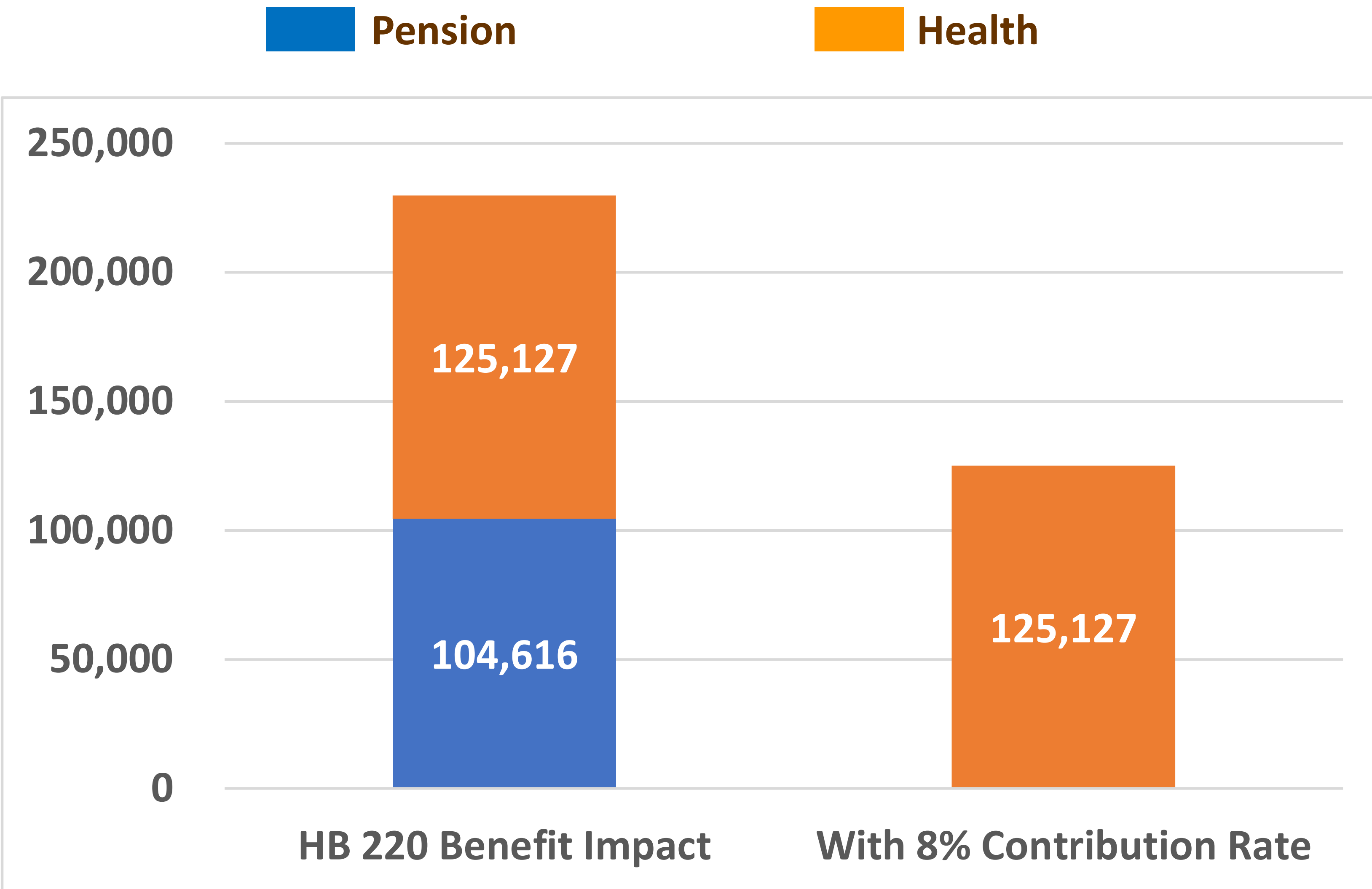
Impact of Original HB 220

Impact of HB 220 on Projected State Contributions for F23-FY28

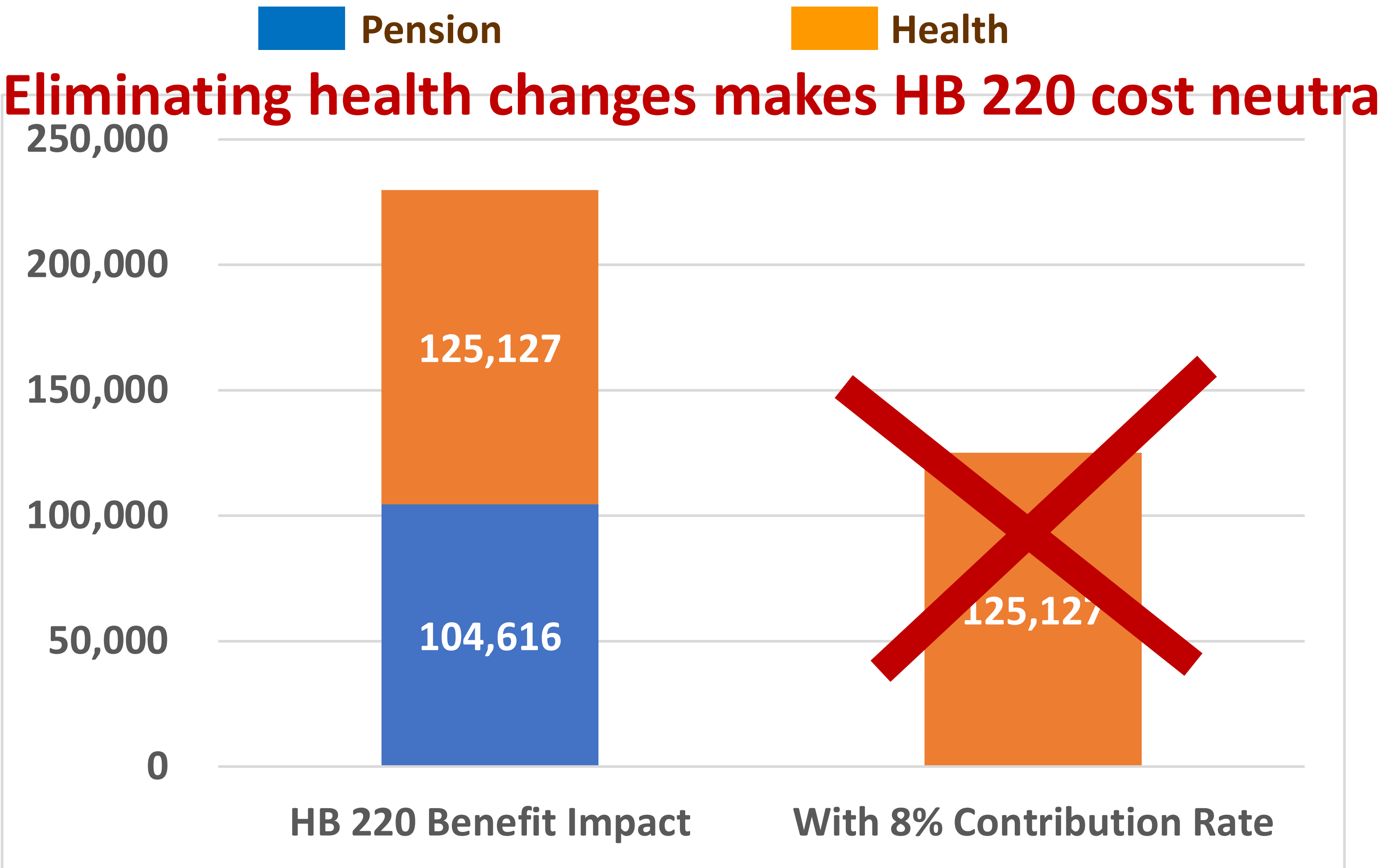
Reproduced from Buck's 3/24/2022 letter

($ millions)	FY23	FY24	FY25	FY26	FY27	FY28	6-Year Total
Additional State Contributions							
● PERS	$0.0	$10.4	$20.0	$23.9	$27.5	$32.1	$113.9
● TRS	$0.0	$(10.7)	$(6.4)	$(5.0)	$(3.9)	$(2.9)	$(28.9)
● Total	$0.0	$(0.3)	$13.6	$18.9	$23.6	$29.2	$85.0
State-as-an-Employer Contributions							
● PERS	$1.7	$67.4	$80.9	$88.6	$96.1	$104.4	$439.1
● PERS DCR	$0.6	$(53.7)	$(56.3)	$(58.9)	$(61.6)	$(64.4)	$(294.3)
● Total	$2.3	$13.7	$24.6	$29.7	$34.5	$40.0	$144.8
Total State Contributions	$2.3	$13.4	$38.2	$48.6	$58.1	$69.2	$229.8

