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SUMMARY OF 2020 VALUATION RESULTS

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# South Carolina Retirement System (SCRS)

## Executive Summary

(Dollar amounts expressed in thousands)

	Valuation Date:	
	July 1, 2020	July 1, 2019
<b>Membership</b>		
• Number of		
- Active Members	201,144	200,264
- Retirees and Beneficiaries	146,131	144,292
- Inactive Members	198,926	191,113
- Total	546,201	535,669
• Projected payroll of active members	\$9,788,610	\$9,272,010
• Projected payroll for all members, including working retirees and members in ORP	\$11,928,366	\$11,335,475
<b>Required Contribution Rates</b>		
• Employer contribution rate <sup>1</sup>	16.56%	15.56%
• Member	9.00%	9.00%
<b>Assets</b>		
• Market value	\$26,292,418	\$27,238,916
• Actuarial value	28,171,964	27,443,804
• Return on market value	-1.6%	5.7%
• Return on actuarial value	4.5%	4.1%
• Ratio of actuarial to market value of assets	107.1%	100.8%
• External cash flow %	-1.9%	-2.5%
<b>Actuarial Information</b>		
• Normal cost %	10.63%	10.64%
• Actuarial accrued liability (AAL)	\$52,061,245	\$50,438,807
• Unfunded actuarial accrued liability (UAAL)	23,889,281	22,995,003
• Funded ratio	54.1%	54.4%
• Funding period (years) <sup>2</sup>	20	23
<b>Reconciliation of UAAL</b>		
• Beginning of Year UAAL	\$22,995,003	\$22,073,826
- Interest on UAAL	1,667,138	1,600,352
- Amortization payment	(1,680,754)	(1,437,792)
- Assumption/method changes	0	0
- Asset experience	738,295	847,002
- Salary experience	177,935	(45,360)
- Other liability experience	(8,336)	(43,025)
- Legislative Changes	0	0
• End of Year UAAL	\$23,889,281	\$22,995,003

<sup>1</sup> The employer contribution rates in effect for FY 2020, FY 2021, and FY 2022, are 15.56%, 15.56%, and 16.56% of pay, respectively. These scheduled contribution rates were enacted by the Retirement System Funding and Administration Act of 2017, as amended by Act 135 of 2020. These contribution rates include the cost of incidental death benefits.

<sup>2</sup> The 23 year funding period shown for 2019 is based on the contribution rate schedule as modified by Act 135 of 2020. The funding period for 2020 is determined on an actuarial value of asset basis and is based on the contribution rate scheduled to become effective for FY 2022 (i.e. beginning July 1, 2021 and ending June 30, 2022).

# Police Officers Retirement System (PORS)

## Executive Summary

(Dollar amounts expressed in thousands)

	Valuation Date:	
	July 1, 2020	July 1, 2019
<b>Membership</b>		
• Number of		
- Active members	27,795	27,397
- Retirees and beneficiaries	19,625	19,094
- Inactive members	18,811	17,944
- Total	66,231	64,435
• Projected payroll of active members	\$1,440,645	\$1,378,255
• Projected payroll for all active members, including working retirees	\$1,556,669	\$1,494,540
<b>Required Contribution Rates</b>		
• Employer contribution rate <sup>1</sup>	19.24%	18.24%
• Member	9.75%	9.75%
<b>Assets</b>		
• Market value	\$4,730,175	\$4,815,809
• Actuarial value	5,069,748	4,852,573
• Return on market value	-1.6%	5.8%
• Return on actuarial value	4.6%	4.7%
• Ratio - actuarial value to market value	107.2%	100.8%
• External cash flow %	-0.1%	-0.3%
<b>Actuarial Information</b>		
• Normal cost %	14.47%	14.54%
• Actuarial accrued liability (AAL)	\$8,111,938	\$7,737,415
• Unfunded actuarial accrued liability (UAAL)	3,042,190	2,884,842
• Funded ratio	62.5%	62.7%
• Funding period (years) <sup>2</sup>	18	20
<b>Reconciliation of UAAL</b>		
• Beginning of Year UAAL	\$2,884,842	\$2,723,891
- Interest on UAAL	209,151	197,482
- Amortization payment	(229,602)	(198,126)
- Assumption/method changes	0	0
- Asset experience	130,430	122,108
- Salary experience	38,748	14,408
- Other liability experience	8,621	25,079
- Legislative Changes	0	0
• End of Year UAAL	\$3,042,190	\$2,884,842

