

**West Virginia PEIA/RHBT Finance Board
Thursday, October 19, 2023
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 Fund (RHBT) was held in the Dolly Sods Conference Room at 601 57th Street SE, Charleston, WV 25304, on Thursday, October 19, 2023 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 virtually, via Google Meet.

BOARD MEMBERS PRESENT:

Mark Scott, Chairman
William "Bill" Milam
Doug Coffman
Hugh Murray
Jason Myers
Jared Robertson
Michael Cook
Hugh Murray
Doug Coffman
Mike Smith - virtually
Damita Johnson - virtually
Amanda Meadows - virtually

MEETING BEGAN AT APPROXIMATELY 1:00 P.M. WITH A QUORUM PRESENT

TOPIC: Approval of Minutes from the September 7, 2023 Finance Board Meeting

DISCUSSION: None.

MOTION: A motion was offered by Bill Milam with a second by Jason Myers to approve the September 7, 2023 Minutes.

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

TOPIC: Fiscal Year '23 Audit Reports

DISCUSSION: Jason Haught, Chief Financial Officer (PEIA)

Mr. Haught spoke on the contents of the audit booklets and announced that the auditors were available for questions. April Taylor, PEIA Controller, reviewed the PEIA audit results and Jennifer Priddy, RHBT Controller, reviewed the RHBT audit results. No questions followed.

TOPIC: Financial Statements YTD

DISCUSSION: **Jason Haught, Chief Financial Officer (PEIA)**

Mr. Haught began by reviewing the PEIA financials followed by a review of the RHBT financials. No questions followed.

TOPIC: 2023 Public Hearing Presentation

DISCUSSION: **Jason Haught, Chief Financial Officer, (PEIA)**

Mr. Haught took this time to go through the presentation, which will be taken to the six Public Hearings, discussing the proposed financial plans. When discussing the details of the Local Employer fund, Finance Board member, Jason Myers, mentioned that the changes would align with what the State fund is currently doing. When discussing the details of the non-Medicare retiree fund changes, Finance Board member, Doug Coffman asked if the additional premium increase is due to higher utilization or what is the driving factor? Mr. Haught answered that it is due to a late addition of premiums to offset the increase.

TOPIC: **Approval of 2023 Public Hearing Presentation**

DISCUSSION: None.

MOTION: A motion was offered by Jason Myers with a second by Bill Milam to approve the 2023 Public Hearing Presentation.

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

TOPIC: **PUBLIC COMMENTS AND QUESTIONS:**

Dale Lee

Mr. Lee began by thanking Jason Haught for his leadership through such a difficult session. He would also like to thank Amy Stalnaker and Kayla Smith from PEIA Customer Service for their help with a personal concern regarding his plan. There are concerns with school starting and teachers' premiums going up. Premium increases started in July, but work doesn't start until August or September. The first few paychecks are lower until things balance out. He would like PEIA to consider this during any future changes.

QUESTION: We are at 14% low in expenses for the first two months, right? What has been the pattern over the years? A higher percentage early and decrease in later months?

ANSWER: Dave Bond (Continuing Care Actuaries) answered that in the past we have seen it go both ways but continue to monitor weekly. April Taylor commented that there is a seasonality factor built in for budget adjustments.

Mr. Lee continued by noting there appears to be a 35% increase over a two-year period stating his displeasure because the salary tiers moving up still mean premiums are going up and this is not reasonable to members. Salaries will need to increase as well. He then touched on the 10% increase for non-Medicare retirees. Retirees cannot afford increases and shouldn't have to pay

more. Mr. Lee would like to strongly urge the board not to make this increase and to utilize any savings to eliminate this possibility.

QUESTION: What happens when we don't see the funding status of 119% in 2028? What increases will occur? Will our retirees see an increase then?

ANSWER: Mr. Haught answered that this could be an assumption but you also you could also have tremendous results in our investments.

Mr. Lee concluded with explaining the need for a resolution from our state representatives to help fund PEIA and encourages members to attend Public Hearings.

TOPIC: Old Business

DISCUSSION: None.

TOPIC: New Business

DISCUSSION: None.

TOPIC: Next Meeting

DISCUSSION: December 7, 2023

TOPIC: Adjourn

ACTION: There being no further business, the October 19, 2023, meeting of the West Virginia RHBT Fund and PEIA Finance Board adjourned at approximately 1:45 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 a recording by Erika Smith, Finance Board Secretary, and are respectfully submitted on the 19th day of October 2023.