TRB BOARD MEETING
2021-02-10

Clare B: All right. The first item on the agenda is the action, uh, consideration and approval of the, uh, October 2020 board minutes. Do we have a motion?

Male: So moved.

Male: Move to approve.

Clare B: Move to approve.

Steven M: Second.

Clare B: Second?

Steven M: Second.

Clare B: Um, okay. Any additions, deletions? All those in favor signify by saying aye.

Male: Aye.

Female: Aye.

Male: Aye.

Female: Aye.

Clare B: Opposed? Abstentions. Okay, Helen, give me item 2 on there so I don't get my, my sound down here. I'm trying to get my sound – my, uh, my agenda up with no sound.

Helen S: That's okay. Item 2 is the consideration…

Clare B: Okay. I'm ready. I got the – consideration and approval of GASB…

Female: Okay.

Clare B: …67 and 68. And we're going to John Garrett for that.

John G: Thank you, Madam Chair. Uh, it's a pleasure to be with y'all and, um, we do have, uh, what 5 people on [board 4:37]. So let me introduce everybody. Of course, I'm John Garrett. Brad Wild is leading the, uh, the retiree healthcare team. Br-, Brad raise your hand because I don't think names are showing. There you go. We have [inaudible 4:48], uh, Yeng who's also on the OPEB team and, and assists Brad. And we have Ben Mobley who's on the pension team assisting me. And we have Nathaniel Hutchinson o-, on – also on the OPEB team, middle of the screen. Raise your hand, Nathaniel. There you go. All right. So, uh, we have really 4 GAS-, GASB reports and a – and the retiree healthcare valuation, which Brad and his team [inaudible 5:15]. Uh, starting on this agenda item is the GASB 67 and 68 reporting. So this is the accounting requirement, uh, to disclose measures for the pension and the GASB 67, uh, actually provides those measures, the actuarial measures of the plan liabilities, the fiduciary net position, which is the market value assets. And [both of 5:41] them go in toward GASB 68, which is what the employers use to, uh, place those liabilities onto their balance sheets. So 67 is, again, the plan's measures.

So we do an actuarial valuation for Connecticut teachers every 2 years and those measures are the basis then for the liabilities, uh, of GASB 67 provided that the plan [of 6:04] in a, uh, a roll-forward pro-, projection is expected to maintain solvency. So if it was to go insolvent, then the actuaries would have to change the discount rate on benefit payments that would occur after the assets are exhausted. [I'm 6:20] trying to get the, the screen up. Good. So, um, the – and so beyond that point, we'd use a much lower discount rate, one that's, uh, closer tied to municipal bond rates. So that's not the, the occurrence, uh, in Connecticut teachers. We know from the valuations that the plan is solvent and is expected to be solvent forever more, uh, based on the statutory provisions of, of the plan and, and all the agreements. So on GASB 67, if we flip through to page 3, [inaudible 6:52] disclose the membership, eh, once again, the same membership that we just provided in the valuation, uh, back in October of last year. Uh, here's the first measures of the total pension liability, the net of the [history 7:07] net position and the differences of those 2, which is the net pension [liability 7:12].

So the total – again, the terminology is just different for accounting. Um, the total [inaudible 7:17] liability is what we discuss in the actuarial valuation every 2 years that we call the actuarial accrued liability. So again, since the plan is expected to maintain solvency, this number is the same $37,128,000,000 number that was in the valuation. The fiduciary net position is for GASB purposes the market value of assets. So that differs to some extent, um, what we use for assets in actuarial valuation because in the valuations we want a smooth, uh, out the market volatility that we get from market value of assets. So we use an actuarial smoothed, uh, asset value, which spreads gains and losses over a 4-year period of time. So, um, so that number's a little bit different. Uh, 18, 18,281,000,000 was the market value we had. We had an actuarial value in the, in the, uh, in the valuation that we presented in October of just over 18 billion [inaudible 8:16]. So that difference is, uh, shown here in the, the net [inaudible 8:20] liability of $18.8 billion is a little bit higher than the unfunded liability that we measure in the valuation and that's simply because assets are different. We use a market value of assets for GASB and we use an actuarially smooth, uh, value of assets for the pension [valuation 8:39].

So that also then, uh, results in lower funded ratio in the accounting, uh, 49.2 versus what we had the valuation of 51.3. So, so that's really the difference in the measures for GASB for a plan that's expected to maintain solvency. Um, [inaudible 9:01] flip over to page, uh, 6, part of the exercise required under GASB is to show how sensitive that measure of the net pension liability is to changes of the discount rate. So here we model a 1-percent decrease in the discount rate and a 1-percent increase in the discount rate. We see how that impacts the, uh, net liability of the p-, uh, of the, of the pension. So, uh, 18.8 turns into 23.5 if we drop the discount rate 5.91. So that discount rate is really just the expectation of how much future payments are gonna be made from asset returns. And, uh, so if we increase it, eh, assuming that more of the future benefits payments are gonna be paid by asset returns, then the liability of the employers is down below 15 billion. If we flip over to page, uh, 7, this where we take the liability measures [inaudible 9:59] at the top we start with what we had as the total [continual 10:03] liability [inaudible] [need me to stop 10:16].

Male: [Inaudible 10:11].

John G: I'll continue. Uh, so what we have at the top is the total pension liability measured in the last GASB reporting, so 35.6 billion was the measure of the total pension liability. We roll that down to get what we expected that to be as of 6/30/2020 and that's 36.4 billion, [down 10:34] middle of the page, item D on that table. Um, [inaudible 10:37] the board adopted new assumptions and those assumptions had an impact. Um, that impact was just over $1 billion. So we add that to the final expected [TPL 10:47] after those assumption changes of 37.4 billion. We compare that to what we actually measured this year, 37.1 and that difference is – represents an actuarial experience gain. And so we had [inaudible 11:02] roughly $306 million. This gain is also visible in the actuarial valuation. It is primarily driven by than lower than expected salary increases and lower than, uh, expected COLAs.

Then, uh, really the, the last pieces of this report that I want to bring to your attention are on page 10. Starting on page 10, we have tables really that kinda show a historical measures of the GASB 67 reporting. Here you can kinda track, uh, you know, how the [inaudible 11:33] has been going, the changes in the [funded 11:35] ratio, the changes in the size of the liabilities. Um, so it's really a good information. There's still a few more years we have to fill out to where GASB r-, eh, wants us to be a 10-year lookback, so we, uh, the, uh, first year we adopted these GASB statements, the [inaudible 11:53] reports but we have a couple more years to get to that period of time. And then the same thing with, uh, page 11. This is really showing again that accumulation of the net pension liability to your report of the funded ratio each year and then [inaudible 12:09] payroll [and 12:11] active membership is. Is that me, uh, making all that – is that – can y'all hear me [all right 12:21]? Everybody good?

Clare B: Yes.

John G: Okay. All right. So, uh, so if, uh, if we're good with that, I'll handle any questions you might have about GASB 67 and if not, we'll move over to GASB 68, which is really taking these measures of the plan's liabilities and assets and then turning that into information for employers to disclose in their financial statements.

