
SUMMARY OF 2016 VALUATION RESULTS

South Carolina Retirement System (SCRS)

Executive Summary

(Dollar amounts expressed in thousands)

	Valuation Date:	
	July 1, 2016	July 1, 2015
Membership		
• Number of		
- Active Members	190,923	187,318
- TERI Members	8,332	8,765
- Retirees and Beneficiaries	129,523	125,875
- Inactive Members	169,806	164,509
- Total	498,584	486,467
• Projected payroll of active members	\$8,213,042	\$7,765,588
• Projected payroll for all members, including members in ORP, TERI, and working retirees	\$10,497,446	\$10,012,960
Contribution Rates ^{1,2}		
• Employer contribution rate	11.99%	11.09%
• Member	9.09%	8.19%
Assets		
• Market value	\$23,996,362	\$25,131,828
• Actuarial value	27,293,968	27,365,921
• Return on market value	-0.7%	1.4%
• Return on actuarial value	3.3%	5.4%
• Ratio of actuarial to market value of assets	113.7%	108.9%
• External cash flow %	-3.9%	-3.8%
Actuarial Information		
• Normal cost %	10.27%	9.83%
• Actuarial accrued liability (AAL)	\$45,859,906	\$44,119,176
• Unfunded actuarial accrued liability (UAAL)	18,565,938	16,753,255
• Funded ratio	59.5%	62.0%
• Funding period (years)	30	30
Reconciliation of UAAL		
• Beginning of Year UAAL	\$16,753,255	\$15,978,874
- Interest on UAAL	1,256,494	1,198,416
- Amortization payment	(1,017,186)	(978,816)
- Assumption/method changes	467,722	0
- Asset experience	1,131,589	558,523
- Salary experience	(17,241)	(76,578)
- Other liability experience	(8,695)	72,836
- Legislative Changes	0	0
• End of Year UAAL	\$18,565,938	\$16,753,255

¹ The contribution rates determined by the 2016 valuation are established by Section 9-1-1085 of the South Carolina Code and become effective for the fiscal year beginning July 1, 2018. The employer contribution rates shown above include the cost of incidental death benefits.

² The rates shown for the 2015 and 2016 valuation are the minimum required contribution rates. State Statutes permit the Board to increase the contribution rates above the amounts shown, up to certain limits. Effective July 1, 2016, the Board elected to increase the employer and member contribution rate to 11.56% and 8.66%, respectively.

Police Officers Retirement System (PORS)

Executive Summary

(Dollar amounts expressed in thousands)

	Valuation Date:	
	July 1, 2016	July 1, 2015
Membership		
• Number of		
- Active members	26,651	26,575
- Retirees and beneficiaries	17,288	16,709
- Inactive members	15,001	14,149
- Total	58,940	57,433
• Projected payroll of active members	\$1,187,195	\$1,105,703
• Projected payroll for all active members, including working retirees	\$1,312,199	\$1,232,695
Contribution Rates^{1,2}		
• Employer contribution rate	14.28%	13.74%
• Member	9.28%	8.74%
Assets		
• Market value	\$3,876,036	\$3,971,825
• Actuarial value	4,354,853	4,266,794
• Return on market value	-0.7%	1.4%
• Return on actuarial value	3.7%	5.7%
• Ratio - actuarial value to market value	112.4%	107.4%
• External cash flow %	-1.8%	-1.8%
Actuarial Information		
• Normal cost %	14.02%	14.16%
• Actuarial accrued liability (AAL)	\$6,567,397	\$6,162,095
• Unfunded actuarial accrued liability (UAAL)	2,212,544	1,895,301
• Funded ratio	66.3%	69.2%
• Funding period (years)	30	27
Reconciliation of UAAL		
• Beginning of Year UAAL	\$1,895,301	\$1,800,520
- Interest on UAAL	142,148	135,039
- Amortization payment	(123,814)	(113,446)
- Assumption/method changes	120,909	0
- Asset experience	160,261	73,742
- Salary experience	17,265	1,883
- Other liability experience	474	(2,437)
- Legislative Changes	0	0
• End of Year UAAL	\$2,212,544	\$1,895,301

¹ The contribution rates determined by the 2016 valuation are established by Section 9-11-225 of the South Carolina Code and become effective for the fiscal year beginning July 1, 2018. The employer contribution rates shown above include the cost for both the accidental and incidental death benefits.

² The rates shown for the 2015 and 2016 valuation are the minimum required contribution rates. State Statutes permit the Board to increase the contribution rates above the amounts shown, subject to certain limits. Effective July 1, 2016, the Board elected to increase the employer and member contribution rate to 14.24% and 9.24%, respectively.

