

Committee on Actuarial Valuation of Retired Employees' Health Benefits April 4, 2024 Meeting Minutes

Committee members attending: State Budget Director Kristin Walker (Chair), State Controller Nels Roseland, State Treasurer Dale Folwell, and State Health Plan Executive Administrator Sam Watts.

Others attending: Loretta Peace-Bunch, Mary Grace Corr and Ben Agsten (OSBM); Emma Turner, and Charles Sceiford (Treasurer's Office)

The Committee met by conference call and convened at 2:00 p.m. Chair Kristin Walker welcomed those in attendance.

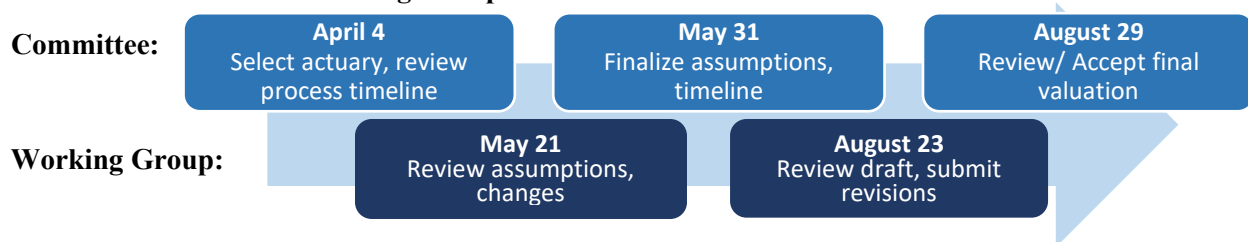
Chair Kristin Walker read the Ethics Awareness and Conflict of Interest Reminder statement. No member indicated a conflict. Mrs. Walker noted corrections to the August 31, 2023 minutes – in the fifth paragraph “AGFR” should be “ACFR,” and in the third paragraph “Medicare” should be “Aetna.” Controller Nels Roseland made a motion to adopt the minutes with the amendments made and the motion was seconded by Treasurer Dale Folwell. The motion passed with all members voting aye.

Chair Kristin Walker introduced Charles Sceiford to summarize the actuarial selection process and timeline.

Charles Sceiford provided an overview of the selection process. The Committee selects either the State Health Plan (the Plan) or the Retirement Systems Division actuary. Historically, since this is a valuation of a health benefit, the Committee has selected the State Health Plan actuary. The Plan's contract with The Segal Company (Segal) includes the option for the OPEB valuation. The cost is \$104,000 to produce a GASB report. The State Health Plan recommends using Segal again for the valuation. Director Sam Watts moves to select The Segal company to perform the OPEB process, Controller Nels Roseland seconded the motion. The motion passed with all members voting aye.

Charles Sceiford provided an overview of the timeline.

OPEB Committee and Working Group Timeline:



Chair Kristin Walker opened the conversation for discussion on the proposed valuation timeline. Treasurer Dale Folwell asked Charles to make note about interest rates. Charles said the he is unsure what they will be at the end of June. There is potential that Medicare advantage costs may go up. Segal has a provision in OPEB report regarding levels of return.

Chair Kristin Walker opened the conversation for discussion on the proposed valuation timeline. Hearing no further business, Chair Walker asked for a motion to adjourn. Treasurer Dale Folwell moved to adjourn the meeting and Controller Nels Roseland seconded. The motion to adjourn passed with all members voting aye.

The meeting was adjourned at 2:13 p.m.