Clare B: Okay.

John G: All right. So GASB 68, uh, is another report within the packet. Um, this is a very similar. I mean the measures are really the same. Again we're taking the information of the, of the measurements provided on our GASB 67 for the plan. Now we take those and then we, we, uh, from that determine what that liability is to be, uh, [inaudible 13:17] recognize as far as changes due to assumption changes or experience, uh, gain/loss or even investment returns. They're recognized over certain periods of time and those recognition pieces along with the system's cost of operating the plan called the normal cost, um, that determines the pension expense as reported on the employer's balance sheets. So on this, uh, starting on page th-, 3, [at the 13:44] table of, um, measures, again those measures can be in the collective net pension liability. Those are the same amounts that come from GASB 67, um, the $18 b-, billion [in 13:57] pension liability. Um, we then determine what the, the c-, uh, the pension expense for operating, um, uh, the Connecticut Teachers' Retirement System is. That's, uh, $2.7 billion. That doesn't have any representation of what the required contributions are. This is an accounting measure and it really doesn't use, uh, actuarial funding techniques to determine what this number is. It uses accounting.

So the 2.7 billion is not what's required by employers to fund the plan but it is the measure of [inaudible 14:30] shown on the, uh, the balance sheets. Uh, the last 2 pieces are the collective deferred amounts. So when, when the [experience 14:38] is different than we assume or there's other changes in either plan design or assumptions, uh, then we're gonna [keep 14:46] that difference and, and defer it's recognition. So GASB allows for [inaudible 14:52] recognized over 5 years. It allows, uh, the experience gains and losses and any assumptions changes to be recognized over the, uh, average working lifetime of the actives but blended in that it's really the active [inaudible 15:06] of actives divided by the expected working lifetime of everybody. [Hence 15:11], all the retirees and inactive members of the plan have 0 expected working lifetime and so that's why it's a pretty small number of how, how long we, uh, we're gonna take to recognize, uh, unexpected e-, uh, experience. That, uh – flipping over to page 6 is again the same sensitivity analysis we showed on GASB 67 where we change the discount rate. Uh, a lot of this is really a, a repeat of what was shown in, in, uh, GASB 68.

But when we get to, uh – this is page 8. Page 8 is where we determine what the, uh, portio-, or the, uh, the difference between expected assets at market and actual assets at market for the year. So this is determining the investment gain/loss to be spread over a 5-year period of time. You see that our measure of it is $844 million loss for fiscal year ending, uh, 6/30/2020. That's gonna be recognized, uh, over, over a 5-year period of time. Then any other changes and we know we had an assumption change in 2020 and we also had an experience gain of $306 million, uh, those 2 pieces get recognized over this measure. The bottom of, of, uh, page 8, that is the weighted average years of working lifetime. So you see it's developed and it's based on your current actives are expected to have about 12.6 years of working lifetime. And then we divide that by the total numbers, uh, of participants in the plan, including inactives and retired members. So it drops that down in half, which means that, uh, uh, any changes to assumptions or, uh, changes to, uh – due to experience are gonna be captured over a 6.4-year period of time.

So this is a much smaller window that we have to recognize gains and losses and changes to the plan than what we use in the actuarial funding and that's a large degree of why pension expense is much higher than the required contributions. Because in GASB, we have to recognize these changes to the plan in 6.4 years whereas in, in, um, the pension valuation, we're recognizing gain and losses over about 25 years. Um, the next, uh, the next page, page 9, uh, at, at the top there just shows, uh, what the sources of the deferred inflows and outflows are. So when the plan has gains, uh, that's a deferred inflow. When it has losses, it's a deferred outflow. And so we see we have pieces that are due to – we have deferred inflows due to expected experience. Again, we had $306 million of expected experience this year. What's being recognized over 6.4 years is added to what hasn't been recognized from prior gains. And so we have $566 million of, of deferred in-, inflows as of June 30, 2020. Uh, deferred outflows due to assumption changes, also the a-, accumulation of, of, um, of losses that might have occurred along the way, uh, a little over 4 billion and then we have, uh, the, the net difference, uh, in experience, uh, on the asset side, which it totals up to be about $774 million of the deferred outflow, meaning losses.

And then, uh, at the bottom of that page is the, the years that, that – those are gonna be recognized in pension expense. We see that, um, that next year will have over $1 billion re-, recognized in pension expense. And again the shorter period of time, we're recognizing losses or other big changes of the plan, the bigger the impact is to pension expense and especially compared to how the valuation [record 18:47] goes. Um, so that, that's really it. These numbers then are gonna be transmitted to the state and all your participating employers who you have a special funding situation for GASB where the state makes a contribution but, yet, GASB requires all your employers, all the districts to re-, record their share of liability that actually the state's paying for. Uh, also they require a share of the, of the pension expense that the state is gonna be recording on, on their books. So at the end of this, you'll see where we allocate to each, uh, participating employer in the Teachers' Retirement System their shares of the, um, the, the – their allocations based on their contribution effort and then, uh, b-, beyond that their share of the net pension liability and pension expense. So that's GASB 68.

Uh, a-, again I always caution the boards that the terminology in here, although it sounds like it's actuarial and it's accoun-, you know, it's, uh, it's, it's pertinent for how the plans g-, going and, and the future of the plan, these numbers really don't mean anything to the path that we're on for funding the plan. They, they really are solely for accounting. Pension expense has no bearing on what the actual cost of the plan are and I'm just gonna caution that, that readers of these documents, because they're gonna be publicly available, uh, they might bring that confusion up, uh, you know, to you that the valuation says one thing, the GASB reporting says another. Again we want to focus on as far as the funding of the plan, the valuation is the document that we look at. So with that, any questions on the pension, uh, uh, Governmental Accounting Standards Board's requirements in these 2 reports that we just went through? If not, I can pass it over to the retiree health guys for them to go through the, the, the new valuation for the retiree healthcare benefits and also the GASB recording – reporting required for those. Well, Brad, I'm gonna pass it off to you then.

Brad W: All right. Thanks, John.

John G: [Inaudible 20:56]. Yeah. I'm sorry. This will be item 3, I, I guess. Should we wait for the agenda item [to be called 20:59]?

Clare B: Yeah. The, the chair will entertain a motion to accept GASB 67 and 68 as presented by John Garrett of Cavanaugh Macdonald. Do we have a motion?

Steve M: [Inaudible 21:14].

Clare B: So moved.

Gregory M: Second.

Clare B: Seconded. Questions for John? All right. Discussion? All those in favor signify by saying aye.

Female: Aye.

Male: Aye.

Male: Aye.

Clare B: Opposed? Abstentions? Thank you. John, you guys are up for, uh, GASB 74 and 75.

John G: Okay. [Inaudible 21:32].

Female: [Inaudible 21:32]. Excuse me for 1 sec, John. Can I just for Charlene's sake, um – our 2 folks who a-, approved the, the GASB reports, would you just identify yourselves? I was trying to look at [inaudible 21:44].