Retirement System for Judges and Solicitors (JSRS)

Executive Summary (Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2016	July 1, 2015
Membership		
• Number of		
- Active members ¹	157	157
- Retirees and beneficiaries	187	186
- DROP and Retired-in-Place members	23	20
- Inactive members	<u>2</u>	<u>2</u>
- Total	346	345
• Projected payroll of active members	\$21,958	\$21,267
Contribution Rates		
• Employer contribution rate	49.42% ²	47.97%
• Member	10.00%	10.00%
Assets		
• Market value	\$140,717	\$146,353
• Actuarial value	158,837	157,983
• Return on market value	-0.7%	1.5%
• Return on actuarial value	3.6%	5.6%
• Ratio of actuarial to market value of assets	112.9%	107.9%
• External cash flow %	-3.3%	-2.2%
Actuarial Information		
• Normal cost %	27.69%	27.68%
• Actuarial accrued liability (AAL)	\$283,304	\$269,675
• Unfunded actuarial accrued liability (UAAL)	124,467	111,692
• Funded ratio	56.1%	58.6%
• Funding period (years)	30	27
Reconciliation of UAAL		
• Beginning of Year UAAL	\$111,692	\$111,454
- Interest on UAAL	8,377	8,359
- Amortization payment	(7,609)	(7,104)
- Assumption/method changes	6,102	0
- Asset experience	6,129	3,104
- COLA	907	(5,377)
- Salary experience	(2,346)	(594)
- Other liability experience	1,215	1,381
- Legislative Changes	<u>0</u>	<u>469</u>
• End of Year UAAL	\$124,467	\$111,692

¹ Active member counts include unfilled positions and members in DROP or Retired-in-Place.

² The contribution rate determined by the July 1, 2016 actuarial valuation is subject to approval and adoption by the Public Employee Benefit Authority before becoming effective for the fiscal year beginning July 1, 2018. The contribution rate includes the cost of incidental death benefits.

Retirement System for Members of the General Assembly of the State of South Carolina (GARS)

Executive Summary

(Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2016	July 1, 2015
Membership		
• Number of		
- Active positions	102	104
- Special contributors	17	16
- Retirees and beneficiaries	358	362
- Inactive members	<u>32</u>	<u>36</u>
- Total	509	518
• Projected payroll	\$2,316	\$2,338
Contribution Requirement		
• Member contribution rate	11.00%	11.00%
• Employer contribution requirement ¹	\$5,428	\$4,777
Assets		
• Market value	\$30,188	\$32,482
• Actuarial value	35,926	37,312
• Return on market value	-0.8%	1.4%
• Return on actuarial value	1.6%	4.4%
• Ratio - actuarial value to market value	119.0%	114.9%
• External cash flow %	-6.4%	-6.1%
Actuarial Information		
• Normal cost %	22.91%	21.08%
• Actuarial accrued liability (AAL)	\$ 74,996	\$74,509
• Unfunded actuarial accrued liability (UAAL)	39,070	37,197
• Funded ratio	47.9%	50.1%
• Funding period from the valuation date	11 Years	12 years
Reconciliation of UAAL		
• Beginning of Year UAAL	\$37,197	\$36,868
- Interest on UAAL	2,790	2,765
- Amortization payment	(4,542)	(4,153)
- Assumption change	808	0
- Asset experience	2,099	1,207
- Liability experience	718	510
- Legislative changes	<u>0</u>	<u>0</u>
• End of Year UAAL	39,070	\$37,197

¹ The contribution requirement determined by the July 1, 2016 actuarial valuation is subject to approval and adoption by the Public Employee Benefit Authority before becoming effective for the fiscal year beginning July 1, 2018.

South Carolina National Guard Supplemental Retirement Plan (SCNG)

Executive Summary

(Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2016	July 1, 2015
Membership <ul style="list-style-type: none"> • Number of <ul style="list-style-type: none"> - Active Members - Retirees and Beneficiaries - Inactive Members - Total 	12,253 4,709 1,969 <hr/> 18,931	12,165 4,647 2,052 <hr/> 18,864
Annual Required Contribution <ul style="list-style-type: none"> • Member • Employer contribution¹ 	\$0 \$4,814	\$0 \$4,509
Assets <ul style="list-style-type: none"> • Market value • Actuarial value • Return on market value • Return on actuarial value • Ratio - actuarial value to market value • External cash flow % 	\$23,350 26,751 -0.6% 2.9% 114.6% 1.2%	\$23,202 25,727 1.3% 5.6% 110.9% 1.5%
Actuarial Information <ul style="list-style-type: none"> • Normal cost • Actuarial accrued liability (AAL) • Unfunded actuarial accrued liability (UAAL) • Funded ratio • Amortization period (blended) 	\$763 64,445 37,694 41.5% 17	\$689 62,141 36,414 41.4% 17
Reconciliation of UAAL <ul style="list-style-type: none"> • Beginning of Year UAAL - Interest on UAAL - Amortization payment - Assumption/method changes - Asset experience - Other liability experience - Legislative changes • End of Year UAAL 	\$36,414 2,731 (4,194) 2,276 1,197 (730) 0 <hr/> \$37,694	\$38,071 2,855 (4,193) 0 631 (950) 0 <hr/> \$36,414

¹ The contribution amount determined by the actuarial valuation is effective for the following fiscal year.