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Loudoun County Public Schools, Special Committee of the Board on Retiree Health Benefits, Thursday, August 28, 2025

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- Official meeting video (Vimeo / LCPS-TV): <https://player.vimeo.com/video/1114952920?rel=0>

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[00:00:00] right good morning everybody I call to order this August 28th 2025 select committee on retirement health benefits just a reminder this committee is audio recorded and will be available on board docs we have we had a little bit of excitement today because we almost didn't have quorum and mr. Bell had kindly offered to come in and substitute for Lauren and for mission off and mr.

[00:00:31] trophy um but there is a conflict and so uh miss labelle would you please uh read your disclosure here next to me there you go as a member of the leydon county school board i make the following disclosure to the school board and to the general public in connection with the item on this morning's agenda regarding the budget and or health insurance and related benefits and any other discussion that may include or affect the benefits of lcps employees specifically as a

[00:01:05] As a former LCPS employee, I, as well as my spouse, receive Medicare Advantage insurance and benefits through LCPS. These benefits, however, affect thousands of employees well in excess of the statutory three employees and whose needs and interests may also be affected, of which my spouse and I are included.

[00:01:26] I can and I will participate fairly, objectively, and in the public interest. disclosure will be reflected in the public records of the clerk of the school board for five years thank you Miss LaBelle I

appreciate you being here and and helping us out okay so then we have I will now we will have public comments it looks like first I'll read my thing right here that I said we were gonna have the statement every time to ensure we're all on the same page the

[00:02:04] special committee will receive information regarding LCPS's retiree health benefits including key historical background the evolution of related policies and an overview of current practices committee members are encouraged to ask questions and engage in discussion focused on past and present aspects of the program please note that discussions related to the future of retiree health benefits such as proposed plan changes premium structures or other potential modifications are outside the scope of this committee as such discussions related to future benefits would need to be addressed through the collective bargaining process if such discussion arises I will redirect the conversation to remain within the attendant focus on historical and

[00:02:44] current information and so now I will open the floor for public comments if you've signed up to speak please come forward when I call your name from the signup list please note that speakers shall limit their remarks the topics of retiree health benefits when you come forward please state your name and limit your comments to three minutes so I think we only have one we had we look forward to hearing your comments and let me get my timer because I don't have

[00:03:17] that fancy little timer that we normally have in the board office okay when did you get in typically we wouldn't do that but there's only one so and we have two ten minutes could you please put your name here but but in the future I'm not going to be doing that because I don't do that in the normal board I won't be

[00:03:52] doing it here okay Chris Countryman turn on your good morning at the last special committee meeting collective bargaining was mentioned several times as an obstacle in the past and in moving forward I would like to be clear

[00:04:28] that LEA cannot bargain for retired employees we are not provided any information on retirees whatsoever from the school division other than removing names when people retire the rules that govern collective bargaining were created in the collective bargaining resolution passed last year August of 2024. LEA represents current employees. Their expected benefits upon retirement are subject to collective bargaining.

[00:04:54] I'm looking forward to the financial explanation today of how the health care fund got to this unacceptable level because from where I sit it certainly looks like mismanagement. Adding leftover general funds is not the same thing as properly budgeting up front. I hope you can change my mind and my perspective today thank you and Celeste Liskowski

[00:05:22] Liskowski how much time okay good morning guys I'm Celeste Liskowski I've been retired since 2016 I'm one of those people who are costly through no fault of my own in 2002 I had a brain tumor and fully recovered as a retiree I'm

[00:05:59] I'm active and continue to snow ski, swim, and work out. But unfortunately, I also had breast cancer in 2021 and fully recovered. When I retired in 2016, I was on the teacher plan, then the health spring span, the supplement, and then the Cigna Advantage.

[00:06:18] I and all the other retirees were not given a choice about the Advantage plan. I can no longer go to John Hopkins, OrthoVirginia, or my neurologist because of Cigna's slow payment and shrinking

network.

[00:06:35] I can't leave the plans you have unless you release me. I would have to go through underwriting, and the supplement costs would be unaffordable. I know this is not what the majority wants, but I also know that money is now an issue.

[00:06:52] It would be cheaper for LCPS to offer two plans, the UnitedHealthcare Advantage, And a supplement, but with a release so that we wouldn't have to go through underwriting for retirees so that we could get our own supplement with a guarantee of a dollar amount linked to the cost of the current employee insurance.

[00:07:15] Because many people feel like, oh, the \$400 plan that you had put out there, well, what would happen next year? They could just change it to \$200 and then we're working. so having it linked to somehow so that we would know how much we were working with would be good I think this will allay fears and let retirees have control again thank you thank you all right and that will conclude our public

[00:07:47] comment so I will now entertain a motion to approve the minutes everybody have a chance to look at them real quick yes miss Chandler thank you madam chair make a motion that we approve the meeting minutes from the last meeting of the special committee on retiree health benefits I have a motion on the floor to approve the meeting minutes do I have a second I have a second I second the motion I have a second by miss LaBelle to second the motion it's been properly

[00:08:25] moved and seconded will now vote any discussion all in favor say aye aye that motion is approved unanimously okay with actually with mr. struffy and mission off absent okay we will move on to our information items which is retiree health benefits from HRTD and I think some questions we have been working on

[00:09:01] them some questions are probably going to be answered today thank you mr. Mansfield and I recognize I was unable to make last the last committee meeting and Mr. Bennett sat in for me but as I understand it there were additional questions that needed clarification and and some additional points of clarification requested and so we've asked employee benefits director Kim Brown to return to respond to some of those questions and I will pass it over

[00:09:35] to her to walk the committee through those slides thank you and good morning to everyone and so I just have some responses to the questions that came up the first was around communication to retirees so we have included in the first slide here some of the upcoming communication that you can be expecting from the benefits department there'll be free flu shots coming up the retiring retiree newsletter that we mentioned at the last committee meeting will be issued in mid-october there will also be communication coming out about our

[00:10:14] open enrollment sessions and so stay tuned for those we do plan to have a virtual session and a session in person the both the retiree newsletter and the open enrollment sessions will go over what to expect under the new provider for the Medicare Advantage plan which is United so that information will come out through those communications there and then finally we have been able to make the adjustment or make the plan for any time there is a an agenda item for a public meeting a board meeting that may impact retiree health benefit items we

[00:10:53] can do a robocall for retirees we heard last week in the committee that folks may not be checking their email they may not be at their permanent mailing address and so we can do a robo call in

hopes to just provide more awareness to our retirees if and when there is something that the board will be contemplating that may impact retiree health benefits then on the next slide there were some questions regarding the policy as it relates to the cumulative and consecutive years and the higher date all around eligibility for retiree