Clare B: One was Bill Murray.

Female: Okay.

Clare B: But I don't know what the second.

Male: I think I was. [Inaudible 21:51].

Female: [Inaudible 21:51].

Clare B: Okay.

Female: Okay. Greg [inaudible 21:53].

Clare B: Oh, Greg. Okay. Thank you.

Male: Um…

Female: Greg, Greg…

Male: [Inaudible 21:56].

Female: …and Steve.

Female: Okay. Thank you. That was just [inaudible 21:58]. It's hard to see and I just wanted to make sure we have it correct for our minutes. That's all and the people on the phone.

Clare B: [Inaudible 22:02].

Female: So thank you.

Male: Quick question, um, because I'm opening it up on the screen here, so I can read it. Um, is this the one that you sent out today that we're gonna open up now?

John G: So, uh, no. That will be the next one.

Male: Okay. So…

John G: So…

Male: …[inaudible 22:17] open up now?

John G: The [inaudible 22:18]. The first, the first one is called the Retiree Health Insurance Plan Funding and Plan Accounting Report. So that's both the valuation and the GASB 74 report.

Male: 70-, okay. I got it. Thank you.

Clare B: Okay. That's w-, that's what's coming up now.

Male: Okay. [Inaudible 22:37].

Clare B: All set?

John G: [All right and with that 22:40].

Clare B: [John, we're 22:41] up to item number 3 if you wanna take it away on 74 and 75.

John G: Thank you [inaudible 22:47].

Brad W: [Inaudible 22:47]. Uh, thank you, members of the board. It's a pleasure to be here. Um, I'm gonna be talking about the Retiree Health Insurance Plan today and so this is the plan that provides, um, some healthcare benefits to all of the teachers once they, uh, reach retirement. And we've really got kind of 3 things to talk about today. The first thing we have to talk about are the funding results. Then we'll talk about GASB 74. Then we'll talk about GASB 75. The funding in GASB 74 reports are both contained in a single report that was sent out last week and the GASB 75 results are in a standalone report that was sent out, uh, I believe this morning. So we're gonna start with the funding report. And a, a couple of comments right off the top. The funding report generates an actuarial-determined contribution just like the funding report does for the pension plan. But I'll point out that the, the retiree medical plan isn't as well funded as the pension plan. It's – the state has chosen to not contribute the full actuarial-determined contribution. It's more almost like a pay as you go. They're paying benefits as they come due. And so the discount rate that we are using for this valuation is significantly lower than the discount rate we use for pension and that's because the assets aren't invested in long-term vehicles like equities and things like that.

They're invested in short-term vehicles because the assets have to retain a much higher level of liquidity so that benefit payments can be made on a timely basis. So I'm gonna hit a few highlights through the funding in OPEB report, a few specific pages. We're gonna look at pages 1, 2 and 3, the closest of the OPEB report because they give a nice big picture. We'll hit a handful of pages from there on out, um, and we'll pause after I've gone through this first report. So on the funding report, I wanna start by looking at, uh, page 1 and page 1 is just – it's a large scale summary of everything that's in the report. So for 2020, active membership was a little over 50 thousand people. Those are people that are actively working and they have a payroll of about $4.4 trillion. Those numbers should be very similar to what we have for pension because it's largely the same group of people that are covered. Uh, the other big thing I wanna point out on this page, about halfway down you'll see an actuarial value of assets line here. On the pension side, as John mentioned, we smooth out gains and losses. On the OPEB side, we don’t do that. This, this actuarial value of assets is really the market value. It's the same. It's just straight money in the bank as of the valuation date. And there’s a couple reasons why we do that.

1) Because the vehicles that this money is invested in is much more liquid, it's also much less volatile. So we don’t have as many ups and downs to smooth out as you'll see in the pension plan. If the state ever decides to pursue fully funding this plan early and to begin investing that money, then we would shift, you know, over into equities and we would have a very similar outlook like you would have on pension but for now, we don’t need to do that. If we're, if we're gonna cruise along basically paying these benefits as they come due, then we'll just continue to use the market value of assets, um, for the actuarial value of assets. Um, the big key number takeaway on this page, I think is this unfunded actuarial accrued liability line, which is right under the AVA. That’s 2.4 trillion. Now that, that’s a big number. I don’t want that number to scare to you too much. Um, one of the reasons that that’s such a large number is because we have to use a, a discount rate that’s less than half of what we have to use for pension. Um, and these liabilities, remember we're trying to predict a future number and we've gotta take all those numbers in the future and discount them back to the present day to give you this number.

And so if y-, we really wanted to prefund this number, we would get to use a higher discount rate and that 2.4 figure, um, would drop down pretty significantly. And I think a m-, I think I said trillion a minute ago. That should be billion because I'm bad at counting decimal places apparently. Uh, so tri-, billion with a B, not trillion with a T. I'm sorry I misspoke there. I get excited when I see big numbers. I just – kinda just – okay. So moving on. Down at the, the next section of – on this page are your actuarial determined contribution rates and they're really broken up into 2 pieces. The first piece is the normal cost rate. The normal cost is basically the ongoing operation of the plan. As your active people work, they accrue more benefits and the normal cost is how quickly they accrue those benefits. And so the normal cost rate is the percentage of payroll, um, that would cover that normal cost in this given period. The next line is the unfunded rate and that’s the rate if you were to take your unfunded liability and spread it out over a period of 30 years, what percentage of payroll would you need to pay so that you would get to 100-percent funded in 30 years. Now if you add those up, you get just shy of 4 percent as your total rate.

Um, and I don’t think we have that in terms of dollars on this page but we do have the actual contributions down at the b-, the – oh no. Those are the dollars down at the bottom of this page. So that comes out to be about $120 million give or take a little bit per year for the total actuarial-determined contribution. Now the dollar amounts down at the bottom are only the state portion because there are some member contributions that happen here. 1.249 percent of pay is what we're estimating come from members. It's not just the straight percentage for members, um, because it's annual salaries in excess of $500 thousand. There's a little footnote down there. So it's not, um, it's not quite – you know, we can't just put a s-, a flat number on there. That number might move around just a little bit from year to year. So just like with pension, we do this full valuation every 2 years, um, which is why down at the bottom you see that the contribution rate is set here for 2 years. Um, on the GASB side, we have to put out numbers every year. So in the off years when we're not doing valuations, we're gonna have to do some rollforwards and rollups of these numbers to get GASB numbers in the off years. So that's all I've got to say about page 1.