<sup>1</sup> The employer contribution rates in effect for FY 2020, FY 2021, and FY 2022 are 18.24%, 18.24%, and 19.24% of pay, respectively. These scheduled contribution rates was enacted by the Retirement System Funding and Administration Act of 2017, as amended by Act 135 of 2020. These contribution rates include the cost of accidental and incidental death benefits.

<sup>2</sup> The 20 year funding period shown for 2019 is based on the contribution rate schedule as modified by Act 135 of 2020. The funding period for 2020 is determined on an actuarial value of asset basis and is based on the contribution rate scheduled to become effective for FY 2022 (i.e. beginning July 1, 2021 and ending June 30, 2022).

# Retirement System for Judges and Solicitors (JSRS)

## Executive Summary

(Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2020	July 1, 2019
<b>Membership</b>		
<ul style="list-style-type: none"> <li>• Number of               <ul style="list-style-type: none"> <li>- Active members<sup>1</sup> <span style="float: right;">160</span></li> <li>- Retirees and beneficiaries <span style="float: right;">205</span></li> <li>- Inactive members <span style="float: right; border-bottom: 1px solid black;">4</span></li> <li>- Total <span style="float: right;">369</span></li> </ul> </li> <li>• Projected payroll of active members <span style="float: right;">\$30,346</span></li> </ul>	<span style="float: right; border-bottom: 1px solid black;">6</span> <span style="float: right;">363</span>	<span style="float: right; border-bottom: 1px solid black;">6</span> <span style="float: right;">363</span>
<b>Contribution Rates</b>		
<ul style="list-style-type: none"> <li>• Employer contribution rate <span style="float: right;">62.94% <sup>2</sup></span></li> <li>• Non-Payroll based State appropriations <span style="float: right;">\$2,900</span></li> <li>• Member <span style="float: right;">10.00%</span></li> </ul>	<span style="float: right;">62.94%</span> <span style="float: right;">\$2,900</span> <span style="float: right;">10.00%</span>	<span style="float: right;">62.94%</span> <span style="float: right;">\$2,900</span> <span style="float: right;">10.00%</span>
<b>Assets</b>		
<ul style="list-style-type: none"> <li>• Market value <span style="float: right;">\$165,250</span></li> <li>• Actuarial value <span style="float: right;">176,649</span></li> <li>• Return on market value <span style="float: right;">-1.4%</span></li> <li>• Return on actuarial value <span style="float: right;">4.6%</span></li> <li>• Ratio of actuarial to market value of assets <span style="float: right;">106.9%</span></li> <li>• External cash flow % <span style="float: right;">1.1%</span></li> </ul>	<span style="float: right;">5.8%</span> <span style="float: right;">4.4%</span> <span style="float: right;">100.8%</span> <span style="float: right;">-2.0%</span>	<span style="float: right;">5.8%</span> <span style="float: right;">4.4%</span> <span style="float: right;">100.8%</span> <span style="float: right;">-2.0%</span>
<b>Actuarial Information</b>		
<ul style="list-style-type: none"> <li>• Normal cost % <span style="float: right;">28.85%</span></li> <li>• Actuarial accrued liability (AAL) <span style="float: right;">\$415,069</span></li> <li>• Unfunded actuarial accrued liability (UAAL) <span style="float: right;">238,420</span></li> <li>• Funded ratio <span style="float: right;">42.6%</span></li> <li>• Calculated funding period (years) <span style="float: right;">21</span></li> </ul>	<span style="float: right;">29.51%</span> <span style="float: right;">\$399,746</span> <span style="float: right;">232,627</span> <span style="float: right;">41.8%</span> <span style="float: right;">20</span>	<span style="float: right;">29.51%</span> <span style="float: right;">\$399,746</span> <span style="float: right;">232,627</span> <span style="float: right;">41.8%</span> <span style="float: right;">20</span>
<b>Reconciliation of UAAL</b>		
<ul style="list-style-type: none"> <li>• Beginning of Year UAAL <span style="float: right;">\$232,627</span></li> <li>- Interest on UAAL <span style="float: right;">16,866</span></li> <li>- Amortization payment <span style="float: right;">(19,766)</span></li> <li>- Assumption/method changes <span style="float: right;">0</span></li> <li>- Asset experience <span style="float: right;">4,418</span></li> <li>- Benefit adjustment <span style="float: right;">(7,540)</span></li> <li>- Salary experience <span style="float: right;">(553)</span></li> <li>- Other liability experience <span style="float: right;">12,368</span></li> <li>- Legislative Changes <span style="float: right; border-bottom: 1px solid black;">0</span></li> <li>• End of Year UAAL <span style="float: right;">\$238,420</span></li> </ul>	<span style="float: right;">\$130,457</span> <span style="float: right;">9,458</span> <span style="float: right;">(9,032)</span> <span style="float: right;">0</span> <span style="float: right;">4,584</span> <span style="float: right;">64,361</span> <span style="float: right;">25,686</span> <span style="float: right;">7,113</span> <span style="float: right; border-bottom: 1px solid black;">0</span> <span style="float: right;">\$232,627</span>	<span style="float: right;">\$130,457</span> <span style="float: right;">9,458</span> <span style="float: right;">(9,032)</span> <span style="float: right;">0</span> <span style="float: right;">4,584</span> <span style="float: right;">64,361</span> <span style="float: right;">25,686</span> <span style="float: right;">7,113</span> <span style="float: right; border-bottom: 1px solid black;">0</span> <span style="float: right;">\$232,627</span>

