MINUTES OF MEETING

STATE BOARD OF FINANCE

July 7, 2021

A meeting of the State Board of Finance of the State of Arkansas was held Tuesday, July 7, 2021 at 1:30 pm, pursuant to notice duly given to each member of the Board by the Chairman. The meeting was held in the Timberlands Conference Room, in the Winthrop Rockefeller Building. A Zoom recording of the meeting is available through the Treasurer of State’s office.

The following members were present:

Larry Walther, Secretary of DFA

Dennis Milligan, Treasurer of State

Susannah Marshall, Arkansas Bank Commissioner

Eric Munson, Commissioner, Arkansas Securities Department (Zoom)

Cale Turner, Appointed Member

Keith Konecny, Appointed Member

Amy Fecher, Governor’s designee, and Secretary of TSS

Jim Bob Britton, Appointed Member (Zoom)

Others present were Grant Wallace, Jason Brady, TJ Fowler, and Stacy Peterson of the Treasurer’s staff, and Alan McVey and Debbie Rogers of the Department of Finance and Administration. Johnny Key, Secretary, Department of Education, was also present. Jake Bleed, Director of EBD, and several employees of the Employment Benefit Division were also in attendance. Secretary Walther, seeing a quorum, called the meeting to order.

Minutes of the meeting held on Tuesday, June 22, 2021 were approved as presented.

Secretary Walther first recognized Johnny Key, Secretary, Department of Education to present an update to the board regarding the Public School Employees Health Insurance. Secretary Key noted that at the end of fiscal year 2021 there was an additional $20m that was in the Public School Fund and that additional money would be used to help offset the deficit for the Public School Employees Health Insurance for calendar year 2022.

Secretary Walther then recognized Paul Sakhrani, with the Milliman Group to go over recommendations considering the additional $20mm coming in from Department of Education. Mr. Walther, after seeing that all questions were answered, asked for a motion to approve the recommendations presented. Commissioner Marshall made the motion, and it was seconded by Mr. Konecny. All members approved of the motion. The recommendations for the Arkansas Public School Employee Health Insurance to be submitted to Arkansas Legislative Council are below:

* 0% contribution increase for Active, Pre-65, and Post-65 Retirees
* Decrease the wellness credit for Active Members from $50 to $25 per month
* Implement a $25 contribution for Actives who choose not to participate in the Wellness Visit
* Wellness visit required through physician for Wellness Credit
* Include $35m Restricted Reserve funding previously approved by ALC
* Include request for $20m funding to be provided by Arkansas Department of Education.

Secretary Walther, seeing no additional business to come before the board, asked for a motion to adjourn. A motion was made by Commissioner Marshall and seconded by Commissioner Munson. All members were in favor.