

ACTUARIAL SERVICES

DEPARTMENT OVERVIEW - FEBRUARY 13-14, 2020

LOOKING BACK AT 2019 – VALUATION RESULTS

| Actuarial Information – Pension Trust | Dec 31, 2018 | Dec 31, 2017 |
|--|--------------|--------------|
| Actuarially Determined Employer Contribution | 13.58% | 13.09% |
| Funded Ratio | 87.1% | 87.4% |
| UAAL as % of Pay | 67.4% | 64.6% |
| Single Equivalent Amortization Period | 18.2 years | 18.8 years |

LOOKING BACK AT 2019 – CONTRIBUTIONS

Actual 2019 Contribution Rates (as of January 28, 2020)

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

4 paid phase-in rate

0 paid between phase-in and full rate

12 paid full rate

1 paid above the full rate

860 cities with full rate only

747 paid full rate

113 paid above the full rate

LOOKING BACK AT 2019 - CITIES

1 new city in 2019 (10 Studies)

110 plan design changes for 76 cities (54 increased benefits and 2 decreased benefits that affected contribution rates)

Assisted 156 cities with financial analysis including budget projections and varying contribution rates

Provided 17 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 144 auditor requests for additional information, clarification or reconciliation of amounts reported

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

LOOKING BACK AT 2019 – DEPARTMENT

2019 Actuarial Experience Study

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

Executive workshops – focused on the results of the 2019 Experience Study as well as the City Dashboard rollout

Legislative – assisted the Legislative team in passing SB1337

City Dashboard – planned, tested and rolled out the City Dashboard (as of January 28, 2020, there have been 333 page hits)

LOOKING FORWARD TO 2020

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

Executive Workshops – to be decided after new Executive Director starts

Benefit Accumulation Fund Interest Credit – early estimates indicate we have a very good chance of eliminating all deferred losses (need a 13.39% BAF interest credit) and possibly move to a slight deferred gain position

2019 Actuarial Valuation – this will include the results from the 2019 Actuarial Experience Study and a comparison of the new versus old actuarial assumptions

Questions?