I wanna move on to page 2. Page 2 is another summary page except it's for GASB 74. Now GASB 74 and 75 are essentially the exact same as GASB 67 and 68. It's just the ones that John deal with talk about your pension plan and the ones that I talk about deal with your OPEB plan. But the wording, the requirements, all of the reporting that we have to do is essentially identical if you take out the word pension and put in the word OPEB. So instead of total pension liability, we'll have total OPEB liability. But all of the exhibits that we show, they kind of flow the same way and the calculations are done very similarly. So on this summary page here on page 2, we talk about, um, all of the, the overview for GASB 74. Now this is the plan reporting just like GASB 67 on the pension side. One difference between this and pension, because our funded ratio for OPEB is much lower, whereas, uh, from – only from an accounting standpoint, the pension plan was deemed to be solvent but the OPEB plan, we basically run out of money because we're not allowed to assume you contribute the ADEC, um, every year and we're not allowed to assume that your – um, the GASB requires that we limit your future contributions based on how much you've made in the past 5 years.

So from a planning standpoint, we know that as payments come due you guys are gonna make those payments but GASB won't let us make that assumption. So they force us to limit your future contributions and that causes us to have to use that municipal bond rate that John talked about with the pension plan. You didn't have to use it on the pension plan but we do for the OPEB plan. So about halfway down this summary page, you'll see the municipal bond rate for the prior measurement date was 3.5 and for the current measurement date is 2.21 percent. And since our – the benefits that we have to pay every year are so much larger than the amount of money that we have in the trust, um, GASB's rules basically say that we deplete that trust almost immediately in 2021 and, therefore, we have to use that municipal bond rate for the vast majority of years in our projection. So the GASB discounting that we have to use is equal to the municipal bond rate, so the 3.5 for the prior year, 2.21 percent for the current year. That means that our OPEB liability's a little bit different. It's higher for GASB 74 than it is for funding. On the prior page, our total liability was 2.4 billion, whereas here our total liability is 2.88 billion. It's a little bit higher because our discount rate, um, went down 79 basis points when we switched over to GASB 74.

So again it's not something that I think is a cause for alarm. I mean w-, as – the reason that this happens is because benefit payments tend – when you project them out, they tend to increase for a number of years before they level off and start to drop, um, because you’ve got a bunch of people that are currently working that are assumed to s-, begin retiring any time now. And the – what would really happen is the state would just have to increase their pay-as-you-go contributions to make sure that those are covered and that’s probably what will happen. Um, but GASB won't let us do that, as I mentioned. So, uh, the, the net OPEB liability on the GASB side is near the bottom of this page here. It's $2.8 billion, um, which is, um, the net amount that you're gonna have to book for GASB 75 on the employer side, which we'll see in a few minutes. Um, so I think that is all I wanna say about page 2. The last page I wanna talk about a little bit in depth is page 3, um, which is basically just a – it's a, a wordy summary of key things to note for the report. I just wanna hit on a couple of those pretty quick. The first thing is that last year, um, effective January 1, 2019, uh, the, the plan transitioned to a new prescription drug plan and overall this is expected to reduce costs to the plan.

So last year for GASB 74 and 75, we implemented those changes under that plan last year but since we didn’t do a funding report last year, for the funding report, they're just coming through for the first time this year. So you'll see a reduction in liability due to that new plan and because of our claims cost outlook, you know, we are – were ex-, we're gonna start projecting claims based on this new plan now. So you'll see our claims cost is also decreasing because of that. On top of that, we had a reduction in inactive head count to the tune of 4 percent, um, and inactive people that are getting their benefits now have a much bigger impact on your liability than somebody that’s currently working and might not get their benefit for years to come. So when you're inactive head count shrinks, your liability tends to shrink with it and that’s exactly what we saw. Um, that’s all I wanted to say on this page. The next page that I wanna talk about is page 5. Nathaniel will switch to that page for us. Page 5 is a reconciliation of the assets in the plan. So this is from 6/30/2019 to 6/30/2020 and you can see that we started at $56, uh, million and we ended at $71 million but look at how much it changed during the year, $136 million of contributions and investment income coming in and $121 million of benefit payments going out.

You'll note that those are bigger than the amounts that we started and ended the year with. So that’s what I mean when I say that this is kind of functioning as a pay-as-you-go plan. We see that these benefits are coming. Contributions come in. We pay them out. And we're not really making actuarial contributions to try to grow this trust to be 100 percent funded, which is okay. Um, so that’s all I wanted to say on that page. I wanna skip ahead next to page 7. Apparently I'm a fan of odd numbers today. So page 7 is a reconciliation of your unfunded liability on a funding basis, what it started at in the last valuation, which was June 30, 2018, which was a little over 3 million, um, or excuse me, 3 billion. And now at the end of the last item on this page, item 15 is the unfunded liability as of June 30, 2020, which is 2.4 billion. So that's a pretty significant drop and the biggest reasons why it changed are on line 14c and line 14f and that's due to the plan changes and the claims experience, which is a result of those plan changes and just ongoing operation of the plan. So those 2 changes have really led to a reduction in cost to the plan and it's borne out, um, in this, uh, these gain/loss items down here in item 14.

So, um, just so you're aware as a, a brief aside, when we say an actuarial gain, what we're meaning is that's a net benefit to the plan, so either returns better than you thought they were gonna be or something that increases the – or excuse me, decreased the unfunded liability by more than we expected it to. That's what we would call a gain and, conversely, a loss is any event that increases your unfunded liability by more than we expected. I think we gloss over those terms a lot. But in any given year, every single person in your plan is gonna generate a gain or a loss. You know, if, if we assume 60 percent of people retire, you know, you can't have 60 percent of a person retire. So whether they retire or whether they don't, they're gonna make a gain or a loss. That's just – there's no way around it. So as actuaries, we're really interested in gains or losses because they tell us about future trends that might pop up in your plan. You know, you have a large plan change like this that's gonna reduce costs and we should see it reduce costs in the gain/loss and that's exactly what happened here. Um, so we had some other very small changes that happened. Um, there were some a-, assumption changes that went in.

You know there was a recent assumption study, experience study that happened and we changed some of the underlying dermographic assumptions and things like that. Those are all reflected here as well. Um, they have a line on 14e down there, those increased liability by 37 million. Um, but that, that's, um, pretty straightforward here I think. So the next, uh, page that I want to hit and highlight here is on page 10. And I'm getting to an even number. So this is – I'm gonna switch over and talk about GASB 74 for a minute. You might have – you might recall the page that John just talked about a few minutes ago for GASB 67 where there was a big 10-year schedule and we had filled out 7 or 8 years of those. Well for OPEB, um, GASB took a few more years to write our accounting standards, so we only started in 2017. So we've only got 4 years of history to show you here but we'll, we'll be playing catchup. We'll get there eventually. So I just wanted to point out here that if you look at the, the third line down here that says changes in benefit terms, you'll note that it – that the, uh, 339 million happened in 2019. As I mentioned earlier, we reflected the change to the, the, um, the drug plan in last year's GASB, not in this year's GASB, so that's why it's in the 2019 column.

