

# CT PENSION SUSTAINABILITY COMMISSION

## DRAFT OUTLINE OF FINAL REPORT - October 18, 2018

<b>1.00</b>	<b>EDUCATION ON PENSION PROBLEM (to be assigned)</b>
1.01	Understand history of pension & OPEB problem
1.02	Understand solutions implemented to date
1.03	Explain other solutions still available
1.04	Explain consequence of doing nothing

<b>2.00</b>	<b>ACCOUNTING / ACTUARIAL BENEFITS (Accounting/Actuarial Work Group)</b>
2.01	Explain basic accounting for transfer from government to trust
2.02	Explain impact on funding ratio of pension funds
2.03	Explain liquidity impact on pension funds
2.04	Explain transfer impact on "catch-up" expenditure for underfunded pension payment
2.05	Rating agency discussions
2.06	Explain various GASB rule requirements that dictate independence structure

<b>3.00</b>	<b>ASSET UNIVERSE (Capital Asset Work Group)</b>
3.01	Identify universe of assets for contribution
3.02	Criteria for asset selection
3.03	Pros/Cons of contributing non-cash flow vs. cash flowing assets
3.04	Legal requirements of / obstacles to asset transfers
3.05	Asset valuation & preliminary alternative use strategy
3.06	Identify assets by Opportunity Zone and Enterprise Zone location

<b>4.00</b>	<b>ECONOMIC DEVELOPMENT (Economic Development Work Group)</b>
4.01	Evaluate current economic development goals
4.02	Define desired economic development goals
4.03	Identify necessary legislative reforms
4.04	Evaluate economic goals in context of eligible assets available for contribution
4.05	Discuss potential value enhancement of Opportunity Zones, Enterprise Zones, and other economic development incentives available from the state

<b>5.00</b>	<b>LEGACY OBLIGATION TRUST DESIGN (Legal Work Group)</b>
5.01	Define trust manager powers & authority
5.02	Define trust manager collaboration processes with state
5.03	Define oversight protocols for trust manager
5.04	Design of Certificates of Trust
5.05	LOT Board of Governors composition
5.06	Define LOT Board of Governors responsibilities and authority
5.07	Dividend policy

<b>6.00</b>	<b>LEGACY OBLIGATION TRUST MANAGER DESIGN (all Work Groups, Legal lead)</b>
6.01	Selection process
6.02	Governance charter for Trust Manager
6.03	Asset disposition procedures
6.04	Compensation design for Trust Manager

<b>7.00</b>	<b>RECOMMENDED NEXT STEPS</b>
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