<sup>1</sup> Active member counts include 18 and 21 retired-in-place members as of July 1, 2020 and July 1, 2019, respectively and also includes unfilled positions.

<sup>2</sup> The 62.94% 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, 2020	July 1, 2019
<b>Membership</b> <ul style="list-style-type: none"> <li>• Number of               <ul style="list-style-type: none"> <li>- Active positions</li> <li>- Special contributors</li> <li>- Retirees and beneficiaries</li> <li>- Inactive members</li> <li>- Total</li> </ul> </li> <li>• Projected payroll</li> </ul>	69 18 338 <u>35</u> 460 \$1,570	69 19 345 <u>36</u> 469 \$1,570
<b>Contribution Requirement</b> <ul style="list-style-type: none"> <li>• Member contribution rate</li> <li>• Employer contribution requirement <sup>1</sup></li> </ul>	11.00% \$6,279	11.00% \$5,956
<b>Assets</b> <ul style="list-style-type: none"> <li>• Market value</li> <li>• Actuarial value</li> <li>• Return on market value</li> <li>• Return on actuarial value</li> <li>• Ratio - actuarial value to market value</li> <li>• External cash flow %</li> </ul>	\$34,454 36,869 -1.3% 4.4% 107.0% 0.6%	\$34,712 35,140 5.7% 2.3% 101.2% -1.6%
<b>Actuarial Information</b> <ul style="list-style-type: none"> <li>• Normal cost %</li> <li>• Actuarial accrued liability (AAL)</li> <li>• Unfunded actuarial accrued liability (UAAL)</li> <li>• Funded ratio</li> <li>• Funding period from the valuation date</li> </ul>	23.26% \$71,426 34,557 51.6% 7 Years	22.91% \$72,055 36,915 48.8% 8 Years
<b>Reconciliation of UAAL</b> <ul style="list-style-type: none"> <li>• Beginning of Year UAAL</li> <li>- Interest on UAAL</li> <li>- Amortization payment</li> <li>- Assumption change</li> <li>- Asset experience</li> <li>- Liability experience</li> <li>- Legislative changes</li> <li>• End of Year UAAL</li> </ul>	\$36,915 2,235 (6,092) 0 1,010 489 <u>0</u> \$34,557	\$38,102 2,762 (5,725) 0 1,703 73 <u>0</u> \$36,915

