

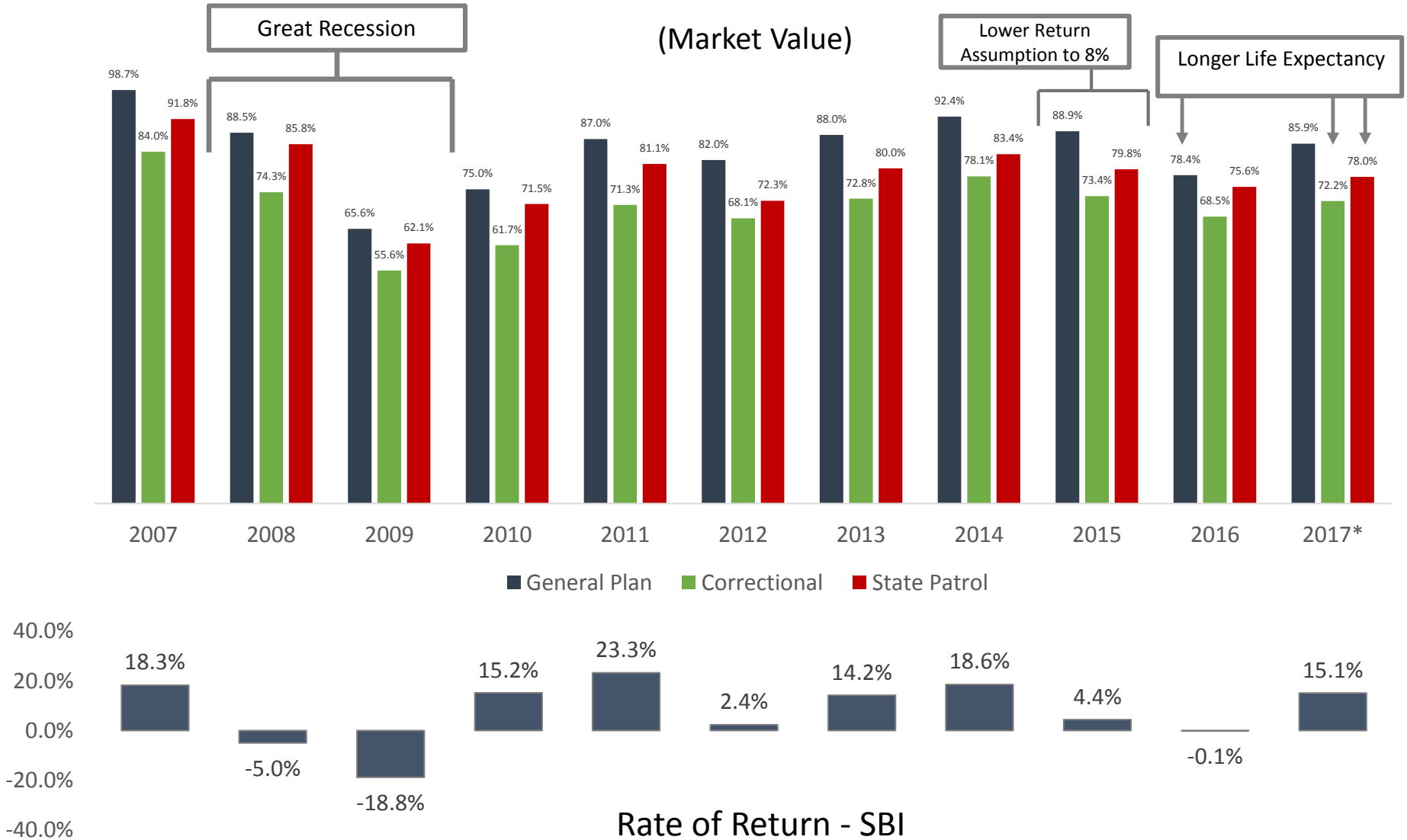


Plan Status Update

Legislative Commission on Pensions & Retirement

September 20, 2017

Investment Returns & Assumption Changes Impact Funding



Financial Status Comparing 2016 & 2017 Estimated (8.0% Assumption)

