



Pension Fund Sustainability

Revisiting Topics for Exploration

May 22, 2020

In April, the SERS Board decided that for at least the next several sustainability sessions, the discussions would take place without a facilitator. The Board expressed its commitment to continuing the sustainability analysis, and given the work already done by the Board, the Board expressed its confidence that productive discussions could be held without outside assistance.

On May 22, the Board conducted a sustainability discussion session via Zoom with all Board members in attendance.

The session began with a reminder of the topics and issues discussed by the Board in previous sustainability sessions. The Board then revisited those matters for the purpose of deciding whether further discussion was warranted and/or whether additional information was desired.

Among the topics discussed were the following:

- The definition of a career employee;
- How the length of the work day or work year worked impacts the accrual of service credit;
- The appropriate income replacement ratios for career and non-career employees;
- The longer duration of benefit payments due to longer life expectancy;
- The appropriate final average salary (FAS) period;
- The appropriate vesting period to be eligible for service retirement and disability benefits, respectively;
- The appropriate level of income replacement from a disability benefit;
- Inactive members and refunding of employee retirement contributions; and
- The relevance of SERS members not participating in Social Security.

The Board requested that staff and SERS' actuaries provide additional information to support further Board discussion of these topics.

