MINUTES OF MEETING

STATE BOARD OF FINANCE

June 22, 2021

A meeting of the State Board of Finance of the State of Arkansas was held Tuesday, June 22, 2021 at 9:30 am, 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:

 Dennis Milligan, Treasurer of State

Andrea Lea, Auditor 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

 Clay Conly, Appointed Member (Zoom)

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

 Minutes of the meeting held on Tuesday, June 1, 2021 were presented and an amendment was submitted for recommendation # 4 of the list of proposals to Arkansas Legislative Council. The original minutes stated that there would be increase in Non-Wellness Contribution from $25.00 to $50.00 and that is incorrect. The correct recommendation should state the Contribution change from $0.00 to $25.00. The board approved as amended.

 Mr. Walther recognized EBD Director, Jake Bleed, to update the board regarding the Health Advantage contract negotiations. Mr. Bleed informed the board that he would like to see the current contract that would expire in August 2021, be extended until December 2021 so further time could be used to carefully negotiate any future decisions. A motion was made by Auditor Lea to extend the current plan contract through December 2021. The motion was seconded by Mr. Konecny, and all members were in favor. [01:20:00-01:22:47 Zoom recording]

Mr. Walther next recognized Secretary Johnny Key, with the Department of Education, and Mr. Greg Rogers, CFO, Department of Education. Secretary Key summarized the various ways that the Department of Education contributed to the Public School Employees Health Plan. Secretary Key and Mr. Rogers also answered questions the board had regarding the use of these funds. The discussion ended with Commissioner Marshall making a motion for Secretary Key to request $35M from the Arkansas Legislative Council to the Public School Fund to help with the current funding need of the Public School Employee Health Plan. The motion was seconded by Commissioner Munson, and all members were in favor. [01:22:47-01:52:48 Zoom Recording]

Chairman Walther then recognized Mr. Paul Sakhrani, Milliman Consulting, to present to the board the benchmarking of the Public School Employee Health Plan. Mr. Sakhrani reviewed the different plan designs of the neighboring states and the employee contribution and plan subsidy of those states. Mr. Sakhrani then analyzed different scenarios requested by the board using the interactive spreadsheet. Additional analysis was requested by the board to be presented at the next meeting on Tuesday, June 22nd. [01:52:48-2:42:41 Zoom Recording]

Seeing no further business on the agenda Mr. Walther asked for a motion to adjourn. A motion was made by Mr. Konecny and seconded by Auditor Lea. All members were in favor.