

Meeting Title: OPEB Board

MINUTES

7/10/14

9:30 AM



CONTROLLER'S CONFERENCE ROOM
4TH FLOOR, DEPT OF ADMINISTRATION
ONE CAPITOL HILL
PROVIDENCE, RI

Board Members In Attendance: Thomas Mullaney, Chair
Marc Leonetti
Anne-Marie Fink
Deb Blair

Others In Attendance: Peter Keenan, Controller's Office
David Kausch, Gabriel Roeder Smith
Jennifer Bogdan, Providence Journal

Chairman Thomas Mullaney called the meeting of the OPEB Board to order.

The first order of business was to approve the Minutes from the previous meeting of January 31, 2014. The Board reviewed the minutes, Thomas Mullaney made a motion to approve the meeting minutes of January 31, 2014, Marc Leonetti seconded the motion, all were in favor. Approved minutes attached.

The second item on the agenda was the discussion and approval of June 30, 2013 actuarial valuation report and establishment of retiree health rates for FY 2016 and FY 2017.

David Kausch from Gabriel Roeder Smith (GRS) joined the meeting to discuss the draft actuarial report that was previously distributed to the Board for review. Mr. Kausch pointed out a few key points in the report starting with the Executive Summary table. Thomas Mullaney pointed out the Judicial and Legislative plans have an over 100% funded ratio. Mr. Kausch stated that when a plan is over funded, it is GRS's recommendation to keep the amortization period longer. Also noted on this table was that the 6% funded ratio on the state employee's plan is better than expected already.

A motion was made by Marc Leonetti to accept the assumptions proposed by GRS for price inflation (2.5%), wage inflation (3.5%) and to maintain an investment rate of return assumption of 5.0%. This motion was seconded by Anne-Marie Fink. All were in favor.

A motion was made by Marc Leonetti to adopt the actuarial rates for the State Employees, Judges, Legislators and Teachers, as calculated by GRS in the June 30, 2013 Actuarial Valuation Report (attached). This motion was seconded by Deb Blair. All were in favor.

Thomas Mullaney asked if there was any further business and then made a motion to adjourn, Deb Blair seconded the motion. All were in favor.

Respectfully submitted,

Deb Blair
Secretary