,380</u></u>	<u><u>\$ 89,587,280</u></u>
LIABILITIES					
Benefits Payable	29,577	150,488	10,863	-	190,927
Total Liabilities	<u>\$ 29,577</u>	<u>\$ 150,488</u>	<u>\$ 10,863</u>	<u>\$ -</u>	<u>\$ 190,927</u>
Total Net Position	<u><u>\$ 10,343,614</u></u>	<u><u>\$ 68,355,209</u></u>	<u><u>\$ 5,009,149</u></u>	<u><u>\$ 5,688,380</u></u>	<u><u>\$ 89,396,352</u></u>
Other Information:					
Unrealized Gain/(Loss) on Long Term Investments					
Investments at Cost					
Total Investments at Cost	<u>9,421,990</u>	<u>64,136,432</u>	<u>2,315,480</u>	<u>4,594,086</u>	<u>80,467,988</u>
Unrealized Gain/(Loss) on Investments	<u>\$ 251,296</u>	<u>\$ 1,955,847</u>	<u>\$ 52,651</u>	<u>\$ 45,909</u>	<u>\$ 2,305,703</u>

OPEB PROPOSED BUDGET FY 2025

	Public Safety Fund 0015	General Pool Fund 0025	Public Ed Fund 0035	UDOT Pool Fund 0045	Total All
ADDITIONS					
Contributions Employer (Based on FY 2025 rates + 2.4% COLA)	\$ 7,073,804	\$ -	\$ -	\$ 6,810,607	\$ 13,884,411
Investment Income (Projected PTIF, Real Estate, Fixed Income, Other Directional Strategies, Relative Value Strategies - calculated at 5.25%)	961,916	9,780,509	279,790	1,743,728	12,765,942
<i>Total Additions</i>	<u>8,035,720</u>	<u>9,780,509</u>	<u>279,790</u>	<u>8,554,335</u>	<u>26,650,353</u>
DEDUCTIONS					
Retiree Benefits (Based on FY 2024 actual expenditures + 5%)	3,465,777	21,756,371	352,662	5,703,910	31,278,720
Change in Net Assets	<u><u>\$ 4,569,943</u></u>	<u><u>\$ (11,975,862)</u></u>	<u><u>\$ (72,872)</u></u>	<u><u>\$ 2,850,425</u></u>	<u><u>\$ (4,628,367)</u></u>

OPEB ELECTED OFFICIAL PROPOSED BUDGET FY 2025
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	Elected Officials Fund 0085
ADDITIONS	
Contributions Employer (Funded by Appropriation 2025)	\$ 1,248,800
Investment Income (Projected PTIF, Real Estate, Fixed Income, Other Directional Strategies, Relative Value Strategies - calculated at 5.25%)	1,207,974
<i>Total Additions</i>	<u>2,456,774</u>
DEDUCTIONS	
Retiree Benefits (Based on FY 2024 actual expenditures + 5%)	965,924
Change in Net Assets	<u><u>\$ 1,490,850</u></u>

OEBT PROPOSED BUDGET FY 2025

	Public Safety Fund 7715	General Pool Fund 7725	Public Ed Fund 7735	UDOT Pool Fund 7745	Total All
ADDITIONS					
Contributions Employer (Based on FY 2025 rates + 2.4% COLA)	\$ 793,175	\$ 6,644,072	\$ -	\$ 2,882,143	\$ 10,319,390
Investment Income (Projected PTIF, Fixed Income, Other Directional Strategies, Relative Value Strategies - calculated at 5.25%)	529,886	3,516,680	263,551	287,024	4,597,141
<i>Total Additions</i>	<u>1,323,061</u>	<u>10,160,752</u>	<u>263,551</u>	<u>3,169,167</u>	<u>14,916,531</u>
DEDUCTIONS					
Benefits (Based on FY 2024 actual expenditures + 5%)	521,380	7,035,174	120,985	934,665	8,612,204
Change in Net Assets	<u><u>\$ 801,682</u></u>	<u><u>\$ 3,125,577</u></u>	<u><u>\$ 142,566</u></u>	<u><u>\$ 2,234,503</u></u>	<u><u>\$ 6,304,327</u></u>

FY 2026 Rates for
OPEB, OEBT, and AL
Trust Fund Pools

State Post-Retirement Benefits Trust Fund Rate															State Employees' Annual Leave Trust Fund Rate														
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