

West Virginia PEIA/RHBT Finance Board
Thursday, June 23, 2022
DEP Building, Canaan Valley Room 1041
601 57th Street SE, Charleston, WV 25304



MINUTES

PLACE OF MEETING:

The meeting of the Finance Board of the West Virginia Public Employees Insurance Agency (PEIA) and Retiree Health Benefits Trust (RHBT) Fund was held in the Canaan Valley Conference Room No. 1041 at 601 57th Street SE, Charleston, WV 25304, on Thursday, June 23, 2022 at 1:00 p.m., pursuant to the online notice filed with the Office of West Virginia Secretary of State Mac Warner. The meeting was held in person and via teleconference.

BOARD MEMBERS PRESENT:

William "Bill" Milam
Mike Smith
Jason Myers
Mark Scott, Chairman
Geoff Christian – via Google Meet
Melody A. Duke – via Google Meet
Amanda Meadows – via Google Meet

MEETING BEGAN AT APPROXIMATELY 1:03 P.M. WITH A QUORUM PRESENT

TOPIC: Approval of Minutes from the March 24, 2022 Finance Board Meeting

DISCUSSION: None.

MOTION: A motion was offered by Mark Scott, to approve the March 24, 2022 Minutes.

ACTION: **The motion to approve the Minutes was passed unanimously.**

TOPIC: Financial Plan Updates – Fiscal Year 2022

DISCUSSION: Dave Bond, Continuing Care Actuaries

Dave Bond gave an update on the financial statements. Chairman Mark Scott questioned if the projections were realistic on the PEIA side. Dave Bond stated that the numbers will continue to update. There will be some loss but based on past numbers you will see that the money is made back. After reviewing the RHBT numbers, Jason Myers asked about the economic impact and predicted recession next year and exactly what changes will be seen. Dave Bond responded by explaining the recession won't help, but it also will not last. April Taylor added that she has been discussing with the West Virginia Investment Management Board about reallocating some funds if possible. By making these changes, it

would create a less volatile set of investments to maintain where we are currently. Mike Smith questioned if this meant everyone, to which April answered yes.

TOPIC: Financial Statements YTD

DISCUSSION: **Jason Haught, CFO and Acting Director, PEIA**

Mr. Haught presented the April 30, 2022 financial statements for PEIA and RHBT YTD. Jason Myers asked about how the numbers will look once we add the past two months (the meeting only reflects until April, excluding May and June). Jason Haught responded by saying it would be around -107. April Taylor agreed saying the predictions will be slightly different but are extremely close to that number. Mark Scott asked for more detail on the PayGo Premiums. Jason Haught responded that by moving existing premium dollars from the retiree side back to the active side it will help pay for these increases on the active side. Jason Myers then asked if we are still on target. Jason Haught responded that while we are very close, it is not final yet.

PUBLIC COMMENTS AND QUESTIONS:

Dale Lee addressed the board with a few questions.

QUESTION: **(Dale Lee)** Are there any early indications as to how the recession will impact the funds for the upcoming year?

RESPONSE: **(Jason Haught)** We would request that the state increase its funds to PEIA. PEIA would also work with actuaries to get experience with the new PPM hopefully seeing better numbers for 2023.

QUESTION: **(Dale Lee)** What is the long-term plan to ensure there are no premium increases for employees? You say you will need more money from the state but how do you plan to get that money without increasing premiums?

RESPONSE: **(Jason Haught)** We cannot and we will not do it while Governor Justice is in office. In the meantime, transfers will be made.

QUESTION: **(Dale Lee)** The fear is big increases at once rather than small amounts spread out throughout time. What is your plan to avoid this?

RESPONSE: **(Jason Haught)** We are still working on options, monitoring trends, and checking on possible dollars to move from other areas such as the retiree paygo, to cover costs.

COMMENT: **(Dale Lee)** When the across the board pay increase happened there were several people worried about what that meant for premiums. It is very much appreciated that the tiers were adjusted to avoid any increases. We need to start thinking of a plan for after Governor Justice leaves office to ensure we are ready.

TOPIC: **Old Business**

DISCUSSION: Mike Smith asked if we would be having a training for board members. Jason Haught informed him that it was a possibility for the September meeting and details would be sent out once it was decided.

TOPIC: New Business

DISCUSSION: None.

TOPIC: Next Meeting

DISCUSSION: September 22, 2022

TOPIC: Adjourn

ACTION: There being no further business, the June 23, 2022 meeting of the West Virginia RHBT Fund and PEIA Finance Board adjourned at approximately 1:43 p.m.

MOTION: A motion to adjourn the Finance Board was made by Chairman Mark Scott.

ACTION: **The motion to adjourn passed unanimously.**

These minutes were transcribed from recording by Erika Crump, Finance Board Secretary and are respectfully submitted on the 22th day of September 2022.