

Motion

Development of a Funding Method for the Higher Education Retirement Plan Supplemental Benefits

(Move that) The Council instruct the Work Group and the State Actuary to develop options for funding methods that finance the HERP benefits on a more level percentage of pay basis, with contribution rates and pay-as-you go benefit payments combined. Like in the other pension plans, the funding options would be developed with the goal of paying for the supplemental benefits within the collective working lives of the supplemental plan beneficiaries.

When the options are ready, they will be reported to the PFC, and could be the basis of either future recommendations of the Committee, or as the individual members of the Council might prefer, the basis of future legislative proposals.

Recommendation -- Majority
Approve ___ Not Approve _____

Representative Timm Ormsby

Senator James Hargrove

Representative Bruce Chandler

Marcie Frost, Chair
Director, Dept. of Retirement Systems

Senator Andy Hill

David Schumacher
Director, Office of Financial Mgmt.