Breakdown of Increased Costs



Breakdown of Increased Costs



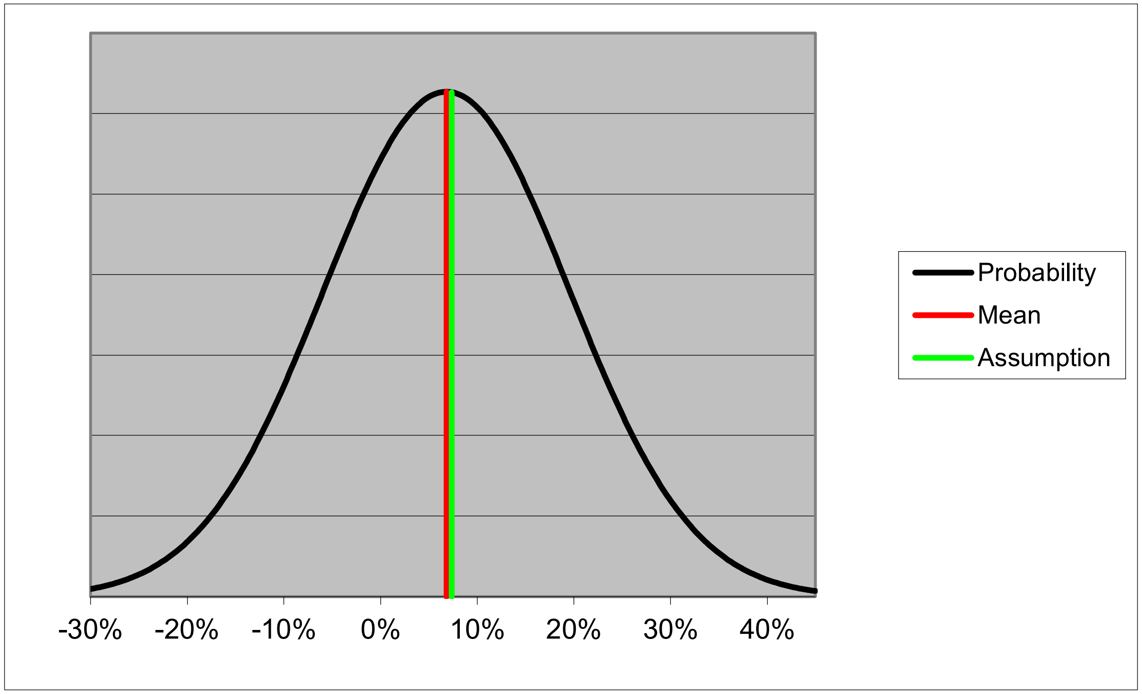
Monte Carlo Projections

- Monte Carlo projections integrate actuarial projections with Capital Market Assumptions for each asset class to develop best/worst-case scenarios and the range of outcomes in between

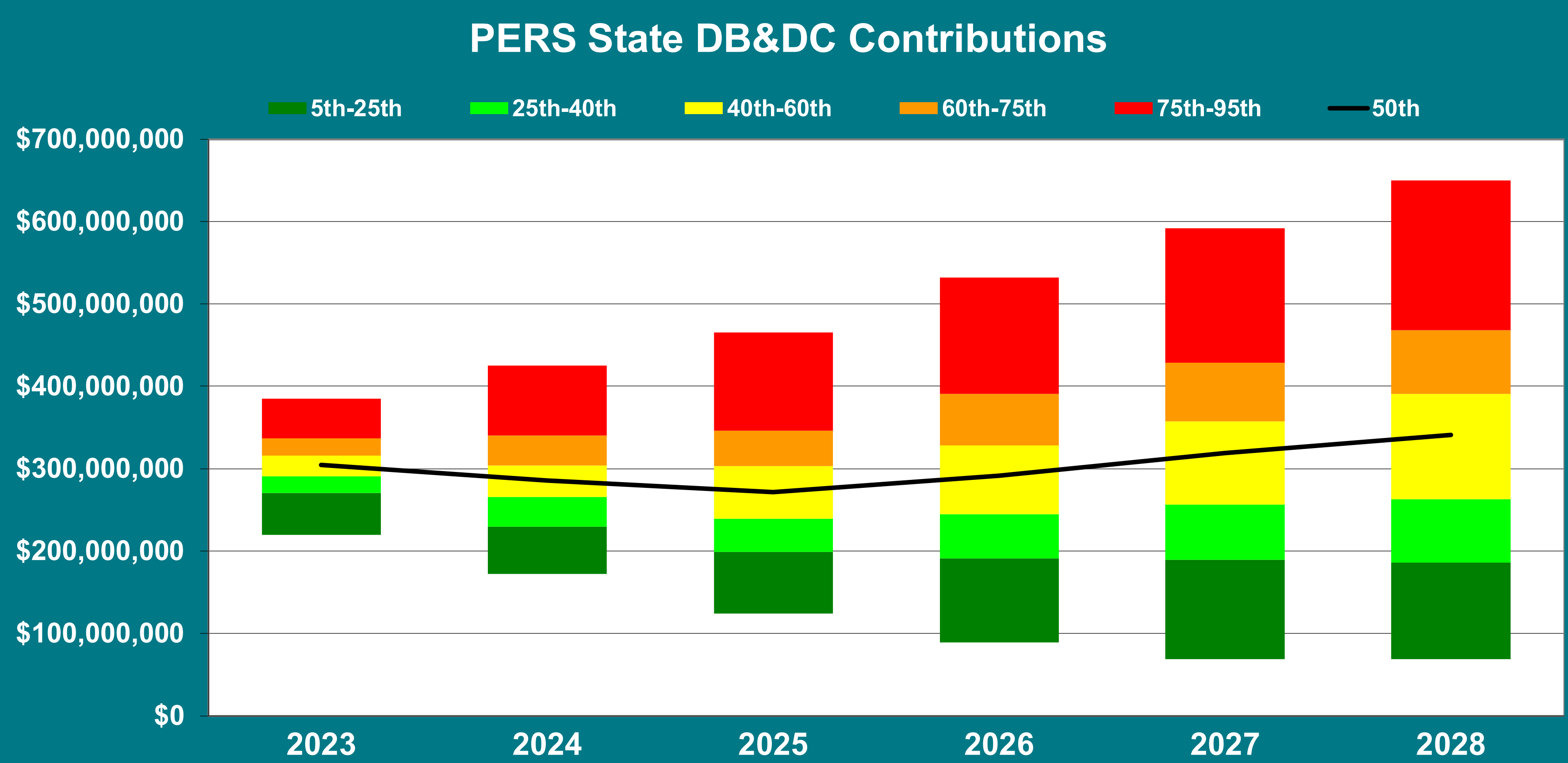
- Reflects volatility in returns from year to year

