

Committee on Actuarial Valuation of Retired Employees' Health Benefits

**May 24, 2017
Meeting Minutes**

Committee members attending: State Budget Director Charlie Perusse (Chair); State Treasurer Dale Folwell; and State Controller Linda Combs.

Others attending: Jim Dolan and Anne Godwin (State Controller); Fran Lawrence, Sam Watts, and Steve Toole (State Treasurer); Mark Collins and David Cozart (State Health Plan); Amy Senogles (State Auditor); and Thomas Cheek and John Sparrow (OSBM).

The Committee met by conference call and convened at 2:00 p.m. Mr. Perusse welcomed those in attendance and took the roll call.

Mr. Perusse read the Ethics Awareness and Conflict of Interest Reminder statement. No member indicated a conflict. Mr. Perusse asked for a motion to adopt the Committee meeting minutes from August 29, 2016. Treasurer Folwell made the motion; Dr. Combs seconded. The motion passed, with all members voting aye.

Mr. Perusse asked Mark Collins if he would summarize the actuarial selection process. Mr. Collins said that in keeping with the statute, the Committee designates either the actuary for the State Health Plan or the actuary for the Retirement Systems Division. Historically, since this is a valuation of a health benefit, the Committee has selected the actuary for the State Health Plan. The Health Plan has a contract with The Segal Company (Segal) that includes the option of conducting the OPEB valuation.

Treasurer Folwell made a motion to approve selection of Segal as the actuary for the valuation. Dr. Combs seconded. The motion passed, with all members voting aye.

Mr. Perusse asked for comments on the actuarial valuation timeline. Mr. Collins mentioned that the Committee usually meets with Segal in a few weeks to discuss the assumptions to be used. He indicated Segal normally needs about 60 days after receiving all data and information from the State Health Plan and the Retirement Systems Division to complete the valuation. Mr. Perusse asked whether the normal timeline of scheduling the next Committee meeting about three weeks from today's meeting would work. Mr. Collins indicated that he thought that would work. He also mentioned that in the past, OSC has asked to expedite the valuation for the purposes of the Comprehensive Annual Financial Report (CAFR). Dr. Combs indicated that she appreciated the expedited timeline of receiving the valuation by the end of August.

Mr. Perusse indicated that the next Committee meeting via conference call, including Segal, would be scheduled in several weeks. Mr. Perusse asked if there was any additional business, and Treasurer Folwell announced that Mona Moon had resigned her position as Executive Administrator of the State Health Plan the previous day (May 23, 2017).

Hearing no further business, Mr. Perusse asked for a motion to adjourn. Treasurer Folwell made the motion; Dr. Combs seconded. The motion to adjourn passed, with all members voting aye.

The meeting adjourned at 2:10 p.m.

John Sparrow
May 24, 2017