1

2 (c) Powers and duties. The Task Force shall make recommendations about

3 benefit provisions and appropriate funding sources along with other

4 recommendations it deems appropriate for consideration, consistent with

5 actuarial and governmental accounting standards, as well as demographic and

6 workforce trends and the long-term sustainability of the benefit programs,

7 including the following:

8 (1) setting a pension stabilization target number for the State

9 Employees' Retirement System and the State Teachers' Retirement System

10 that:

11 (A) reduces the actuarial accrued liability based on actuarial value of

12 assets by a sum equivalent to the amount of the increase from Fiscal Year 2021

13 to Fiscal Year 2022, as reported in the Vermont State Employees' Retirement

14 System Actuarial Valuation and Review, dated June 30, 2020 and the Vermont

15 State Teachers' Retirement System Actuarial Valuation and Review, dated

16 June 30, 2020.

17 (B) reduces the actuarially determined employer contributions by a

18 sum equivalent to the amount of the increase from Fiscal Year 2021 to Fiscal

19 Year 2022, as reported in the Vermont State Employees' Retirement System

20 Actuarial Valuation and Review, dated June 30, 2020 and the Vermont State

21 Teachers' Retirement System Actuarial Valuation and Review, dated June 30,

22 2020.

1   (2) a five-year review of benefit expenditure levels as well as employer

2 and employee contribution levels and growth rates and a three-, five- and

3 ten-year projection of these levels and rates;

4   (3) based on benefit and funding benchmarks:

5   (A) proposed new benefit structures with the objective of adequate

6 benefits within the established cost containment benchmarks, including an

7 evaluation of a shared-risk model for employee contributions and cost-of-

8 living adjustments; and

9   (B) an estimate of the cost of current and any proposed benefit

10 structures on a budgetary, pay-as-you-go, and full actuarial accrual basis;

11   (4) funding methods, including contributions from the State and

12 employees, to achieve benefit and funding benchmarks; and

13   (5) a plan for prefunding other postemployment benefits, with an

14 evaluation of using federal funds to the extent permissible.