[00:11:31] health and so on the screen here we have highlighted the the language that we think is what's causing the confusion. And so I'll read that for us now. It says, for employees who are rehired after a break in service, the employee hire date will be the most recent date they are rehired into a full-time position, and such employees will not receive retirement benefits for the years employed prior to their break in service. And so I have included some scenarios here for us to take a look at so that we can understand together the application of this language in this policy. So the first scenario is pretty straightforward. Maria was hired full-time

[00:12:10] with LCPS in 2005. She has worked continuously with no breaks. And so since she was hired before July 1, 2013, and has more than 15 years of full-time service, cumulative years of full-time service, she is eligible for retiree medical, dental vision, and prescription insurance. Our second scenario. James was hired on June 1st, 2012 into a full-time position. He resigns in 2024 with 12 years of full-time service. So even though he was hired before the eligibility date, he does not meet

[00:12:45] the 15-year service requirement and therefore is ineligible for benefits. Scenario number three, Linda was first hired full-time in September of 2008 and worked until June 2015. She then left LCPS and was rehired full-time in August 2018. She continues to work through 2033 which would give her the 15 years after her rehire date. But since her rehire date was reset in 2018 due to the break in service, she falls under the post-2013 hire rule, does not meet the eligibility requirement

[00:13:20] for her hire date, and therefore is not eligible for retiree benefits. The next scenario is Chris who was hired full-time in 2015 and remains with LCPS until 2040 with 25 years of service.

[00:13:38] But since his hire date was before or after, I'm sorry, since his hire date was after July 1st, 2013, he is not eligible for retiree health insurance. Okay, just two more. Kevin worked full-time from 2006 to 2010. He left and then was rehired from 2011 to 2014, left again, and came back and worked full-time from 2016 until retirement.

[00:14:09] His most recent hire date is 2016, which is after July 1, 2013. The prior service before his break does not count toward eligibility, so therefore he is not eligible for retiree health insurance. Tanya was first hired full-time on August 1, 2000 and remained employed until she resigned in 2005 after five years of service.

[00:14:33] She was later rehired full-time on February 1, 2012, and has worked continuously with LCPS since that date. As of February 2022, Tanya has accumulated 15 years of full-time service following her rehire.

[00:14:49] For eligibility purposes, Tanya's official hire date is considered her most recent hire date of February 1, 2012. Because this rehire occurred prior to July 1, 2013, she falls under the pre-2013 hire rules.

[00:15:05] Because both dates are prior to 2013, she is eligible for retiree medical benefits when she reaches 15 years of total service with LCPS. So I think that last scenario there is what was really capturing the heart of the question.

[00:15:24] But that is the application of that policy in what we feel are very relevant scenarios. the next slide just has some numbers I believe that a question was posed about who all is being covered under our retiree medical plans and so you can see here we've just outlined the number of active members the number of dependents and then you can see the total covered lives there in the final column then our pre 65 are those folks who participate in the same plan as our active members

[00:15:59] and then our post 65 there are those who participate in the Medicare Advantage plan so you can see the numbers and the enrollments including the number of spouses and dependents on each plan right the next slide we have here there was a I'm not sure if we're pausing for questions at this point in time I'm okay okay I think we're kind of dwelling too much on what you just presented and all

[00:16:33] those examples my question is when someone is rehired after they work for the county come back is their salary based on and they count the number of years prior to when they work for the county now they're coming back don't they count those years towards their salary yes that is per code of Virginia teacher years of experience are counted okay so why is it we'll go back to this

[00:17:07] thing. You have 10,700 people, okay, who are active. How many employees are going to be in the situation that were hired prior to 2013 and have left and come back? Has anyone done the numbers on this? Because we probably are talking, I mean, if you're saying this impacts the medical expenses for the county why is what is the reason I feel like you're given scenarios but you're not

[00:17:45] answering the question explaining why this was changed in 2024 what what's the reason for this I mean it was settled in 2015 so what came up that the school board passed this to say to people oh yeah you work 10 years but you left for five now we're not going to count those 10 years so I'm not seeing the numbers I think you know the actuarials should be done and that's what should be presented to the school board when a decision is made

[00:18:22] this is a waste of time again unless you're saying that there are so many people that are going to cause a huge amount of money in the future for this county that we have to positively make this rule I am NOT seeing that I don't see any figures and I don't know if the school board has and I'm not sure why the school board voted on this and if they saw figures that that's time but you know if someone has worked for the county basically you're saying well you

[00:18:57] didn't work for the county and I think that is unfair and I honestly don't think there are that many people that you need to have that in policy 76 28 so I seriously would like the school board to consider that and review it and ask for those figures for those people I think I can understand what we are coming from and also as we will discuss later and I know that there is some people who may disagree but maybe you'll understand better later we can't do that

[00:19:35] right now until after collective bargaining right so that would be forward-facing I understand we're talking about and I do think that Eric that mrs. Ogadebe and mr. Morse did ask for that when they were here before and there was a difference you know that was right when we came on board so I was not on I think it's Ellie and was Ellie and P no it was HRTD so that I can't answer but it was this board who did change that right so I do I right and I

[00:20:13] think there was a the conversation that I understand was what was being put in practice and that's how it changed why it changed because that's how they put it in practice but I agree with you about the the numbers again can't do anything about that right now but I think that's something that we on the

back burner for after we know what's going on with collective bargaining and and we'll understand why that needs to happen a little later that all the questions yes

[00:20:49] sir good morning my question I guess this goes to Kimberly is in the scenarios there was no discussion of leave of absence so that doesn't apply to rehire date so if you took a leave of absence anywhere in any of those scenarios would that cause you to lose the ability to get retiree health insurance I'm depending on what type of absence it would be it may impact your service years but it would not reset your hire date okay so so as long as the higher date is prior to that 2013 then and you accumulate 15 years remain

[00:21:28] employed yes okay sir so with the leave of absence in there all right that answers my question thank you one more any other thoughts all right Miss Brown would you please continue okay there was a question posed from our activity and the chart that we had in the activity about the the subsidy if you will of our a neighboring division and so I will just say for the sake of of that activity I define subsidy in a way that we use the term as it relates

[00:22:02] to our benefit plan and the benefit that was mentioned that Fairfax offers to their employees was listed in the chart it was just in a different section but they do in all of their public facing publications refer to it as a subsidy so I may have caused a little bit of confusion there but I wanted to just display their rates in a comparable plan so we can just talk about a little bit of the differences as to how that benefit is applied so if you look at the top chart this is for retiree health care coverage and you can see the

