

Actual Scenarios - 9/29

Good morning:

Attached is what I hope captured the conversation during last week's Task Force meeting regarding which scenarios the groups would like to see modeled, including some additional tweaks based on subsequent conversations with the Treasurer's Office. There are three tabs. **Please let me know ASAP if we need to make any changes.**

I know the document isn't pretty – it's intended to advance a conversation with the actuaries, who will ultimately put an analysis together that is much easier to follow! For that reason, please do not distribute this to a wider audience at this time.

Last Friday, the Treasurer's Office sent this over to the actuaries at my request to give them an opportunity to review the request while I was out of the office traveling the last few days and raise any questions or flag areas that need more clarity for them to run some models. We are also waiting for time and cost estimates, as well. Since we're in the height of their busy season, I do not expect analysis back for several weeks.

We've also asked for time and cost estimates for analyzing the impacts of moving DOC employees to something like the VSERS Group C plan. You will not see that in this spreadsheet because it's likely going to need to be a separate modeling request due to its complexity. **For the VSERS working group, I could use some clarity on what specifically you would like to model.** Some outstanding questions are below:

- 1) Would you like to apply this just Group F DOC employees, all Group F employees with the ability to retire with unreduced benefit at 55 with 20 years of service (which is mostly DOC but also Woodside and VSH), or all Group F employees across the board?
- 2) Which specific elements of Group C's retirement benefit would you like to apply to the cohort of employees noted above? For example, the entire group benefit or just certain elements like the 2.5% benefit multiplier, 50% AFC cap, 50/20 early retirement ability, 2 highest consecutive years AFC, etc?
- 3) Is the intent to model what it would look like to move all new hires into the new plan going forward, or provide for some kind of transition or option where current employees could switch groups? If the latter, what would that transition look like?
- 4) Should any of the contemplated changes in the attached actuarial request for Group C apply to this analysis as well?

If a follow-up call would be helpful for answering these questions, please let me know – I have availability tomorrow and Friday.

Thank you!

-Chris