



Benefits and Services Committee

Item Number 2 – Open Session

Subject: Approval of Minutes of the January 25, 2023, Benefits and Services Committee – Open Session

Presenter(s): Chairperson

Item Type: Consent Action

Date & Time: May 3, 2023 – 0 minutes

Attachment(s): None

PowerPoint(s): None

PROPOSED MINUTES

Teachers' Retirement Board – Benefits & Services Committee Meeting

January 25, 2023

OPEN SESSION

LOCATION: CalSTRS Board Room, 100 Waterfront Place, West Sacramento, CA 95605

COMMITTEE MEMBERS PRESENT

Sharon Hendricks, Chairperson

Ken Tang, Vice Chairperson

Denise Bradford

Karen Yamamoto

Blake Johnson, representing the State Superintendent of Public Instruction, Tony Thurmond

COMMITTEE MEMBERS ABSENT

Joe Stephenshaw, Director of Finance

OTHER BOARD MEMBERS PRESENT

Harry Keiley

Michael Gunning

Lynn Paquin, representing the State Controller, Malia M. Cohen

STAFF PRESENT

Cassandra Lichnock, Chief Executive Officer

Brian J. Bartow, General Counsel

Lisa Blatnick, Chief Operating Officer
Ashish Jain, Chief Technology Officer
Melissa Norcia, Chief Administrative Officer
Bill Perez, Chief Benefits Officer
Teresa Schilling, Chief Public Affairs Officer
Julie Underwood, Chief Financial Officer
Scott Chan, Deputy Chief Investment Officer
Melyssa Adams, Director, Disability and Survivor Benefits
Kirsten Casella, Director, EIM & Operations
Cheryl Cervantes-Dietz, Chief Auditor
Mark Gini, Ombuds
Jeff Isham, Director, Facilities Management
Shani Keyser Boes, Director, Customer Service
David Lamoureux, Deputy System Actuary
Kate LeBlanc, Director, Retirement Readiness
Fred Messerer, Assistant General Counsel, Legal Services
Reina Minoia, Assistant General Counsel, Litigation Services
Rick Reed, System Actuary
Diane Stanton, Director, Public Affairs
Kristel Turko, Director, Human Resources
Jeff Zimmer, Director, Employer Services
Lan Le, Pension Program Manager III, Retirement Readiness
Suzette Shuluk, Business Resilience Manager, Facilities Operations
Tom Buffalo, Research Data Manager
Phil Burkholder, Enterprise Risk Management & QA Manager
Jordan Fassler, Senior System Actuary
Jaismin Kaur, Counsel

OTHERS PRESENT

Brian Breslin
Dana Dillon
Phyllis Hall
Mitch Olson
Jennifer Baker, CalRTA
Pat Geyer, CalRTA member
Doug Orr, CFT
Rose Luna, CTA
Mary Kay Scheid, CTA
Kevin Welch, CTA
Ed Foglia, CTA-NEA Retired
Don Stauffer, CTA/NEA-Retired
Leonard Goldberg, UTLA

A quorum being present, Chairperson Hendricks called the Open Session meeting of the Benefits and Services Committee to order at 9:02 a.m.

I. APPROVAL OF COMMITTEE AGENDA (Item 1)

MOTION duly made by Ms. Bradford, seconded by Ms. Yamamoto, and carried to approve the Committee Agenda.

| Members Voting | Aye | Nay | Abstain |
|---|-----|-----|---------|
| Ms. Bradford | X | | |
| Mr. Tang | X | | |
| Ms. Yamamoto | X | | |
| Mr. Johnson, for the State Superintendent of Public Instruction | X | | |
| Chairperson Hendricks | X | | |

II. APPROVAL OF MINUTES OF THE AUGUST 31, 2022, BENEFITS AND SERVICES COMMITTEE MEETING – OPEN SESSION (Item 2)

MOTION duly made by Mr. Tang, seconded by Ms. Bradford, and carried to approve the minutes of the August 31, 2022, Benefits and Services Committee Meeting – Open Session.

| Members Voting | Aye | Nay | Abstain |
|---|-----|-----|---------|
| Ms. Bradford | X | | |
| Mr. Tang | X | | |
| Ms. Yamamoto | X | | |
| Mr. Johnson, for the State Superintendent of Public Instruction | X | | |
| Chairperson Hendricks | X | | |

III. SUPPLEMENTAL INFORMATION ON THE TRIENNIAL HEALTH BENEFITS STUDY (Item 3)

The committee received a presentation from Mr. Buffalo regarding the supplemental results from the Triennial Health Benefits Study. The committee learned that the percentage of employers providing health insurance coverage for full-time equivalent positions has remained consistent over the last five years. The committee heard about the affordability of private health insurance premiums for elder retired women and received information about the costs for retirees who rely on Medicare. The committee discussed coverage for community college faculty and learned that full-time faculty find it easier to afford coverage as compared to part-time faculty and faculty with multiple part-time assignments. The committee encouraged informing members of health care costs early in their career and inquired about long-term care costs.

IV. LUMP SUM DEATH BENEFIT ANALYSIS (Item 4)

The committee received a presentation from Mr. Buffalo, Mr. Reed, and Mr. Lamoureux regarding the one-time death benefit. The committee received information about the origin, history, and possible purposes of the benefit. The committee learned that existing benefit levels adequately cover the costs associated with end-of-life related expenses for most members. The committee inquired about the death benefit provided by other state retirement systems and learned that survivors of CalSTRS members may receive both the death benefit and a monthly benefit. The committee requested additional information on increasing the lump sum death benefit based on inflation in California in the previous calendar year and the funded status of the Defined Benefit Program to provide guidance on potential future benefit adjustments.

V. FOCUSING ON THE CUSTOMER EXPERIENCE: NOW AND INTO THE FUTURE (Item 5)

The committee received a presentation from Ms. LeBlanc on the member experience when interacting with CalSTRS for benefits planning and education services. The committee learned about the evolution of member services and the current operating model for retirement readiness, including benefit planning services and educational offerings provided through multiple channels. The committee heard about scheduled member outreach events for 2023 and expressed its appreciation for moving the Santa Clara Member Service Center to Oakland. The committee discussed the importance of engaging members at the start of their careers.

The committee heard from Mr. Goldberg, Mr. Foglia, Mr. Welch, and Mr. Orr, all of whom emphasized the importance of engaging members at the start of their careers.

VI. REVIEW INFORMATION REQUESTS (Item 6)

Pursuant to item 3, the committee requested information on long-term care costs. Pursuant to item 4, the committee requested additional information on increasing the lump sum death benefit based on inflation in California in the previous calendar year and the funded status of the Defined Benefit Program. Pursuant to item 5, the committee requested information on reaching members to ensure they are responsive to CalSTRS communications.

VII. DRAFT AGENDA FOR NEXT COMMITTEE MEETING (Item 7)

There were no changes to the draft agenda.

VIII. OPPORTUNITY FOR ADDITIONAL STATEMENTS FROM THE PUBLIC (Item 8)

There were no additional statements from the public.

IX. ADJOURNMENT

There being no further business to conduct, Chairperson Hendricks adjourned the Benefits and Services Committee meeting at 10:23 a.m.

Cassandra Lichnock, Chief Executive Officer
And Secretary to the Teachers' Retirement Board

Sharon Hendricks, Chairperson

Prepared by: Jaismin Kaur, Counsel