[00:22:40] monthly total rate for an individual we'll just look at the individual rate it's very small up there but it's nine hundred and five dollars and fifty nine cents and then it shows that if one is eligible for the subsidy they have a hundred dollars off making the monthly subsidy eight hundred and five dollars and fifty nine cents so then if you notice in the LCPS rate chart the total premium is nine hundred and twenty seven dollars and eighty eight cents we for the retiree only subsidize that in full and so that the monthly cost for the

[00:23:14] retiree is zero dollars so again it is a different structure and benefit and we kind of conflated the terms during the activity but I hope that just seeing it laid out here outlines the way that we have approached those retiree benefits as it relates to subsidies question I'm sorry I have a question again or would like to address this first of all this isn't for people that are on Medicare this is for people 55 - - you know before they're on Medicare this and there

[00:23:54] again the school board needs effects I don't think we need to keep comparing ourselves to Fairfax but if you are going to do that on that chart you submitted three of those blocks for Fairfax were incorrect they're incorrectly worded that's my concern once again what the school board is hearing they can't be looking up Fairfax then looking at facts etc so I think those three blocks need to be corrected the way they're wording this chart only

[00:24:26] shows the ER FC retirees it does not show the FC RS retirees in Fairfax are two different groups yes ma'am the the question that I was trying to answer was just in how the term subsidy was being applied not necessarily to call out any specific benefit for any specific group of employees it was really just to illustrate how we define the term and use it as it relates to our okay rates and how we understand neighboring division to apply that term okay okay

[00:25:02] um but also when we're talking could you please ask me if you can speak first oh I'm sorry it's just the formality okay anything okay mostly things go I know I don't know whether you raise my hand or yeah thank you like working um the last thing I want to say is we need to remember that Fairfax offers Medicare retirees three options and they offer it at now which their deductions they don't pay that's \$200 deductible a year our Cigna is \$2,500 so you know we don't

[00:25:40] have the option in this county we never have I mean I've been involved since 1981 and we've only ever had this one option so there again we need to be cognizant of the fact that other counties offer different things and you have choices as to I believe the person who spoke was saying you know everyone has a different scenario and we need to be aware of that and gear our medical

[00:26:16] health plan towards those needs for the people thank you the final slide here that we have for the questions section relates to the VRS health insurance credit that we spoke about and there were some questions about how exactly that was funded and so the benefit between group one and group two is either four dollars a month per credible year of service or a dollar fifty per

[00:26:54] month for each credible year of service and so for those different benefits for group one LCPS contributes one point two one percent and that is of the members annual annual creditable compensation for group two we pay point one percent of each member's annual creditable compensation to VRS so that our retirees have access to that retiree benefit when they retire with VRS and

[00:27:31] that is all that I have for this morning thank you miss Brown and so those were just to talk about the questions that we had last time and then we will move on to 4.02 retiree health benefit benefit business and financial services and I I think that's what team is going to be.

[00:27:56] Chair Mansfield, I have a question on the last slide that was just presented. Yes. Can you ask it? So my question is kind of scenario-based. It's not clear to me from the information presented if LCPS is paying that share for every retiree, whether they take the credit or not.

[00:28:23] So let me give you an example to put it maybe into context. I'm retired. I'm under 65. I'm not on Medicare, so I'm on the LCPS employee insurance. I pay no premium. Therefore, I'm not eligible for that VRS insurance credit. So if I go to VRS and I look at my potential benefits, there's \$128 sitting there that I'm not tapping into because I don't pay any premiums for my health insurance.

[00:28:49] So is LCPS still paying to VRS for that? That's unclear. Ms. Brown, I'm respectful. so the percent that we contribute is for active employees and so we are not paying that for any retiree it is paid when they are paying into VRS as an active employee and then it is available to retirees we good okay thank

[00:29:25] you thank you mr. Plancy all right we'll move on to item 0.2 4.0 good morning and thank you for joining us for today's special committee on retiree health benefits. Today is this committee's second meeting. While the first provided an overview of the benefits plan, this presentation dives into the finances of the Self-Insurance Fund and our OPEB Trust Fund. Before we begin, it is important to

[00:30:02] note that the LCPS Self-Insurance Fund is authorized by Virginia Code, that LCPS policy allows for retiree health insurance to the extent funds are budgeted and appropriated, and that implementing regulation requires that each budget cycle will consider plans to maintain a target reserve amount.

[00:30:21] To comply with law, policy, and accounting standards as established by the Governmental Accounting Standards Board, or GASB, LCPS manages two separate funds. The first is the Health Self-

Insurance Fund. This fund pays for the current medical, prescription, vision, and dental expenses of active employees and eligible retirees enrolled in LCPS-sponsored plans.

[00:30:44] The second is the Other Post-Employment Benefits, or OPEB, Trust Fund, which manages assets to ensure sustainable funding to pay the school division's long-term liabilities associated with non-pension retirement benefits for eligible retirees. We will discuss this fund in more detail towards the end of the presentation.

[00:31:04] So what is the Health Self-Insurance Fund? The first one we will cover today is the Health Self-Insurance Fund. Before diving into the finances, let's quickly review some high-level concepts that are key to understanding how this fund operates. First, it is a stand-alone fund approved by the school board.

[00:31:21] It is not co-mingled with the school operating fund and follows a different set of accounting principles established by GASB. Second, this is a self-insured fund where LCPS is responsible for all costs. This means that other than co-pays, deductibles, and other cost share arrangements in our plan, the fund is paying for doctor's visits, prescriptions, hospitalizations, and other health care costs for approximately 30,000 enrolled members and their covered spouse's independence.

[00:31:49] Finally, the Health Self-Insurance Fund captures all associated revenues including employee and retiree premiums, employer contributions, and rebates. Taken together, this fund is the single comprehensive account that LCPS uses to pay for health benefits.

[00:32:07] As such, we aim for the fund to closely have premiums be sufficient to cover claims and other costs associated with this plan. As you can see on this slide, this includes plans offered to our active employees, represented in blue and plans offered to our eligible retirees, represented in orange.

[00:32:25] Some costs, such as personnel managing the benefits program or certain operational costs, are utilized by both active and retiree member groups, which you see in the bottom right. This chart shows an ideal, if somewhat simplified, funding formula for the Health Self-Insurance Fund.

