

# **Pension Sustainability Commission**

## **Recommendations Discussion Framework**

- **Concept:** LOT, Treasurer's hybrid, other?
  - Pursue LOT concept within Treasurers office
- **Assumptions/Questions TBA:**
  - Enough value in assets to justify concept (\$0.5 billion, \$1 billion, more?)
  - Implications of claiming fair market value upon donation
    - By creating an LLC we can get fair market value
  - DOT property off-limits because of Federal rules
  - Monetizing cash flows of CT Lottery
  - Goal/Able to defease TRB bonds in 2025
    - Level the trajectory of future TRB contributions
  - COTs feasibility; liquidity vs. control issue
  - How to manage the ARC problem
  - Large Payment in 2025
  - Finding right balance between liquidity and lowering the Arc
  - A balanced portfolio of assets
  - CORE, Value Added, Opportunistic, Geographic, Timing/Pacing
- **Recommendations:**
  - Reconstitute commission (or something like it) in 2019 to continue work
  - Develop formula/rating system for determining potential value of specific state assets
  - Conduct further analysis of state assets to determine gross value of "eligible" assets
  - Obtain sufficient funding to engage outside consultants to prove out feasibility
  - Dedicate proceeds of CT Lottery to pension fund(s) for period of time (?)
  - Consider fiscal discipline – relating to borrowing and budgeting