



Regular Meeting

Item Number 15 – Open Session

Subject: Appointment to the California Actuarial Advisory Panel

Presenter(s): Chairperson

Item Type: Consent Information

Date & Time: November 2, 2023 – 0 minutes

Attachment(s): Board Resolution

PowerPoint(s): None

Item Purpose

The purpose of the item is to appoint a representative to the California Actuarial Advisory Panel for the calendar year 2024-2026 term. David Lamoureux has served as CalSTRS representative since 2015.

Recommendation

Staff recommends the board re-appoint David Lamoureux, Deputy System Actuary, to the California Actuarial Advisory Panel for another three-year term for the period of January 1, 2024, through December 31, 2026.

Executive Summary

The California Actuarial Advisory Panel (CAAP) was created by Senate Bill 1123 and chaptered in State law in September 2008.

The CAAP is required to provide public agencies with impartial and independent information on pensions, other post-employment benefits, and best practices. The responsibilities of the panel include, but are not limited to:

1. Defining the range of actuarial model policies and best practices for public retirement plan benefits, including pensions and other postemployment benefits.
2. Developing pricing and disclosure standards for California public sector benefit improvements.

3. Developing quality control standards for California public sector actuaries.
4. Gathering model funding policies and practices.
5. Replying to policy questions from public retirement systems in California.
6. Providing comment upon request by public agencies.

The CAAP consists of eight positions. Each member must be an actuary, as defined, with public sector clients. Members are generally appointed to three-year terms by various entities. Under the law, the Governor appoints two of the panelists. In addition, one panelist is appointed by each of following:

- The Teachers' Retirement Board
- The Board of Administration of the Public Employees' Retirement System
- The State Association of County Retirement Systems
- The Board of Regents of the University of California
- The Speaker of the Assembly
- The Senate Committee on Rules

A full listing of the current members of the CAAP is provided on the [SCO's website](#).

Background

The CAAP meets at the State Controller's Office, which provides support staff to the panel. The CAAP meets several times a year and members receive reimbursement for expenses that are paid by the appointing authority. The CAAP reports annually to the Legislature, on or before February 1st, on the significant actions taken by the CAAP in the previous calendar year.

Since its creation, the CAAP has produced and issued several documents providing guidance on actuarial practice. The most influential which was eventually adopted on a national scale, is a document providing guidance on funding policies for public plans. The document is called "[Actuarial Funding Policies and Practices for Public Pension and OPEB Plans and Level Cost Allocation Model](#)".

When the CAAP was created in 2009, the board appointed Rick Reed, CalSTRS System Actuary, as the CalSTRS representative. In September 2015, the board appointed Mr. David Lamoureux to replace Mr. Reed as the CalSTRS representative to the panel and serve the remainder of Mr. Reed's three-year term. Prior to joining CalSTRS as the Deputy System Actuary and serve as the CalSTRS representative to the CAAP, Mr. Lamoureux was the Deputy Chief Actuary at CalPERS and was CalPERS' representative to the CAAP for several years.

Strategic Plan Linkage: None

Board Policy Linkage: None