[00:32:44] Costs on the left include all costs associated with the plan and are almost entirely attributed to health care for our employees and retirees and their covered spouses and dependents that they receive throughout the year. Next in the formula are rebates.

[00:32:59] Rebates are predominantly from prescription drug manufacturers and are established as part of the school division's pharmacy benefit manager, or PBM, contracts. While the actual rebate amount is always dependent on utilization throughout the year, they are a significant revenue source that allows plan sponsors, such as LCPS, to hold premiums lower.

[00:33:19] is why rebates are a minus in this equation. Finally, this brings us to premiums. If we work on the assumption that all incurred costs must be paid and that premiums are the only other significant source of revenue, then any remaining revenue requirement must come from premiums. Premiums are generally split between the employer and the subscribing member, either our active employees or our eligible retirees. Now we'll dive into costs. This pie chart represents actual expenses for the LCPS Health Self-Insurance Fund in fiscal

[00:33:54] year 2025. As you can see, claims represent 96% of all costs. That's \$291 million. Other costs include \$11 million for administrative fees related to LCPS contracts for benefits administration, another \$800,000 for compensation for LCPS employees that oversee the benefits program for all of our active

employees and eligible retirees, and roughly \$500,000 for additional operations and maintenance expenses, including the LCPS Health and Wellness Awards program flu shots and software used to administer benefits and open enrollment to highlight this

[00:34:32] slide it is important to note that the expense budget is prioritized to provide for comprehensive and rich health care coverage here we identify the portion of claims related to our active employees compared to our eligible retirees for fiscal year 2025 262.3 million dollars or 90.2 percent are for our active employees for the same time period 28.6 million dollars or 9.8 percent are from plans associated with our eligible retirees regarding the claims cost for

[00:35:07] retirees you'll see in several slides how the move to medicare advantage in 2024 played a role in providing exceptional insurance coverage and proactively controlling costs for the lcps health self-insurance fund you may recognize the slide from the overview presentation given to this committee on august 14th we include it here again to highlight the broad scope of services that are included in the retiree health care claims we saw on the previous slide recognizing that this is a financial overview to the special committee on retiree health benefits i do want to quickly

[00:35:44] review the cost of retiree health care over the last decade during that time the total cost of the program has more than doubled from 10 million dollars in fiscal year 2014 to more than 29 million dollars in fiscal year 2025. While health care is a complex business and many factors are ultimately at play, LCPS's increased costs can principally be attributed to three drivers. The first is steady enrollment increases where the plan has gained more than 1,500 new members since 2014. The second is sustained escalation in both the utilization of and price for specialty prescriptions shown by the

[00:36:21] dark blue line. This category of spend has been one of the most rapidly rising. The third is medical spend, or the TO line, which also experienced inflationary pressures, albeit not to the degree seen in prescription medications. Finally, I'd like to quickly highlight the decrease in medical claims beginning in fiscal year 2024.

[00:36:42] This was a direct result of the move to Medicare Advantage, which shifted medical claims for Medicare-eligible enrollees to a fully insured model instead of self-insured. It is estimated that this move saved approximately \$4 million annually. We will now shift gears to review the revenues associated with the Health Self-Insurance Fund.

[00:37:05] This pie chart represents the actual revenues of the LCPS Health Self-Insurance Fund in fiscal year 2025. As you can see, LCPS contributions comprise 76% or \$202 million. Member contributions from enrolled active employees and eligible retirees comprised another \$38 million and rebates contributed \$27 million.

[00:37:28] Here we show how each revenue source is attributable to active employees and retiree plans. For our active employees on the left, LCPS contributed \$181 million, or 77% of total revenues.

[00:37:45] Active employees contributed 14%, which was \$34 million, and rebates comprise the remaining 9%. For our retiree plans on the right, LCPS contributed \$21 million, or 67%, of total revenues. Members contributed \$4 million, or 13%, and rebates made up the remaining 21%.

[00:38:07] You will notice that a larger share of the rebates are aligned to retirees, as that is where we see a higher rate of prescriptions for specialty drugs. For both the active employee and the retiree member

populations, however, the split of premium contributions alone is the same, where LCPS contributes 84% of the premium and members contribute 16%.

[00:38:28] 15%. And here is a longer-term view of the revenues attributable to retiree plans. Similar to costs, revenues have also grown considerably over time. This highlights the concept from the funding formula we reviewed earlier in that when costs rise, premiums must also rise unless there is a significant increase in rebates. Two takeaways from this slide include the increase in rebates has been material, growing to \$6.6 million in FY25. This correlates with previously discussed factors including more retirees in the plan, this population having a

[00:39:06] higher utilization rate of specialty prescription drugs, and favorable PBM contracts where LCPS has obtained higher rebate revenues. Second, LCPS contributions have increased considerably over time to keep pace with both additional members and rising costs. Of the total premium contribution, LCPS's share has increased from 77% in fiscal year 2014 to 84% in fiscal year 2025.

[00:39:32] I will now turn it over to Ms. Willoughby to discuss a historical view of this fund's net position. Here we go. So net position, if you think about if we were a commercial insurance company, would represent like a net profit or a net loss at the end of the year.

[00:39:52] It's a simple formula of the revenues minus the expenses equals the net position, or what I'm just going to generically refer to as the fund balance. That's how it's captured in governmental accounting. This slide is showing that net position or fund balance of our health self-insurance fund over time.

[00:40:13] The blue line represents the net position at the end of each fiscal year, and the dotted red line represents what that year's net position would have been had transfers in or out, either from the county or LCPS not been made. There is a long history with this fund.

[00:40:30] Going back to fiscal '14, this fund was in the negative, and the practice at that time was to move some the available year-end School Operating Fund balance to the Health Self-Insurance Fund. In Fiscal 14, that transfer was \$1 million, as noted in the table below the line chart.

[00:40:49] And in Fiscal 15, the transfer from the School Operating Fund to the Health Self-Insurance Fund was \$2 million, with some funds still being returned to the county. You can see, though, despite the transfers that were made, the fund was still in the negative for those two fiscal years.

[00:41:07] In Fiscal 16, two transfers occur. Early in the fiscal year, the county allocated some of its own Fiscal 15 year-end general fund balance to LCPS with \$4.6 million allocated to the Health Self-Insurance Fund.

