

ACTUARIAL SERVICES

DEPARTMENT OVERVIEW - FEBRUARY 14-15, 2019

LOOKING BACK AT 2018 – VALUATION RESULTS

Actuarial Information – Pension Trust	Dec 31, 2017	Dec 31, 2016
Actuarially Determined Employer Contribution	13.09%	13.27%
Funded Ratio	87.4%	86.3%
UAAL as % of Pay	64.6%	70.0%
Single Equivalent Amortization Period	18.8 years	19.7 years

LOOKING BACK AT 2018 – CONTRIBUTIONS

Actual 2018 Contribution Rates (as of January 31, 2019)

113 cities with a phase-in rate less than the full rate

16 paid phase-in rate

2 paid between phase-in and full rate

82 paid full rate

13 paid above the full rate

762 cities with full rate only

674 paid full rate

88 paid above the full rate

LOOKING BACK AT 2018 - CITIES

5 new cities in 2018 (10 Studies)

124 plan design changes for 81 cities (60 increased benefits and 3 decreased benefits that affected contribution rates)

Assisted 146 cities with financial analysis including budget projections and varying contribution rates

Provided 12 cities with rate stabilization studies - detailed projections of the impact of additional monthly contributions on UAAL amortization period and the long term contribution savings

Responded to 100+ auditor requests for additional information, clarification or reconciliation of amounts reported

Educated 6 cities considering ad hoc USC/COLA adoptions about the long term cost and potential impact on their GASB 68 financial statements

LOOKING BACK AT 2018 – DEPARTMENT

Executive workshops – focused on rate stabilization and the impact of additional contributions on UAAL/Amortization Period and associated cost savings

Issued a RFP for Actuarial Consulting Services (team evaluated, graded, interviewed references and finalists as well as made a final recommendation to the board)

GASB 75 Implementation for Other Post Employment Benefit (OPEB) Plans for FYE June – Dec

Legislative Interim Actuarial Studies (SDB, COLA, Ad Hoc Benefits, Return to Work)

LOOKING FORWARD TO 2019

Strategic Plan Goal 1/Objective A – ongoing communication with cities regarding rate stabilization/surplus management techniques

Executive Workshops

Legislative Actuarial Studies

Benefit Accumulation Fund Interest Credit – early estimates indicate we will eliminate all deferred gains and move to a deferred loss position

2018 Actuarial Valuation – potential for rate increases due to asset losses

GASB 68 and GASB 75 (Implementation year for FYE Jan – May)

Experience Study – review economic and demographic experience of pension trust and appropriate fund balance and contribution requirements for SDB fund

Asset/Liability and Asset Allocation Study – in coordination with Investment Team

GRS Dashboard Launch

Questions?