Capital Market Assumptions

- 10-year return expectations taken from Horizon's 2021 Capital Market Assumption survey
- For the current asset mix the one-year expected return is 6.82% and the standard deviation of return is 12.73%

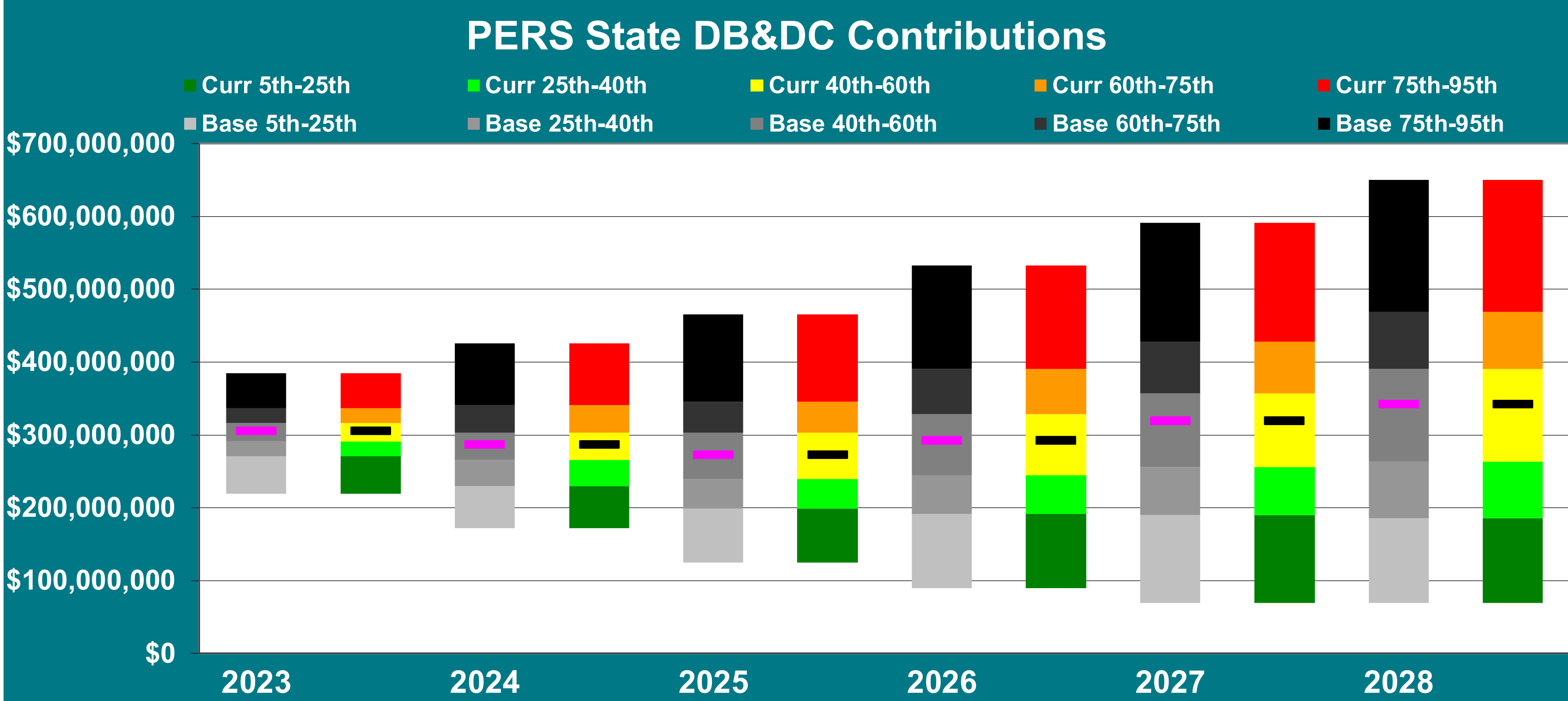


Monte Carlo Projection Before HB220



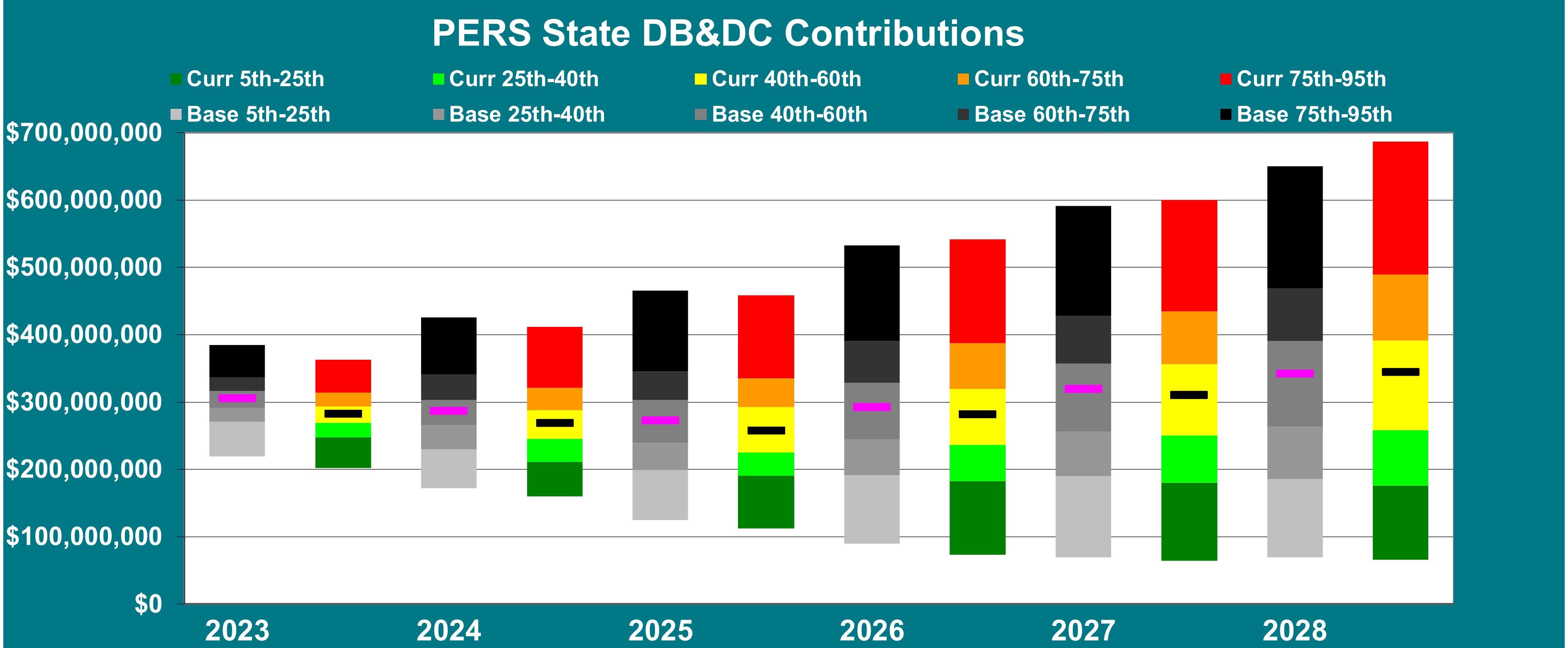
	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete
Baseline	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete

Monte Carlo Projection Before HB220



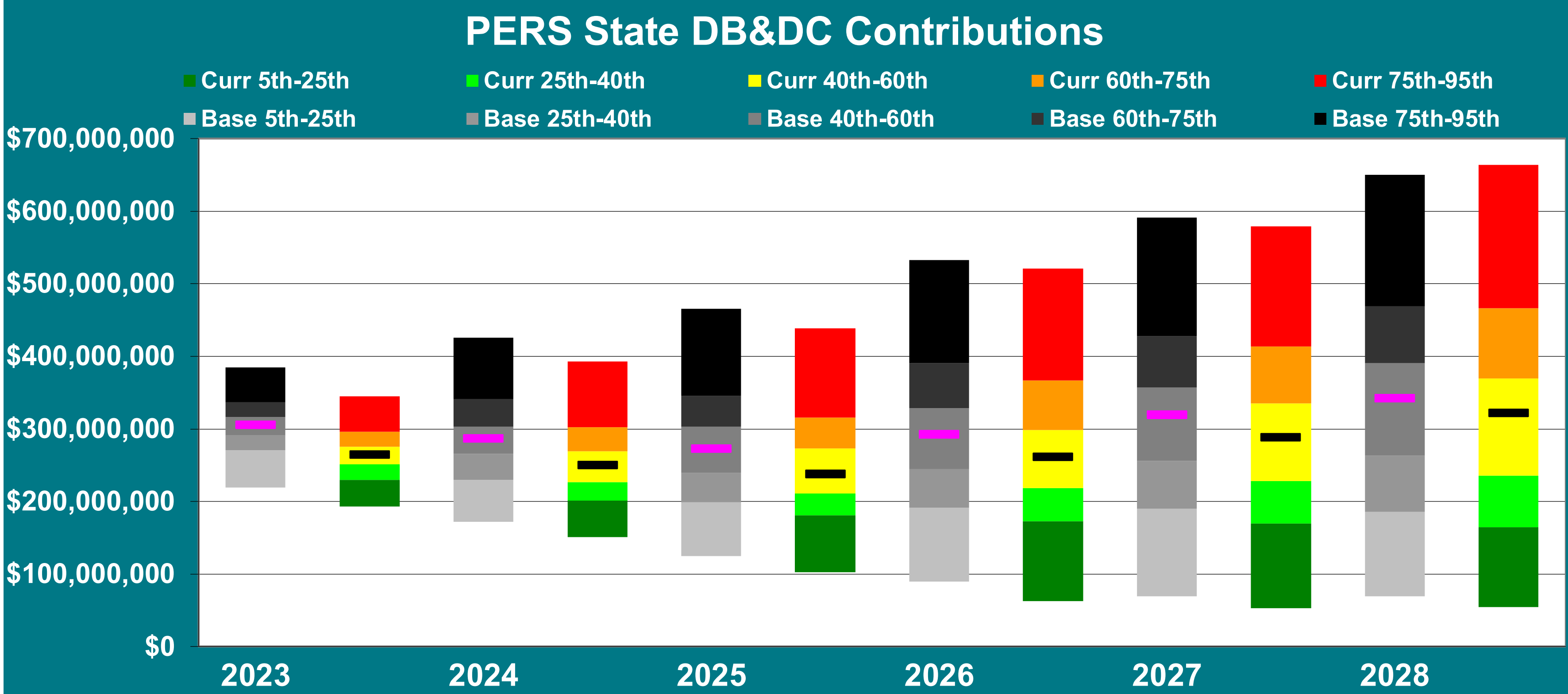
	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete
Baseline	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete

Monte Carlo Projection w/ 8% member rate



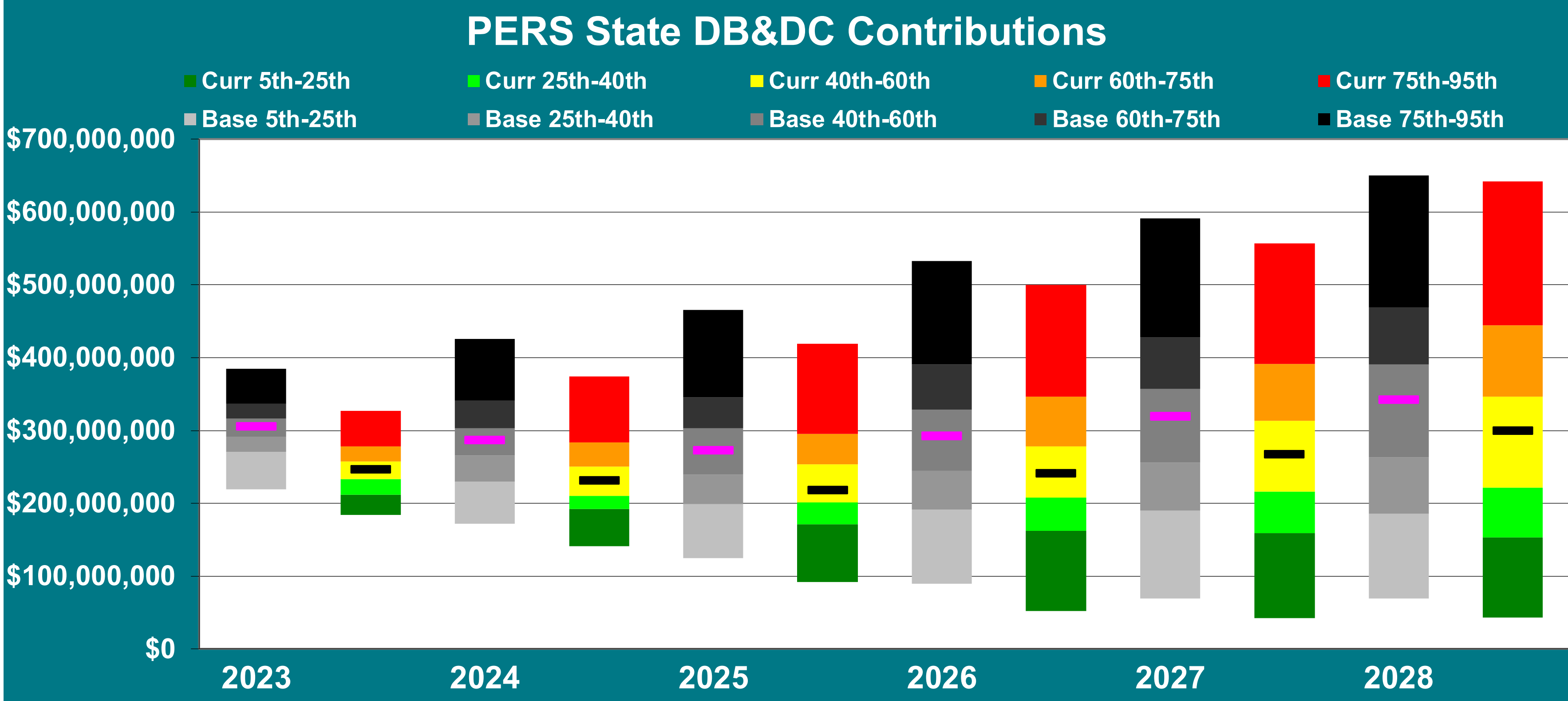
	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	100.0%	8.00%	8.00%					Complete
Baseline	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete

Monte Carlo Projection w/ 9% member rate



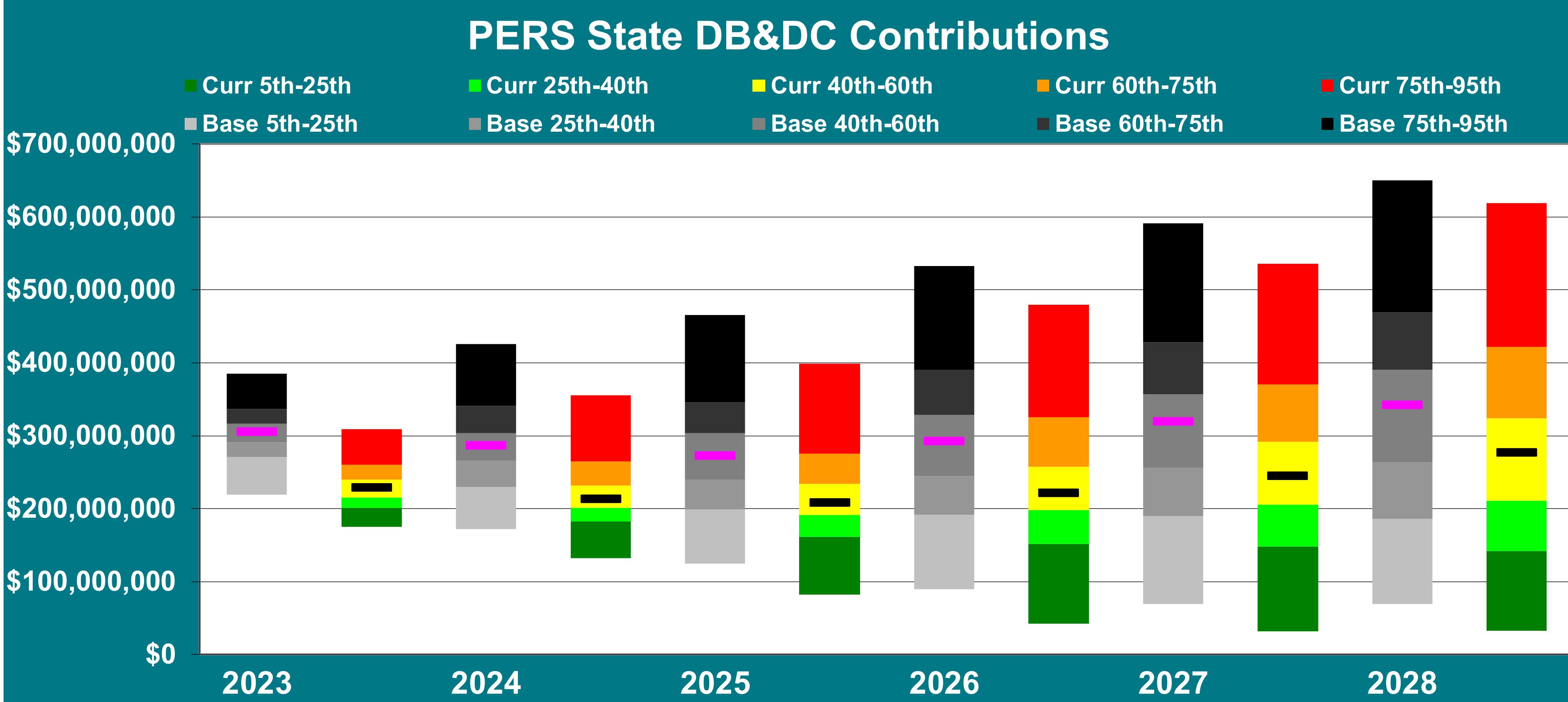
	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	100.0%	9.00%	9.00%					Complete
Baseline	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete

Monte Carlo Projection w/ 10% member rate



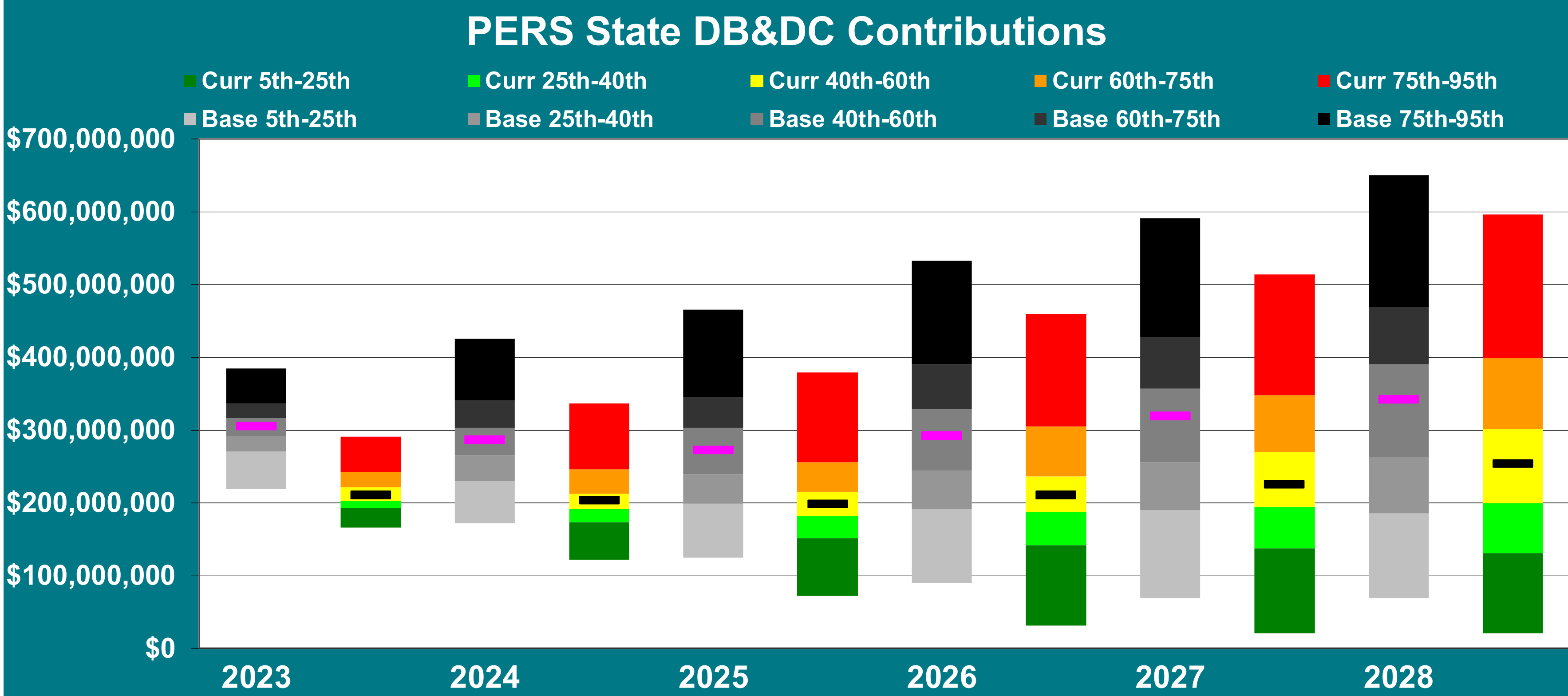
	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	100.0%	10.00%	10.00%					Complete
Baseline	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete

Monte Carlo Projection w/ 11% member rate



	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	100.0%	11.00%	11.00%					Complete
Baseline	6.82%	12.73%	5	0.0%	7.50%	6.75%					Complete

Monte Carlo Projection w/ 12% member rate



	Return	Standard Deviation	Asset Sm. Pd.	% DC Elect In	Future Safety %	Future Others &					
Current	6.82%	12.73%	5	100.0%	12.00%	12.00%					Complete
Baseline	6.82%	12.73%	5	0%	7.50%	6.75%					Complete