[00:41:30] Then at the end of Fiscal 16, LCPS made its year-end school operating fund balance transfer, but this time essentially zeroing out the school operating fund by transferring \$11.3 million to the health self-insurance fund and you can see how it was a dramatic increase over the prior years of a one million two million transfer and then jumping up to an 11.3 million transfer when they did that along with transferring other funds to other self-insurance funds that we have such as workers comp that left only 53 dollars being returned to the county and that definitely

[00:42:06] caught a lot of the attention of the county board of supervisors at that time what transpired after that was a lengthy debate between the county and the schools and our boards and our legal teams regarding fund and appropriation authority. I'll save all the history of what happened, but the end result

was that in fiscal 17, the county took 20.6 million out of LCPS's health self-insurance fund, and this became part of the county's fund balance. You can see the dotted line where we would have had a larger fund balance in fiscal 16 fiscal

[00:42:43] 17 excuse me had this action not occurred the county then allocated some of its available fund balance to LCPS with 10.7 million going to the health self-insurance fund as shown on this slide additionally because since they swept 20.6 million out they also further allocated 13 million towards school buses turf fields and other CIP projects at that time finally this is also when county added a clause to its annual appropriation resolution that limited transfers out of the school operating fund. Essentially, the clause states that LCPS may only transfer school operating

[00:43:21] funds to the health self-insurance fund if the reserve falls below 10%. Now, what's interesting here is that our policy, LCPS's policy, and governmental accounting best practice is to have a two-month reserve, which would actually be 17%. After this series of events, LCPS experienced several good years where revenues were more than sufficient to cover claims costs and the fund balance grew, and it grew dramatically, as you see on this line, peaking up towards \$80.5 million.

[00:43:58] After that, you see in FY20 a significant decrease of the fund balance, and this was the result of a series of premium holidays where we refunded, basically essentially refunded some of the fund balance by not charging participants premiums.

[00:44:16] we also did a premium rate reduction that occurred to draw down the fund balance as there was concern that the county would sweep the funds and there was discussions at that time of seeing this significant fund balance this large cash balance sitting over here and there were there were there were active discussions occurring so to try to counter having the county sweep the funds this is why we did the premium holidays this is why we did a rate reduction and all of this was in coordination with a lot of communication

[00:44:51] back and forth with county staff of us showing our due diligence of we're trying to manage the fund we don't take the funds because we had very strong concern because that fund balance was comprised not just from what LCPS contributes but it's also money that participants paid in as well so we were trying to be very protective of that fund and the compromise was again to try to naturally draw down that fund balance additionally there was precedent also why we were concerned about an actual sweep of the funds that extended beyond

[00:45:27] just what happened in fiscal 17 because back in fiscal 10 there was another occurrence when I was looking through the notes of pulling information in preparation for this meeting where the county at that time also pulled I think was about twelve and a half million out of our health self-insurance fund back in 2010 regardless of the history because that's what we're here to talk about is what has happened over time LCPS's position was has always been to try to retain the fund balance to weather the ups and downs of managing a

[00:46:03] health insurance program unfortunately though that is not what happened additionally after we took the action to naturally bring down the fund balance so So you see in FY19 going from 80.5 down to 50.3 is also around the time that we began to see significant increases in claims, as you saw in the previous slides.

[00:46:27] And so if we were to kind of flip back and forth between slides, our drawdown of the fund balance coincides with when premiums -- I'm sorry, when claims costs also began to dramatically increase. And so as a result in FY21, we then also began a series of premium rate increases that have continued since along with other plan changes to try and contain costs lastly in FY24 our fund balance fell below 10% so we transferred 13.1 million out of our school operating fund and for FY25 we again will fall below 10%

[00:47:06] and actually go negative and so at this time we're projecting a transfer of about 32 million to out of our school operating fund to the health self insurance fund even with a transfer of the 32 million we still will not have our minimum reserve of 10% and definitely fall significantly short of the 17% that that we actually strive for our fund balance would be closer to about a 5 to 6% reserve so we'll be I just want to stop you there for all the people who talk about mismanagement of funds I hope this gives you a little bit

[00:47:42] of understanding of what we're working with thank you chairman so I really appreciate that because had we been able to retain our fund balance that would have given us a better cushion we was we may still be in the exact same position we may still have you know similar conversations and challenges and managing the fund but it would have allowed us more flexibility and control of our financial responsibility of managing the financial aspects of the health program so with that I'm going to turn it back over to mr. Jones thank

[00:48:19] While the Health Self-Insurance Fund has managed to pay for today's benefits, we will now turn to the OPEB Trust Fund, which has managed to ensure sufficient funding for the long-term liability of non-pension benefits for eligible retirees.

[00:48:35] The next several slides cover a few key concepts and definitions to help understand OPEB. So what is OPEB? OPEB, or other post-employment benefits, are the non-pension benefits for eligible retirees. You can think of this as the non-VRS component.

[00:48:52] Generally for LCPS, this includes the medical, prescription, dental, and vision plans that eligible retirees may elect into. Per GASB, LCPS measures OPEB to include two items. The first is the cost of providing current benefits to eligible retirees, which is what we previously reviewed in the Health Self-Insurance Fund, plus an estimate of how much it will cost to pay for all future benefits for eligible retirees, including those whom have not yet retired.

[00:49:21] This is an actuarially determined amount that LCPS contracts a third party to assess and certify. The trust fund then holds assets to ensure sufficient funding exists in the future to cover these costs. To understand the finances of the OPEB trust fund, there are a few definitions that will help, each of which build on the other.

[00:49:42] The first is OPEB liability, which we touched on during the previous slide. It includes the cost of current benefits and an estimate of the cost of all future benefits. From year to year, the actuarial estimate of that liability will change based on policy changes regarding who is eligible for the plan, utilization trends and price inflation, and plan design.

[00:50:05] The second is net position, or the value of all assets held in the trust. For LCPS, there are two primary factors that change the asset value from year to year. The first is an annual contribution from the county, which, for the last several years, has been \$12 million per year.

[00:50:20] The second are changes from investments for the portion of assets that are invested to produce a return. More on the oversight and management of these investments will be covered in a few slides. The third term is net OPEB liability, which is the total OPEB liability minus the net position.

[00:50:38] Generally, this is seen as one of the measures of an OPEB trust fund's health. The final term is net position as a percentage of OPEB liability. Also a measure of health, this is the metric that many organizations measure and manage towards. As a reference point, the county's policy is that they can use assets in the OPEB Trust Fund to pay for current expenses when this metric is above 70%.

[00:51:01] While not in policy, LCPS shares a similar intent. The previous slide made reference to the county's contribution to our OPEB Trust Fund. As you can see, the county's FY26 budget includes \$12 million specifically appropriated for this purpose.