If you look at 2018 column, we also had a pretty big change just to the plan itself. You know we changed options back in 2018 and that was reflected in the prior funding that, uh, realized some big cost, uh, cost savings as well. So then you'll see in the 2020 column, the next line down, is called difference between expected and actual experience, that's kind of everything else from the gain/loss, everything except assumption changes. So that's any, you know, dermographic changes and that's a-, all of your claims experience goes in there as well. So that's w-, was reflected in 2020. And the reason that you'll see the 2019 number there much lower than the 2018 or 2020 is because the even years is the years where we do full valuations. So that's when we're getting new data. That's when we get to see what's happened to all your people. Eh, does it match up with what we es-, expected yes or no, um, and that's also when we typically set new claims costs. So you'll generally see those numbers be larger in magnitude in your even years and smaller in magnitude in your odd years. And then finally on this page, you'll see the change of assumptions line for 2020 is much bigger than it had been in the prior years. There's a few moving pieces there. Um, one is the healthcare trend rates that we reset every year based on national surveys, um, or not ever year, every even year.

And another piece, uh, is the updated assumptions from the experience study that came through. So we reflected some of those in funding and they, they hit us here on the GASB side as well. Um, so the next page that I wanna talk about, skipping down to page 16. Uh, just like with the funding on the pension side, for GASB 74, we have to show sensitivities. You know, what happens if the discount rate is a, is a hundred basis points higher or lower? But in addition to that, because this is a healthcare plan and healthcare trend rates tend to have just as big an impact on your liabilities as your discount rate, so how quick are Medicare or medical costs going to grow, both pre-Medicare and post-Medicare, and we have to do a, a hundred basis point increase and decrease to those and you can see that they tend to have a slightly larger impact than the cha-, the same change in your discount rate, so just another thing to be aware of. Now one thing that's in the back of the vast majority of people's minds is how is COVID going to affect all of these things. How are they going to affect our medical costs? How are they gonna increase? And, unfortunately, the short answer is we really don't know yet. Uh, we're only now starting to see data on mortality for COVID, that is how, how it's making people pass away and die quicker.

So we're starting to see some of that data roll through from large life insurance companies but in terms of how it's going to affect, you know, how expensive is it to go to the doctor, how your medicines and prescriptions going to change, it's just too early to tell that yet. We don't have enough data. So it's something that we will continue to monitor and it's likely gonna be borne out in these healthcare cost trend rates. You know, they may go up in the coming years because of COVID but we're gonna be keeping a, a pretty close eye on it, eye on it. So the next thing, I'm not gonna go in too much detail here but I just wanted to let everybody know, uh, the documentation of all the assumptions that we use starts on page 22. Those are the assumptions that we have for funding. Um, and documentation of all the assumptions that we use for GASB 74 start on page 34. So if you're ever curious, you know, how, how quickly do we think healthcare cost is gonna grow, how quickly do we think, um, people are gonna retire or terminate, it's all here in the back of the report in these giant boring tables if you ever wanna take a look but it is there. So I wanted to take a, um, a quick minute to pause here and ask if anybody has any questions about the funding or GASB 74 numbers for the OPEB [inaudible 44:00].

Female: [Inaudible 44:00].

Brad W: Okay. Hearing none. I wanna ask, um, Madam Chair, is, is the GASB 75 the same agenda item or should I pause for a motion here?

Clare B: It's the same agenda item, Nate.

Brad W: Okay. Thank you very much. All right. So I'm going to push ahead to the GASB 75 report. Um, I wanna start this report again on page 1. Now this report is very similar to the GASB 68 report that John talked about a few minutes ago. The, the lia-, the total liability here is the same liability we saw in the GASB 74. The only difference is the GASB 75 is for the employers' reporting, so this is for the states reporting. This is what has to go on your book and for all of your entities that are contributing, this is what's gonna feed into their [inaudible 44:54] at the end of the day. So, like I mentioned, the, the OPEB liability is the same as it was for GASB 74 but just like with pensions, GASB 68, all of the changes that happen year to year, we have to spread out, um, and some of it gets deferred. So – and the rules for what gets deferred and what periods do they get deferred over are the same for pension, so we don't have to talk too much about it but I do want to hit some highlights here. So this summary page here on page 1, all of the numbers down through the collective OPEB liability in the middle of the page tie to the numbers that were in GASB 74. And then down at the – the number below that is OPEB expense, um, which is very similar to pension expense.

It's set at 129 million and the collective deferred outflows and inflows almost balance each other out but they're listed at the bottom of the page here. Um, and the next – the hi-, I wanna hit pretty much the same highlights that John hit. So if you, uh, move ahead to page 4, uh, this is one thing that I don't, I don't know if it's in the, um, the 68 report or not but if you're ever curious what numbers feed into your OPEB expense, th-, this page and the next page have a nice little explanation of what all those pieces are, how we calculate them that feed into your expense and we just add'm up, um, to get your total expense. And I just wanted to let everybody know if, if you're curious and wanna get, uh, some education on yourself, this is a good place to do so. So I wanna jump down now to page 9, which has more glorious numbers in it. So just like John, uh, mentioned on the pension side, we have these collective, um, inflows and outflows of resources. So these are changes that happen to the plan that we have recognized part of but not all of. Um, and those are broken up into 3 categories, expected and actual experience, which are mostly dermographic changes, people retiring earlier than you thought, your claims costs not going up as quickly as you thought, things like that.

The second piece are changes of assumptions, so that would be things like the experience study that we did recently, if we change our assumed percentage of people that, uh, take their benefit when they retire 'cause not everybody, uh, not everybody does. Some people are on a spouse plan. You know there could be any number of reasons why they don't take this benefit. Um, any of those assumption changes will be in that middle line. And then the bottom line are the differences between projected and actual earnings [on in 47:36] plan investments. Um, so that is all that is on page 9. Page 10, the very next page basically has those same items broken out into each year that have happened. So each year we have a new piece that hits the books and we have a different recognition period to spread it out over. So for 2020, our recognition period was 7.13 years. Just like, I think, pensions was 6 and change. So on the OPEB side, the, the number of years there is gonna be different because especially on the retirees side, we might have a different population of people that have accepted their healthcare benefits. We have less 0's for our retirees in our average, so our total recognition period is a little higher because of that. So each year we add a new layer on to these and as layers get completely paid off, you know, they'll fall off of this list. So that is…

Male: [Inaudible 48:37].

Brad W: …page 10. Uh, the next page, page 11 is, um, 1 of the 2 big things that you have to book for GASB 75 and that's called your OPEB expense. Um, so this is accounting's version of the ongoing yearly cost of your plan. Um, as John mentioned earlier, we would caution you against considering this like a funding measure because it's really not. Um, it has some similarities and there are some actuarial things that go into it but it's not a funding calculation. It's not meant to tell you, you know, if you put this much in every year you're gonna get to fully fund your plan. That's just not how it works. Um, so all of these pieces, um, are developed on the, the prior pages in the report here.

And much like pension, you have numerous employers spread out all over the state that each have to recognize their piece of this, of your total liability and this expense piece. Those allocations begin on page 20. We don't need to go through them all, um, because, you know, there's a ton of them and it's just a wall of numbers but it's a wall of numbers that they all need to get so that they know what to book and put in their [inaudible 49:49]. Um, so I think – [mainly 49:52] we went through this one pretty quickly but I think that's all I've got to say about it. So let me pause here and see if anybody has any questions on anything OPEB related that we've talked about today.