<sup>1</sup> The contribution requirement determined by the July 1, 2020 valuation is effective for the fiscal year beginning July 1, 2021. The contribution requirement determined by the July 1, 2019 valuation was adopted by the Board to be effective for the fiscal year beginning July 1, 2020.

# South Carolina National Guard Supplemental Retirement Plan (SCNG)

## Executive Summary

(Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2020	July 1, 2019
<b>Membership</b> <ul style="list-style-type: none"> <li>• Number of               <ul style="list-style-type: none"> <li>- Active Members <span style="float: right;">12,099</span></li> <li>- Retirees <span style="float: right;">4,981</span></li> <li>- Inactive Members <span style="float: right;"><u>1,739</u></span></li> <li>- Total <span style="float: right;">18,819</span></li> </ul> </li> </ul>		12,100 4,923 <u>1,823</u> 18,846
<b>Annual Required Contribution</b> <ul style="list-style-type: none"> <li>• Member <span style="float: right;">\$0</span></li> <li>• Employer contribution<sup>1</sup> <span style="float: right;">\$4,405</span></li> </ul>		\$0 \$5,188
<b>Assets</b> <ul style="list-style-type: none"> <li>• Market value <span style="float: right;">\$31,092</span></li> <li>• Actuarial value <span style="float: right;">33,299</span></li> <li>• Return on market value <span style="float: right;">-1.1%</span></li> <li>• Return on actuarial value <span style="float: right;">4.5%</span></li> <li>• Ratio - actuarial value to market value <span style="float: right;">107.1%</span></li> <li>• External cash flow % <span style="float: right;">2.5%</span></li> </ul>		\$30,683 31,122 5.6% 3.8% 101.4% 2.6%
<b>Actuarial Information</b> <ul style="list-style-type: none"> <li>• Normal cost <span style="float: right;">\$821</span></li> <li>• Actuarial accrued liability (AAL) <span style="float: right;">66,597</span></li> <li>• Unfunded actuarial accrued liability (UAAL) <span style="float: right;">33,298</span></li> <li>• Funded ratio <span style="float: right;">50.0%</span></li> <li>• Amortization period<sup>2</sup> <span style="float: right;">16</span></li> </ul>		\$820 66,523 35,401 46.8% 17
<b>Reconciliation of UAAL</b> <ul style="list-style-type: none"> <li>• Beginning of Year UAAL <span style="float: right;">\$35,401</span></li> <li>- Interest on UAAL <span style="float: right;">2,567</span></li> <li>- Amortization payment <span style="float: right;">(4,633)</span></li> <li>- Assumption/method changes <span style="float: right;">0</span></li> <li>- Asset experience <span style="float: right;">868</span></li> <li>- Other liability experience <span style="float: right;">(905)</span></li> <li>- Legislative changes <span style="float: right;"><u>0</u></span></li> <li>• End of Year UAAL <span style="float: right;">33,298</span></li> </ul>		\$36,946 2,679 (4,652) 0 1,011 (583) <u>0</u> \$35,401

<sup>1</sup> The contribution amount determined by the actuarial valuation is effective for the following fiscal year. The calculated contribution amount for FY 2020 was \$5,188 thousand, however the state appropriations were \$5,290 thousand.

<sup>2</sup> As of July 1, 2020, there is one year remaining in the amortization of the unfunded liability attributable to the 2006 legislation change and 16 years remaining in the amortization of the unfunded liability due to other plan experience.