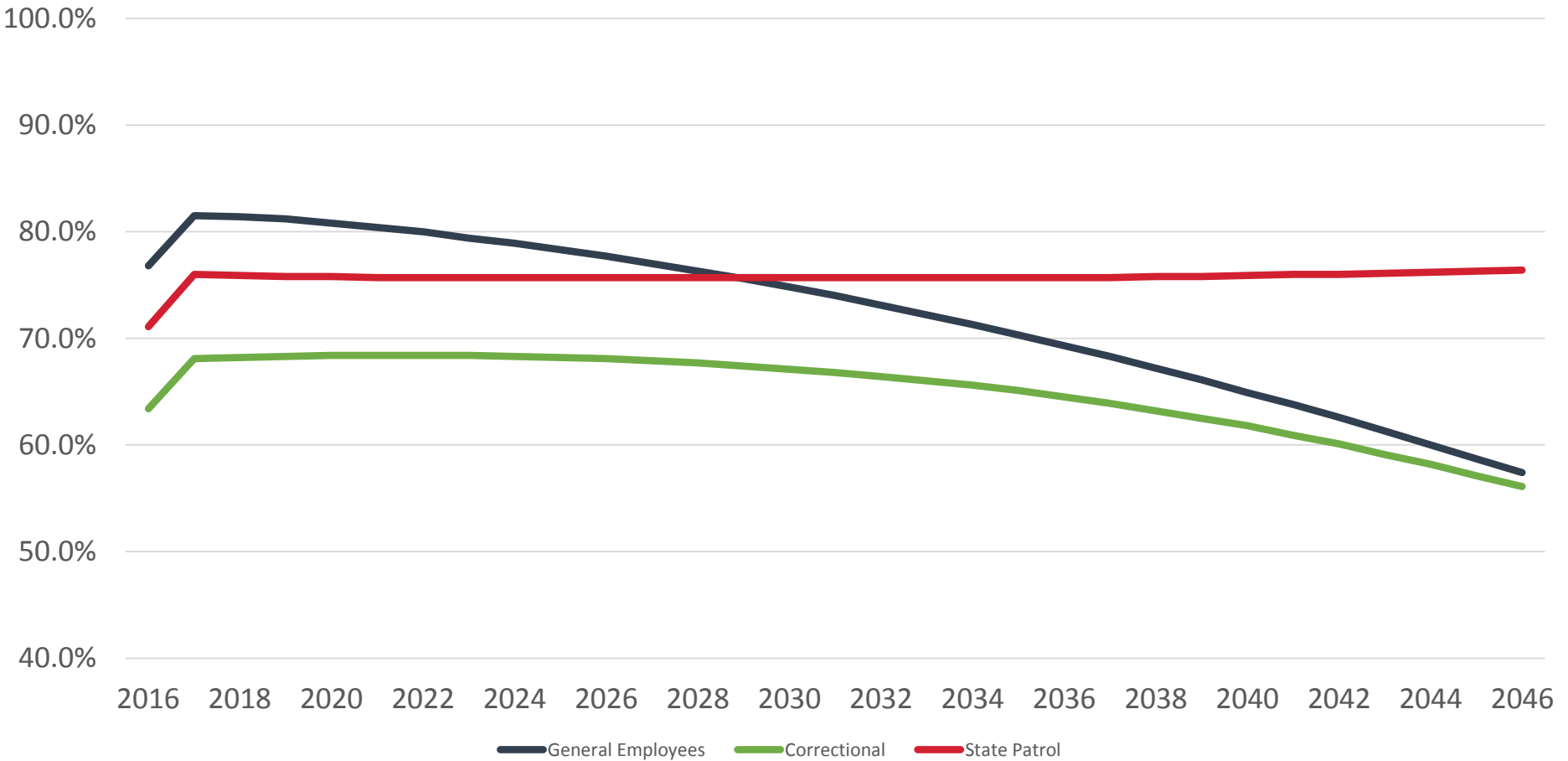
	General Plan*		Correctional Plan**		State Patrol Plan**	
	2016	2017	2016	2017	2016	2017
Total Assets (market value)	\$11.2 billion	\$12.4 billion	\$899.6 million	\$1,021.7 million	\$630.0 million	\$691.0 million
Unfunded Liability	\$3.1 billion	\$2.0 billion	\$413.9 million	\$392.7 million	\$203.9 million	\$194.5 million
Funded Ratio (market value)	78.4%	85.9%	68.5%	72.2%	75.6%	78.0%
Employee Contributions	5.5%		9.1%		14.4%	
Employer Contributions	5.5%		12.85%		21.6%	
Contribution Deficiency (market value)	(4.5%)	(2.0%)	(6.7%)	(6.4%)	(5.5%)	(6.2%)

*General Plan numbers reflect assumption changes for longevity in FY16 & 17

** Correctional & State Patrol Plan assumption changes in FY17

Plan Funding Projections

7.5% assumption after 15.1% return



Financial Status Estimate 2017- 8.0% vs. 7.5% Assumption

	General Plan*		Correctional Plan**		State Patrol Plan**	
	8.0%	7.5%	8.0%	7.5%	8.0%	7.5%
Total Assets (market value)	\$12.4 billion	\$12.4 billion	\$1,021.7 million	\$1,021.7 million	\$691.0 million	\$691.0 million
Unfunded Liability	\$2.0 billion	\$2.8 billion	\$392.7 million	\$478.6 million	\$194.5 million	\$218.2 million
Funded Ratio (market value)	85.9%	81.5%	72.2%	68.1%	78.0%	76.0%
Employee Contributions	5.5%		9.1%		14.4%	
Employer Contributions	5.5%		12.85%		21.6%	
Contribution Deficiency (market value)	(2.0%)	(4.3%)	(6.4%)	(10.15%)	(6.2%)	(8.7%)***
Cost to go to 7.5%	\$800 million 2.3% of pay		\$85.9 million 3.75% of pay		\$23.7 million 2.5% of pay	

*General Plan numbers reflect assumption changes for longevity in FY16 & 17

** Correctional & State Patrol Plan assumption changes in FY17

***Includes \$1 million annual state contribution

Impact of 2017 Session without Pension Bill

- COLA for General & Correctional Retirees
 - General Plan about \$7 million
(2% instead of 1%)
 - Correctional Plan \$900,000
(2% instead of 1.5%)
- Foregone revenue from contributions
 - 8.8 million from employees
 - 16.4 million from employer
- Contribution deficiencies remain for all plans
- Long-term projections flat or down