Clare B: Any questions for Nate from board members. Just unmute your, uh, you know, u-, unmute yourself on the top and then ask away. Okay. None? I'm not hearing any.

Are there any, uh, questions for Nate? [I would like 50:37] – the chair would entertain a motion to, uh – eh, Nate, did you have any concluding remarks?

Brad W: Um, I don't. I'm, I'm Brad by the way. That's okay. Nate…

Clare B: Brad, I'm sorry.

Brad W: Nate, Nate's driving the car though. He's [inaudible 50:49].

Clare B: Okay. Sorry. I [inaudible 50:40].

Female: [Inaudible 50:51].

Clare B: My apologies.

Brad W: No worries. I don't. Um, I think it's – the recent play in changes that the board has made to this plan, I think you're, you're gonna start seeing the, the fruits of that now. And you can see how the, the total liability has dropped in the past couple of years of those changes. Um, I think the big thing is, is really just wait and see what COVID does to healthcare costs. I mean we really don't know and it's just a giant question mark at this point and I wish we had more information to share with you but we just don't at this point. As soon as we get it, though, we'll, we'll pass it along your way.

Clare B: All right. The chair would entertain a motion to, um, accept GASB 74, GASB 75 as presented by Cavanaugh Macdonald.

Female: [Inaudible 51:43].

Female: [Inaudible].

Clare B: Moved.

Lisa M: Yeah. I [inaudible 51:48].

Clare B: Okay. And seconded.

Steve M: Second. Steve Muench.

Clare B: Okay. Thank you. Uh, moved and seconded. Discussion? All right. All those in favor signify by saying aye.

Female: Aye.

Male: Aye.

Female: Aye.

Male: Aye.

Male: Aye.

Clare B: O-, opposed? Abstentions? All right. Thank you. Thank you very much John. Thank you f-, uh, Brad, Nate, abe-, everybody on the line there that's, that's contributing. Thank you very much.

Brad W: Yes, ma'am. You're very welcome.

Clare B: Uh, Helen, we're gonna move on to item number 4, which is, um, your agency report.

Helen S: We have a couple things to go over today. Um, I have Carol, uh, from Anthem and I have Terry, as well, joining us and we're just gonna go over, uh, some of the guaranteed deliverables and how the plans are operating, uh, particularly the, uh, prescription drug program, uh, Med Supp, and, uh, Med Advantage. Uh, Carol is from Anthem. I'm gonna go ahead and give her the floor and, uh, have her just give you a high-level overview. Um, she represents the Medicare Advantage, uh, side of the house. Uh, so go ahead, you can take it away, Carol.

Carol S: Thanks. C- can everybody hear me okay? Yes?

Clare B: Yep.

Helen S: Yes.

Carol S: Okay. Good.

Helen S: We're good.

Carol S: Good. All right. So I wanted to start out, I mean obviously 2020 was like no other year, um, for, uh, all of us I think. Um, but in terms of results, uh, we, on the Medicare Advantage side did really, really well with a lot of things that I wanted to just bring to, uh, your attention. Uh, first being the telephone results for the year. Um, this is a combination of our First Impressions phone line and customer service. Um, we received 43,613 calls from the retirees and of that 43,154 were answered. So our average speed of answer was 12 seconds and our service percentage, um, number was 92.17 percent. So that's just customer service stats. Um, the next thing I wanna kinda bring to your attention is the performance guarantee results. Um, we do have guarantees in place that we have to meet every year and we assess the, um – our success on that every year and all our member service results were met. All the claims metrics were met.

Uh, we also have a performance guarantee on website availability and that metric was met. And, um, finally, reporting eligibility in our case management metrics were all met. So good news there. Um, I wanted to touch really quickly on 2020 open enrollment. Uh, even though there were no benefit changes whatsoever for this year, um, and, you know, with the COVID being a little bit of a challenge, we had to do everything virtually this year. Uh, we did hold 16 virtual meetings between October and November. Um, we had, um, pretty good participation. I think, um, eh, probably less obviously than usual, uh, but probably about 500 people attended. Maybe between 500 and 600. Um, Anthem presented both the Medicare Advantage and the Medicare Supplemental plan, so we had, uh, 1 meeting that covered both plans and covered, uh, you know, what the, the coverage was and we had a Q&A, um, at the end of every meeting. So we spent a lot of time answering questions. And, uh, as a result of no benefit changes, really there was minimal movement between the 2 plans during open enrollment. So things pretty much stayed the same.

And then I just wanted to close out with our member satisfaction rates. Uh, when the retirees call customer service, we ask them if, um, they would be willing to complete a survey on their satisfaction of the calls. Um, we did really well here. The call center satisfaction according to these surveys, which we did almost 6,000, um, uh, were completed by the retirees. The center, uh – the call center satisfaction was 92.3 percent. Um, their satisfaction with the service skills and the service rep was 96.36 percent. And then finally, um, easy to do business with, we scored a 91.1 percent. So overall 2020, 20, I think was a good year. Uh, you know, we, um – I think that open enrollment was a huge success, uh, despite the fact that we weren't able to be in person. And, um, so I think that's it for the Medicare Advantage, Helen, unless you had something additional you wanted to add.

Helen S: No. Uh, um, was, was Alan on the – I'm not sure if Alan from the Medicare Supp is…

Carol S: He – I think he was on the call. He just, um, h-, we were having problems with his video.

Helen S: Okay.

Carol S: Are you there, Alan?

Alan L: I, I am here. Can you hear me?

Carol S: Yeah.

Helen S: Yeah. We sure can. So Alan…

Alan L: [Great 56:39].

Helen S: …um, Lightcap is from the Medicare Supplement side of the house. Thanks, Alan. I couldn't find ya 'cause I couldn't see ya.

Alan L: Yeah. Sorry about that. Yeah. So…

Helen S: That’s okay.

Alan L: …um, thank you, Helen, for the introduction. Um, so again I represent the, uh, the Medicare Supplement side of the house. Um, and, uh, similar to, to Carol’s share of the Medicare Advantage side, you know, we were part of the open enrollment presentations, and, uh, [inaudible 57:05] that things went, went well. We did have some open enrollment challenges with the call volumes that we had. Um, we're about 15 percent higher than anticipated and the complexity was, was a bit higher. But we have addressed these issues. We've actually increased our staffing by 80 percent and, um, updated much of the equipment for, for our call center staff. Um, so while it started off a little bit rocky, our average speed of answer is, is now within range and within our guarantee. Um, and, uh, the service percentage, which, uh, Carol had shared with you earlier at, uh, 92.17 percent, we're just below that. We're at 91.99 percent, so we're, we're tracking right along with the, uh, the Medicare Advantage Plan.