[00:51:18] This is included in our school operating fund budget and is then transferred out to the OPEB trust fund in quarterly installments during the year. The county's contribution for fiscal year 2026 is not a one-time event. This slide shows the county's contributions both to their own OPEB trust fund on the right and their contributions to the LCPS trust fund on the left.

[00:51:43] As we review this slide and the next, consider several points. First, OPEB liability is a long-term obligation that is funded gradually over time to meet future needs. Second, the changes to the county's actuarial assessment in 2025 led to the county making an additional one-time transfer in its fiscal year 2025 and increasing their fiscal year 2026 budgeting contribution.

[00:52:09] And finally, that it is standing practice and understanding between LCPS and the county that LCPS may not use its own fund balance to support its OPEB trust fund. This is why the county has been appropriating a designated amount each year.

[00:52:26] Here we have the liability and net position of LCPS's OPEB trust fund going back to fiscal year 2017. The liability has grown over time, as have total assets. The net position, however, has remained below the 70% target, and until we reach 70%, LCPS does not intend to take disbursements from this fund to pay for current contributions.

[00:52:49] So, when will LCPS reach 70%? We recently asked our third-party actuary to provide an estimate of when LCPS would attain that 70% target. They estimated that it is achievable within 5 years, and 100% is achievable within 10 years.

[00:53:06] This assumes relatively predictable utilization rates, no changes in plan eligibility, sustained contributions of \$12 million annually from the county, and a modest yet consistent rate of return on investments. Once 70% is achieved, LCPS would likely recommend using plan assets to help cover current retiree health care costs.

[00:53:29] I also mentioned that we would address how the assets held in our trust fund are managed. The first oversight body is a joint Loudoun County and LCPS OPEB board, chaired by the county treasurer. Mr. Streffy and Ms. Willoughby represent the school division.

[00:53:46] This group is charged with providing oversight of the two trusts and guiding how our joint funds are managed. The second is the Virginia Association of Counties slash the Virginia Municipal League, which manages the Virginia Pooled OPEB Trust Fund. This is the largest OPEB investment pool in

the U.S. with more than \$1.5 billion in assets, including those managed by Loudoun County and Loudoun County Public Schools.

[00:54:11] The investment strategy for this board has established two portfolios. The first is for the other 52 participating counties and municipalities, and the second, which follows a more conservative investment strategy, is strictly for Loudoun County and LCPS. Together, our two trust funds account for roughly 20% of the entire pool.

[00:54:32] Participating in the larger VACO VML pooled trust allows LCPS to achieve more competitive terms and conditions, which are important to ensure that costs within the OPEB trust fund are held to a minimum and that we have access to the most advantageous investment plans. In this time, we've covered revenues, expenses, and net positions for two different funds.

[00:54:57] This includes the health self-insurance fund, which captures current costs, and the OPEB trust fund, which provides for future expenses. Neither of these funds are short-term in nature, and both are established to provide exceptional, sustainable, and affordable benefits to our valued employees and retirees.

[00:55:14] And we're not alone when we look to our neighboring Waby jurisdictions and the County of Loudoun. This table shows the beginning and ending net position of each jurisdiction's health self-insurance funds for fiscal year 2024. while there may be some differences in how each manages and reports their insurance costs the trends remain the same where we are all navigating the complexities of a health care market in which costs are rapidly increasing while simultaneously trying to balance affordability for both their school divisions and their employees thank you for your time this morning and we welcome your questions and dialogue thank you mr. Jones I think that the

[00:55:51] history is important now while we have a much a much better relationship with our Board of Supervisors now I think history is important to know where the money went and and and what do we do now and the last thing any school board member wants is to you know just focus on like retirees we're gonna take everything for retirees we're gonna have to you know balanced approach to everything right so because that's the that's why we're here because we didn't want to make any changes to anything right now we wanted a better understanding so do you guys

[00:56:26] have any questions of what we were talking about any new understandings of anything yes mr. Plancy I think my question is one of the joint school board board of supervisors discussions and just having those school board members who are part of that group point out that the county's contribution to OPEB for LCPS is held steady and if you compare it to their contribution for

[00:57:01] their employees it is increased at the same time LCPS number of employees have increased so it's really not matching up and so it's going to take five years to get us to 70% at the current rate from this from Loudoun County government so I think that's one thing that I would look to the school board to bring up and yeah I think that's whatever I had my notes so thank you I wish I had this conversation like before I did the planning for that because it's gonna

[00:57:39] have to weigh a little bit now but so yeah there was something else was it 17 percent is best practices that's what you're talking about right yeah I guess there's two parts to that so it's actually the amount of the contribution it's also from what I understood miss will be to say that the board of supervisors basically was saying keep us at 10% in a self-insurance fund whereas the best practices

according to accounting standards are 17% and so that disconnect between what the county is saying and what the best practices are

[00:58:18] has kind of led them it appears to have led them in a to not allow us to let that self-insurance fund stay stable and it could be that those best practices changed but is that their policy Miss Willoughby is that in there so the County does have a different practice of managing their health self-insurance fund. We did, based on conversations that came as a result of when they introduced that clause in the appropriations resolution, it did get

[00:58:55] modified over the years, I can't remember when specifically, to allow us to have a fund balance that exceeded 10% so long as it was naturally occurring, meaning it it was just from we had a good year the revenues exceeded the claims and it was a net profit so we could continue to have a naturally occurring fund balance that exceeded what they didn't want to happen was that we transferred an amount out of our school operating fund that then brought our fund balance above 10 percent so again we have a philosophical difference there we continue to have discussions but as chair manswell mentioned the relationship between the boards and even staff

[00:59:33] between the county is dramatically different than it was back then and so I as evidence I'm always going to keep touting you know we've had a fully funded budget for the past two years which is phenomenal the other piece about the OPEB I told I understand what you're addressing there as well and one of the things that there have been some some discussions and mr. Jones mentioned that that the county they use some of their their fund last year they use some of their prior year fund balance to transfer into their OPEB fund so now I'm looking at that as precedent-setting and this fall is when we typically bring

[01:00:11] recommendations to the school board of what what staff would recommend the school board ask the county to use some of their fund balance and so one of the areas is looking at OPEB it's even looking at helping us shore up our health self-insurance fund since even with us transferring out and they they know that this year they're not getting a penny from us that we're transferring all of our funds to address our MOE payment as well as to transfer into our health self-insurance fund and they are they've been supportive of that but that since we're still not even at 10% I would be recommending

[01:00:49] that we ask for some of their fund balance to help at least bring us to 10% I mean we can always ask but but we absolutely are seeing the exact same numbers and trends that that you're observing as well I have a question specialty prescriptions what could you give me some understanding what the specialty prescriptions would be specialty prescriptions are those it's a it's a broad category so I went out my explanation may not cover everything but it's those that have a different

