

California Actuarial Advisory Panel



Paul Angelo
Senior Vice President
and Actuary
Segal Consulting
Chairperson

John Bartel
President
Bartel Associates
Vice Chairperson

Ian Altman
Managing Partner
Altman and Cronin Benefit
Consultants, LLC

David Driscoll
Principal and Consulting Actuary
Buck Consultants

David Lamoureux
Deputy System Actuary
California State Teachers'
Retirement System

Steve Ohanian
Retired, Former Vice President
and Consultant
Segal Consulting

Graham Schmidt
Consulting Actuary
Cheiron, Inc.

Scott Terando
Chief Actuary
CalPERS

January 31, 2018

Mr. E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol, Room 3196
Sacramento, CA 95814

SUBJECT: The California Actuarial Advisory Panel's 2017 Annual Report to the California Legislature

Dear Mr. Wilson:

Pursuant to Government Code section 7507.2, the California Actuarial Advisory Panel (the Panel) is pleased to submit its annual report. During 2017, the Panel met six times and continued to fulfill its statutory responsibilities. Specifically the Panel:

- In October, released a letter to the State Controller's Office in response to their request for assistance from the Panel regarding the defined benefit element of the item "Retirement Cost."
- In November, released a letter regarding the PEPRA Maximum Compensation Limits for 2018.
- In November, released a letter in response to a Department of Finance request for the Panel to answer several questions related to SB 84 (Chapter 50, Statutes of 2017).

The Panel remains ready to assist the Governor and Legislature with analysis of any public pension or OPEB issues. The Panel has unique insight into pension plans and pension issues, not only from a technical view, but as retirement experts with many years of pension and retiree medical experience. The members of the Panel appreciate serving the citizens of California and would welcome any opportunity to discuss the matters raised in this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Angelo".

Paul Angelo
Chair, California Actuarial Advisory Panel

Mr. E. Dotson Wilson

January 31, 2018

Page 2

cc: Panel members
John Bartel, Vice Chair
Ian Altman
David Driscoll
David Lamoureux
Steve Ohanian
Graham Schmidt
Scott Terando
Jerry Brown, California Governor
Betty T. Yee, California State Controller
John Chiang, California State Treasurer
Michael Cohen, Director, Department of Finance
Richard Gillihan, Director, Department of Human Resources
Freddie Rodriguez, Chair, Assembly Committee on Public Employees,
Retirement, and Social Security
Richard Pan, Chair, Senate Public Employment and Retirement
Committee
Mac Taylor, Legislative Analyst, Legislative Analyst's Office
Anthony Rendon, Speaker of the Assembly
Kevin de León, Chair, Senate Rules Committee
Marcie Frost, Chief Executive Officer, CalPERS
Jack Ehnes, Chief Executive Officer, CalSTRS
Janet Napolitano, President, University of California
Dan McAllister, President, State Association of County Retirement
Systems

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January 31, 2018

Mr. Daniel Alvarez
Secretary of the Senate
State Capitol, Room 3044
Sacramento, CA 95814

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Mr. Daniel Alvarez

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