

STATE POST-RETIREMENT BENEFITS TRUST FUND AND THE  
ELECTED OFFICIAL POST-RETIREMENT BENEFITS TRUST FUND

BOARD OF TRUSTEES

December 18, 2024

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: Steve Allred, Brooke McCarrick, Patricia Nelson, Darin Janzen, Kirt Slaugh and Allen Rollo.

Mr. Oaks opened the meeting.

The first item on the agenda was to approve the meeting minutes from the December 19, 2023 meeting. Mr. Evans made a motion to approve the minutes and Mr. Christensen 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, 2024 for the State Employees' OPEB Trust Fund, Elected Officials OPEB Trust Fund and OEBT Fund. Ms. Nelson noted that the labor additive rates for the State Employees' OPEB were reduced in fiscal year 2024 for the Public Safety and Transportations plans, but employer contributions increased slightly due to an increase in payroll. The labor additive rates for the General and Public Education plans were eliminated in fiscal year 2023 because the plans are fully funded. The expenditures for retiree healthcare benefit declined slightly from the previous fiscal year. Ms. Nelson reviewed the statement of net assets and indicated the composition of investments had changed substantially in fiscal year 2024. Mr. Rollo noted that the OPEB investments now included hedge fund strategies as well as treasury securities that mature in amounts sufficient to fund liability payments for the next eight years. The changes made to the OPEB investment portfolio will increase the discount rate to 5.25% from 3.00%, which will decrease the OPEB liability. Ms. Nelson reviewed the results of the Elected Officials OPEB Trust Fund and OEBT Fund as shown on pages six through nine of the meeting packet.

The third item on the agenda was to review and approve fiscal year 2025 budgets for the State Employees' OPEB Trust Fund, Elected Officials OPEB Trust Fund and OEBT Fund. Ms. Nelson explained that the revenues for the proposed budgets are based off the proposed labor additive rates multiplied by the payroll (increased by 2.4% cost of living adjustment) and projected investment returns of 5.25% 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 ten through twelve of the meeting packet. Mr. Evans made a motion to approve the fiscal 2025 budgets for the State Employees' OPEB Trust Fund, Elected Officials OPEB Trust Fund and OEBT funds. The motion was seconded by Mr. Christensen. 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 2026. Mr. Janzen explained that the rates were calculated by taking covered payroll and adding projected cost of living adjustments 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 2026. 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.