[01:01:28] delivery mechanism it's not just a pill that you pick up at the pharmacy but it would be IVs or it has to be administered by a medical care provider or it comes in a different form so oftentimes those are classified as specialty drugs yes mr. Wagner thanks um so I I completely understand it I'm looking at the net position fund balance and I understand the drawdown and that's always a you know an issue like are they gonna transfer it back as we got and now we're taking end-of-year funds like 24 and 25 when we're putting it back in

[01:02:05] there to fund that was there what was there a fund balance between 20 and 23 and what was the like we didn't transfer we didn't transfer anything back from end of year funds there what was the situation there the fund balance in those years um as depicted on the slide so for i can get my numbers

lined up i think like for fy20 our ending fund balance was 52 million then it went to 50.7 39 those amounts were over 10 so that's why we were unable to transfer out of

[01:02:41] our school operating fund for FY 24 we weren't projected to go negative but I mean if you were to kind of like try to draw a dot where that that dotted line is intersecting it was still a positive fund balance but it was going to be below the ten percent which is why we were able to to transfer the 13.1 to

[01:03:01] meet the the appropriations clause language any other questions I have so if there's not any questions about this there was a lot of discussion last time about how retirees advocate and who they would advocate to and also the the why

[01:03:39] there was a question of collective bargaining when they the retirees are not a part of the collective bargaining unit Ms. Bolin, could you, two questions. Absolutely.

[01:03:56] So I would say retirees, their advocacy would be the same as it's always been. Nothing has changed in the way that retirees can advocate for themselves. And the sheer fact that we are here proves that their ability to advocate is quite strong.

[01:04:19] So nothing has changed with that. As far as just examples, many of them often go through LREA, the Loud and Retired Educators Association, to assist in their advocacy.

[01:04:36] They also, of course, have the ability to go straight to the school board. They are LCPS retirees, and as such, LCPS policies, which the board oversees, do impact them. The policy we're here about today is one of those.

[01:04:54] They can also come to Ms. Willoughby or any chief financial officer that follows her or myself, or even reach directly out to the retirement department and or Ms. Brown as the employee benefits director.

[01:05:15] So they have the ability to advocate in the way that they have always done. Collective bargaining doesn't necessarily impact our retirees. So they are not represented. They wouldn't have advocacy from the exclusive bargaining representative, which is LEA.

[01:05:37] However, that said, the reason why collective bargaining is part of this discussion is because this benefit is not only available to retired LCPS employees.

[01:05:53] Because we still have active employees that are part of a bargaining unit that does have an exclusive bargaining representative, with a mandatory topic of benefits and those employees being eligible, that is where collective bargaining comes in play.

[01:06:18] The fact that they do have the ability to bargain over a benefit for active, eligible employees that, upon retirement, they would receive. That is why collective bargaining is still relevant.

[01:06:34] Now, in the event we had no active employees that could receive this, which -- if the 2013 date remains and there would be a time where we would only have retired employees impacted then collective bargaining would not impact to the ability to discuss and/or plan for changes so y'all are in a special position no real advocacy except so if it was me and I'm you know do the I

[01:07:11] i used to do legislation a lot i would hit it from both ends lea because they're at the table and lcps so again like it's both of us that doesn't really helpful but it is what it is yes mr wagner um thank you for that idea of the robocalls i think that's going to help out tremendously um but the question about that

what qualifies for a robocall what doesn't because let's say this situation this special committee people can look at it will be there robocalls going out about that that affect retirees because that is something that does and then with collective

[01:07:51] bargaining if there is something on the table that's being bargained that that includes retirees is that warrant a call or does it not like where what situations do and don't thank you for the question um i will start by saying this is something new that we have contemplated in response to the feedback that we got at the last committee but as it was discussed in my department that would be carrying out the communications it was when we were imagining

[01:08:24] scenarios where we have presented to the board a recommendation to off to award an rfp to a different vendor much like changing from cigna to united it would be when in the normal board business there is something that would change the retiree medical benefit and so I don't think that it would extend to something quite like this but anytime that the board would be hearing or for getting information or being moving to action for anything that would substantially change the retiree medical

[01:08:58] benefit is there some flexibility with that yes ma'am there is flexibility and the ability to do robocalls for general topics. Ms. Bowen, I see. Thank you. The one thing I do want to mention is there would not be a robocall to discuss what's being negotiated at the table because those negotiations are confidential.

[01:09:28] What would be potentially a robocall would be once the teams at the table have come to a agreement of of what to bring forward to the school board that would be something then if um that agreement would potentially impact retirees that could be a robo call what about for fno like the rfps can go really fast and that's particular that's kind of where all this is could there be a robo call like when it's at fno for an rfp as opposed because it goes really fast and sometimes

[01:10:08] it goes from from the Wow words just failed me from from the consent calendar it goes from action to consent or info to consent in F&O and then it can go from F&O consent to F&O consent to the school board consent so I would want to give them a little bit of heads up for that so my question to the chair would be hypothetical so if for example LCPS had a legislative agenda item that we

[01:10:47] that referred to Virginia retirement system would that trigger a robocall it doesn't have anything to do with collective bargaining it's got to do with your legislative agenda which would impact us as retirees if you have an item I guess we were just really thinking about like benefits at this point I don't know that we were really contemplating the rest of that but that's my job to bring up I I hear what you're saying um I think I mean we have the

[01:11:18] chair of LENP here for right now do you want to weigh in it's certainly something that I would be open to but I think it would warrant for their conversation yeah I think we should discuss that I can I can see your point legislatively one way or the other I just want to make a comment when miss

[01:11:50] Boland brought up LREA actually our organization we really don't it's our motto is to serve not to be served and the premise of the organization is to do volunteer work and support teachers students and other organizations in the county and give scholarships so we really try not to do anything political political so we probably we would not spend I mean we just got wind of all this in the spring

[01:12:28] when we're hearing this snippets here and there and that just piqued everyone's interest as to oh this affects us you know oh I didn't know that so that's where our discussion came from but that is not

something that is part of the organization that we do on a regular basis where like with LEA you would have the bargaining collective bargaining so we kind of try to stay back from that sort of thing so I'm just saying that as an FYI you know when we're talking about how can we

[01:13:07] as retirees be hurt who are not part of LEA you know it's kind of it's a tough situation and we get so many different answers I mean it goes back to the transparency and the robocall is great and that would be something we would announce at our meeting say hey look they're going to do that but that's kind of where our organization you know the purpose and so forth so perhaps that newsletter can also talk about the robocalls since it goes to everybody that's not necessarily