Um, as far as the performance guarantees are concerned, all of our claims metrics, um, p-, guarantees were met. We also have a couple of guarantees that are pending for our implementation and account management. Those results should be released by, by March 1st. And, uh, similar again to the Medicare Advantage Plan, we do member satisfaction surveys. So we, we represent a smaller portion of the retirees. Um, so we didn’t have nearly as many surveys completed but we did have 271 surveys done and, again, that, that satisfaction rate was, uh, 91.99 percent and our net promotor score throughout that process was, uh, 62.36. So, you know, eh, I think that open enrollment even though it was a, a challenging time, we, we were successful in, um, uh, completing the enrollment this year.

Helen S: [Okay 59:01]. Thank you very much. I did just want to bring up a, a, a – before Terry goes into the Express Scripts, a portion of the, uh, review. Um, there was an email that was sent out to a small part of our population because keep in mind we have almost 32 thousand members, uh, regarding a, a potential copayment issue. Um, again, we have close to 30 – over 30-35 thousand members. This email went out to a, a small population. I believe there was 40 or 50 people who responded. Uh, Carol and Alan did track, uh, the claims that were in question. I believe there are no issues. The claims are being adjudicated correctly. There was, I believe, uh, a provider error or 2, uh, where the provider made a mistake. I think there might have been a mistake on something that was adj-, adjudic-, adjudicated through Anthem. But there are no issues and the plans are running accordingly. Again, there's been no changes since we implemented them in 2019. Um, I can share with you like past experience on the state employee and I went to collections, uh, for an office visit because they thought I had a copay but I didn't. So things like that happen. Providers make mistakes. [Is 1:00:17] – we're a really large population as well. So you may get a little tweak and here and there but, um, overall everything is, uh, operating extremely well.

I know that Carol's team and Alan's team, anybody who had a question, they are doing an outreach to reach out to those, um, small amount of members, um, 1 by 1, uh, just to, to make sure they understand the program. So I wanted to give an update on that. I did wanna also mention, uh, with regards to, uh, [inaudible 1:00:46] GoToMeetings, uh, w-, I wanted to take a moment and introduce Keith, uh, one of our new stap-, mem-, one of our new IT members who's taking over and assisting, uh, Javiel. We're looking at some other options for our meetings in the future to make it a little bit easier, so bear with us on that. And I know that there's been requests to h-, have us release the documents that the agency is voting on bef-, b-, that the board's voting on before the board meeting. Unfortunately, we cannot do that. The documents, uh, that are voted on are generally posted immediately after the meeting or, uh, the very next morning. So I just wanted to get that, you know, out on the table for everybody to alleviate any concerns. Uh, [Terr 1:01:28], did you wanna, uh, just address, uh, what's been going on with Express Scripts, which is our biggest, uh, prescription drug is the end all be all. That's, that's the cost factor. So go right ahead. So…

Male: [Inaudible 1:01:39].

Helen S: …go right [Terr 1:01:39].

Terry D: Right. So I'm happy to report that we only made 1 change to the prescription drug benefit plan last year and that was to reduce the member premium. So we didn't have to make any changes to the benefits and we were able to reduce the premium cost, uh, a little bit. Also, uh, no service issues got escalated to the agency. Everything was running smoothly. COVID, thankfully, does not and did not affect the prescription drug plan. We want people to still be able to get their, their pharmacy and use their drugs. So, eh, that's in a nutshell. Express strip-, Scripts did a great job. We heard of no issues, uh, no members at the pharmacy, um, nothing like that. And benefits didn't change and members paid less.

Helen S: [Yep] [inaudible 1:02:28].

Terry D: Helen, anything else?

Helen S: No. We do have our usual, you know, when – a-, all our plans start over January 1st, so we do h-, we do get inundated a little bit with calls because the deductible starts over and people really need to understand that. So we've been just monitoring those calls. Uh, we often go over their monthly, uh, benefit letter that they get from the carrier so they can see what they've paid in the plan…

Terry D: [Right 1:02:56].

Helen S: …what the pan-, plan's paid and things like that. I know [Amanda] [inaudible 1:02:59] have been working on some of those calls to address some of those issues. Um, again, we're always looking for ways to improve, um, our programs, so, uh, Terry and I have been discussing, uh, maybe some ways to improve the Express Scripts program, uh, for next year. Uh, so that's where we're at with that. So that's it on the health side in a nutshell. Uh, to briefly mention, we did submit a smaller version of our legislative package. We had a very comprehensive package we submitted last year. As you know, with COVID and all this and, um, everything being virtual and, uh, things slowing down a bit, we took what we felt were the most important things to try and push through this year and then we will be following up with the rest of our package next year. Um, we've been meeting with the folks, uh, [inaudible 1:03:48] meet with the approps committee and go over, uh, our submission. So we look in good shape there. Uh, the member annual statements have gone out. 1099s have gone out. I do wanna give a, a huge shout-out to our incredible staff here. Uh, member annual statements, uh, if you look online, uh, Loc and, uh, his team and Javiel and Keith put a program together to assist members in retrieving, uh, information and questions about their annual statements.

It's a great little tool they put together. Um, and then, uh, Keith and Javiel have been working on a way to provide better, uh, service and documents that, uh, our members need, such as reprints of those 1099s, income verification statements. You wouldn't believe the calls we get. [You know 1:04:37], we have over 80 thousand members and we're a staff of 23, so, uh, what, what our IT team has been able to, to put together with, uh, spare parts, so to speak, uh, we hope to be launching that in probably the next month or two and that'll be for members just to, to basically log in and, um, request the document they need and it will autogenerate to their secured email that we have on file here. So I really, really have to, to give the staff a, a shout-out. Uh, we've been working through the pandemic. We've moved. We've upgraded our systems. We manage our day to day and, um, this team and the benefits team have worked a significant amount of hours and their own time to, to improve our customer service. Uh, we did have a significant staffing change. Uh, we've had some folks leave and retire. Um, all of our physicians are going to be filled except 1 we're working on right now. Charlene and I are finishing it up.

Um, again, I mentioned at our last meeting, Charlene's been instrumental in, in helping us getting, uh, 5 new members of the team onboard. Um, I can say that we're extremely pleased with, uh, the, the choices that we have al-, um, that we have that have joined the program. Um, you'll be seeing a lot more, uh, from our IT team. Uh, Javiel, eh, has been [inaudible 1:05:58], you know, by himself with [Inaudible 1:06:00] and, uh, having Keith, uh, as an addition to the IT team has, uh, been extremely instrumental. He also has a very strong physical background, so he's been able to work on multiple projects with both Loc and Javiel. So I really just wanna acknowledge the staff and what an incredible job that they've done during this pandemic. Uh, the benefits team being short 4 people and having the retirements double and never stop, uh, has been really amazing. So as soon as we're clear, I'd like to have a nice [party 1:06:33] for the staff. Uh, so, uh, just keep that in mind. But again I just really wanna pay a tribute to the extraordinary work that these people do that they do on their own time as well. So [inaudible] [pubically 1:06:45] thank them very, very much. Um, and that's all I have.

