

Decisions on the Register of Deeds' Supplemental Pension Fund

Issue: The estimated Annual Required Contribution (ARC) of \$0, which is more than the 1.5% of monthly receipts collected pursuant to Article 1 of Chapter 161 of the General Statutes. Additionally, the fund is over funded with a funded ratio of 202.5%. However, subsequent to the valuation report, an experience study has been performed. Based on the proposed assumptions from the experience study, the fund has a funded ratio of 156.4% and the Annual Required Contribution (ARC) for fiscal year ending 2017 would still be \$0. Therefore, the monthly benefit amount could be increased. However, increasing the maximum monthly benefit from \$1,500 to \$1,550 for future and current members in receipt of benefits would produce an ARC above \$0.

One Policy Option for Consideration by the Board of Trustees

Option One – Recommend no change to Current Benefit Structure Based on Approved Experience Study Assumptions:

Recommend no change to the current benefit structure.



Prepared by Staff of the Retirement Systems Division,
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April 21, 2016

**SUMMARY OF ALTERNATIVES
FOR PRESENTATION TO THE 2016 GENERAL ASSEMBLY**

<u>Retirement System</u>	<u>Employer Contributions</u>	<u>Enhance Benefits</u>
Register of Deeds' Supplemental Pension Fund	No change to employer contributions.	Increases equal to \$34,989.

FOOTNOTES:

¹The total ARC for fiscal year ending 2017 is less than \$0 based on a 30-year amortization of the unfunded accrued liability, which is not allowed under GASB 67/68. Therefore, the accrued liability contribution was set such that the total employer ARC equals \$0. Based on the assumptions from the experience study, the Annual Required Contribution (ARC) for fiscal year ending 2017 would be \$(34,989).