[01:13:47] an LERA or they don't live here or whatever but it's really hard to find to help people advocate when there's no real group for them to advocate with yes mr. plants yeah so I would say the reason why we're advocating we're really not here as representatives of LREA although we're both officers within LREA we just are leaders within our communities and so when I was the one I

[01:14:22] think who really called to the school board's attention when the bullet item in the in the budget was not discussed and was kind of glossed over and sent like all kinds of questions then I reached out to my retired community to make sure I'm on the right page and so you know I think that advocacy kind of happened organically it's as Denise said it's really not part of what LREA has done or has ever done so I want to make sure that that's clear although again

[01:14:54] And he said, we do have a large body of retired members or even non-members that we can be a conduit for communication. And we definitely want to have that positive relationship with the Benefits Office so that when things are coming out and they want to highlight those, we can also push those out through email.

[01:15:13] You know, we've got close to 500 people on our email list who aren't necessarily LREA members because we have people all over the country. And that also may be something that LCPS contemplates doing because e-mails are so easy to send.

[01:15:31] Is there a way that would make sense communication-wise to send out e-mails to retirees? I don't know how difficult that is. I mean, we have difficulty within our own community. But I think the robocalls is a really good start. But I think you're going to find there's not going to be a perfect form of communication.

[01:15:50] Right, and that's why, like, our communication officer, she's like, you've got to hit it at all. Yep. angles you know emails or as well as robo calls and i don't see why any email and a robo call can't go out at the same time it's kind of the same maybe i'm putting more maybe i'm putting more on administration than i should but okay miss labelle thank you madam chair i have a question

[01:16:16] for our lrea members is there a charter for the group and does it cover information through the chair the LREA has bylaws we're an affiliate of the VRTA Virginia Retired Teachers Association and they also have bylaws we don't have a specific charter but within those bylaws there's nothing that I recall about communication Denise

[01:16:50] no thank you I was thinking not specifically of communication but of advocacy for the retirees is there anything in either the local or the state associations that would prohibit having a stem of the organization follow things like this so that we're not left out so that we do have some way to advocate as a unified voice great question so the two things that come to

[01:17:24] mind immediately is that the VRT a does have a paid lobbyist as you may be aware of and within LREA we do have a committee called is it political legislative yeah so anytime so we have a committee chair whose responsibility is to bring up legislative information to that that applies to us as retirees so each month at our regular meetings there is a report from that person it tends to stick to state level items that we can encourage I think that's a really good

[01:18:02] point we definitely can encourage that committee chair if it's a filled position because we have a hard time filling some of our committee chairs people will just want to be retired and maybe ask ask them to to look at that or maybe even find somebody within our group who can kind of focus on that and commit, you know, maybe report to that chair. So I actually welcome that question because I think it really is good for our group. Having been a member previously, of course now it's almost a conflict of interest, but not really. I think that that would be a good

[01:18:40] idea to at least have somebody be a watch person for what's going on, even if it's not a complete committee. Okay, we have 10 minutes. Anybody have any other questions before I go on to new business is there any new business it's not new business it's a question about next the next meeting so the next meeting that's scheduled for

[01:19:16] Thursday September 4th I think the focus of that meeting is going to be have having a panel and I had suggested somebody but I never heard back if I should be following up with that person I suggested or but I will share while we can't necessarily use the person that you represented that you suggested we love the idea of having like that type of a role of a financial advisor and so what this Brown is doing is looking at relationships that we have

[01:19:53] with similar vendors because there would be a conflict and I even had a discussion with legal just to make sure and it would require a lot of hoops to jump through to have the person you recommended but again we do intend on having someone that is versed in financial matters financial advisor to to sit on the panel I would if you don't mind chair put a plug out that you know that meeting is a week I think it's a week from today so it's next week we don't have like a two-week gap like we did before I think to help with preparation of our panel that we're putting together any questions that you

[01:20:31] could send to me in advance I'm sure our panel would would appreciate maybe be seeing some of those in advance to help prepare and I think people in the audience or I don't know what do you call it's not really audience but I think people over there I think that we're happy to have them also reach out to us as well if they have questions so we're going to have the financial person who else are we going to have we will have a representative from Aon who are our benefit

[01:21:07] consultants I'm blanking on his last name I always call him Jamie but he is Aon's resident expert on all things Medicare and supplemental plans and Advantage plans and everything that goes around that and so he will be speaking he has given information to the board in prior board meetings and we also have a representative from the local council on aging that will come and be part of our expert panel at this time so how do we how are we thinking about how that's gonna be set up here we're gonna have like the kind of this position are we

[01:21:47] gonna have them I'm just asking seeing that we've got one side empty I'm sure we could probably arrange it so that there it's more of a panel set up maybe a little bit of separation but while ensuring that we also have one one designated spot for public comment because we will have public a comment available at the next meeting as well yes ma'am miss powers um i i just want to know um how do

[01:22:20] when new employees are hired since July 1 2013 how are they informed that you will not have health care insurance when you retire because I think that little tiny line a lot of I've I've interviewed, and I've been told, oh yeah, I'm going to have health care insurance when I retire.

[01:22:47] So obviously, I'm worried that the 10,000 active people, or we're just specifically talking about the people hired since 2013, aren't aware, some of them, because I have to say, the majority of people just especially when they're young they let the benefits it's like go over their heads and they don't think and they think they're gonna have this at the end of you know whenever so is that really hammered in at orientations

[01:23:26] that please be aware you will not have insurance you know medical insurance when you retire yes thank you for the question our benefits are primarily reviewed through our web resources when somebody comes on board they have their new enrollment period where they can review all those items that we have out there generally speaking we do not go through a list of benefits that employees will not have in the course of their employment so that is just a practice that we don't do so we don't specifically call out that they will not

[01:24:03] have retiree health benefits however there are resources out there about VRS because anybody hired right now will be under the hybrid plan and all of the features of the benefit the retirement benefit that they fall under and just as a broad generalization I don't know that people entering the workforce at this point in time are expecting retiree health care as a primary benefit or feature of their employment and if anybody asks we're always happy to

[01:24:33] address the question as it comes up okay okay thank you okay I guess with that we will go ahead and adjourn our if there's no more business we'll go ahead and adjourn the August 28 2025 select committee on retiree health benefits committee meeting and it is now adjourned and the next meeting will be held on September 4th at 10:00 a.m.



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