Clare B: Helen, um, yeah, I just want to, uh, you know – kudos to you as well. You've assembled an amazing team of people. And, um, and someday, I think you're gonna have to introduce the board to, uh, you know, Keith and Javiel and, and Loc. And how some of all of this goes on, I would – you know, when we ever – maybe we won't meet in person, who knows, but maybe we can do it online. But a way for the board to have a really deeper understanding of some of the work that's being done and how – y-, you're almost a model for how an organization that has limited resources and, and an awful lot of issues to contend with manages to, um, to, to attract some terrific people to come and work with us. And, uh, God knows, we thank them but we thank you, Helen. They wouldn't be there without you, without Loc. They wouldn't be there without you. So thank you.

Helen S: [Inaudible 1:07:47]. Thanks. Thank you very, very much. We just wanna get that new software system someday but we'll save that for another meeting.

Clare B: We'll talk to Greg. Right? [Inaudible 1:07:57].

Helen S: I wasn't gonna call him out today. I've been driving him crazy the past few days, he and [Karen 1:08:04] and [Christina 1:08:05]. But yeah, we're, we're good.

Clare B: Item number…

Helen S: [We 1:08:09]….

Clare B: …5 on here, uh, which is the, uh, the COLA. It's the midterm COLA, uh, for people who, um, that – the post [inaudible 1:08:17] the pre 92 or whatever else, 3 percent, um, you know, that's a, that's a standard thing that we have to do. Most of the people, uh, as our board members know, in the teacher profession retire in June or in that summer. But, but there are a significant portion of the people who don't and they get flipped over into this kind of, uh, kind of midterm. So you have to set, uh, you have to set the COLA a couple a times a year. And for us, this is for that population of people. So, um, the board would entertain a motion to accept that?

Male: [Uh 1:08:58]…

Male: [Inaudible 1:09:00].

Male: Do we have a motion?

Male: Second.

Clare B: Okay. Motion. A second?

Male: Second.

Clare B: Okay. Uh, discussion? All those in favor signify by saying aye.

Male: Aye.

Female: Aye.

Male: Aye.

Male: Aye.

Clare B: Opposed? Abstentions? All right. Thank you very much. Uh, the next item up, Helen, is gonna be our repo-, our, um – sorry. I gotta go back to my – consideration and approval of the administrator's action. We'll take them all together. The granting of service retirement benefits for October, November and December of 2020 and January 2021. Survivor benefits for the month of October, November and December and January – sorry – October, November, December 2020 and January 2021. And reports and recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee on October, November, December 2020 and de-, January 2021. Uh, the board would entertain a motion.

Charles H: Move to approve.

Clare B: Move to approve. Eh, a second?

Bill M: Second.

Clare B: Second. Very good. Uh, discussion? All those in favor signify by saying aye.

Male: Aye.

Male: Aye.

Clare B: Aye.

Male: Aye.

Clare B: Opposed? Abstentions? Thank you. Uh, the m-, the board information. Remember, eh, you have attached, uh, the statistics for October, November, December 2020 and also for January 2021. Um, comments from observers?

Mary H: Yes. I would like to offer a comment.

Clare B: Go right a-, could you please identify yourself?

Mary H: Absolutely. This is Mary Hendrickson. Hello…

Clare B: Hey.

Mary H: …everybody.

Clare B: Hi, Mary.

Mary H: Hi. How are you, Clare?

Clare B: Good.

Mary H: Um, I, um, I have – I only had 1 thing but now I have 2 very quickly. Um, I wonder having just heard Helen's report if you could share with the retired teachers the bill that you have submitted to the Appropriations Committee, um, e-, either on the website or somehow so that we could see what it is that you're actually submitting. And then the…

Clare B: Mm-hm.

Mary H: …second thing is [inaudible 1:11:20]. Uh, the second thing I feel it's very important for retired teachers to know what is happening with their health insurance and their pensions. And since 2018, I have attended every TRB board meeting, so that I could be kept updated. But…

Clare B: Mm-hm.

Mary H: …there are a lot of teachers in Connecticut who would like to know what these issues are that are being discussed at the meetings. And I have to tell you that listening over the telephone is not very satisfactory. I would like to request and actually encourage, if I could, um, that these board meetings be opened to retired teachers so that they can see what is being presented. Um, this could be done using Webex that Helen and, uh, the crew did with the open enrollment meetings in the fall. It was very successful where we could see what was being presented at the meeting and see the board. Um, it could be done, if not by Webex or Zoom, Skype, GoToMeetings. There's a lot of other excellent, um, methods. So, um, the Connecticut Legislature right now is using Zoom to broadcast public hearings. So

I just feel like if this large group of legislators can successfully do this, certainly the TRB should be able to also do that. So that's primarily it. Thank you.

Clare B: Thank you, all. Thank you, Mary.

Mary H: [Mm-hm 1:12:42].

Clare B: Other comments from observers?

Rita M: Hello. I'd like to make a comment if I may.

Clare B: Your name, please?

Rita M: It's Rita McDougald-Campbell from Trumbull.

Clare B: [Hello 1:13:03]. Hi, Rita. How are you?

Rita M: I'm fine. Thank you. I would just like to give a shout-out to [Amanda 1:13:09] who has been extremely helpful, um, to me and to others down here in Fairfield County. A lot of the insurance questions come to me, um, and I often don't have the answers. I shoot an email to [Amanda 1:13:26] who has been very gracious in responding right away with, um, very complete and concise responses that I'm able to then share with the folks down here. So I wanted to give a shout-out to her. Thank you very much.

Clare B: Thank you, Rita. Other comments from observers? Other comments from observers? Helen, I don't see any on my screen.

Helen S: No. I think, I think we should be – I think we're all set. I think we can wrap it up for today.

Clare B: Okay. All right. Uh, eh, all right then. If, if there are no com-, other comments from observers, the board would entertain a motion to adjourn.

Charles H: Yeah. Moved.

Clare B: Moved.

Charles H: Yeah.

Clare B: Second?

Female: Second.

Clare B: All those in favor signify by saying aye.

Male: Aye.

Male: Aye.

Female: Aye.

Male: Aye.

Male: Aye.

Clare B: Opposed? Abstentions? Hey, I thank all the board members. I know this is kind of just an – a – an unusual way to do things. Uh, I'm finding some good, good values to it and some – maybe some downsides to it as well. Uh, but I thank all of you for that. Um, and, um, you know, hang in there with us 'cause, uh, eh, there, there are some interesting and very good things that are happening within the retirement system. Um, personally, I think Helen's done a fabulous job but I think that some of the staff that she have too are doing some great things. And I hope maybe in these future meetings, we'll have an opportunity for the board to get a sense and get to look inside that see what that looks like 'cause I think you'd be very impressed. All right. If we're all done, uh, uh, I'm ready to leave the meeting. Helen, you all set?

Helen S: Yep. We sure are.

Clare B: Okay.

Helen S: Thank you, everybody. Thank you.

Clare B: Thank all of you. I thank all of you.

Male: [Thank you too 1:15:35].

Helen S: Have a great day. Bye.

Male: [Inaudible 15:40].

/lo