
SUMMARY OF 2021 VALUATION RESULTS

South Carolina Retirement System (SCRS)

Executive Summary

(Dollar amounts expressed in thousands)

	Valuation Date:	
	July 1, 2021	July 1, 2020
Membership		
• Number of		
- Active Members	199,162	201,144
- Retirees and Beneficiaries	148,008	146,131
- Inactive Members	<u>207,341</u>	<u>198,926</u>
- Total	554,511	546,201
• Projected payroll of active members	\$9,925,834	\$9,788,610
• Projected payroll for all members, including working retirees and members in ORP	\$12,056,309	\$11,928,366
Required Contribution Rates		
• Employer contribution rate ¹	17.56%	16.56%
• Member	9.00%	9.00%
Assets		
• Market value	\$33,490,306	\$26,292,418
• Actuarial value	30,346,626	28,171,964
• Return on market value	29.9%	-1.6%
• Return on actuarial value	9.8%	4.5%
• Ratio of actuarial to market value of assets	90.6%	107.1%
• External cash flow %	-1.9%	-1.9%
Actuarial Information		
• Normal cost %	10.95%	10.63%
• Actuarial accrued liability (AAL)	\$54,997,995	\$52,061,245
• Unfunded actuarial accrued liability (UAAL)	24,651,369	23,889,281
• Funded ratio	55.2%	54.1%
• Funding period (years) ²	20	20
Reconciliation of UAAL		
• Beginning of Year UAAL	\$23,889,281	\$22,995,003
- Interest on UAAL	1,731,973	1,667,138
- Amortization payment	(1,697,775)	(1,680,754)
- Assumption/method changes	1,616,362	0
- Asset experience	(722,129)	738,295
- Salary experience	(76,450)	177,935
- Other liability experience	(89,893)	(8,336)
- Legislative Changes	<u>0</u>	<u>0</u>
• End of Year UAAL	\$24,651,369	\$23,889,281

¹ The employer contribution rates in effect for FY 2021, FY 2022, and FY 2023, are 15.56%, 16.56%, and 17.56% of pay, respectively. These scheduled contribution rates were enacted by the Retirement System Funding and Administration Act of 2017 and last amended by Act 135 and a subsequent proviso. These contribution rates include the cost of incidental death benefits.

² The funding period for 2021 is determined on an actuarial value of asset basis and is based on the contribution rate scheduled to become effective for FY 2023 (i.e. beginning July 1, 2022 and ending June 30, 2023).

Police Officers Retirement System (PORS)

Executive Summary

(Dollar amounts expressed in thousands)

	Valuation Date:	
	July 1, 2021	July 1, 2020
Membership		
• Number of		
- Active members	26,555	27,795
- Retirees and beneficiaries	20,181	19,625
- Inactive members	<u>20,589</u>	<u>18,811</u>
- Total	67,325	66,231
• Projected payroll of active members	\$1,434,621	\$1,440,645
• Projected payroll for all active members, including working retirees	\$1,544,722	\$1,556,669
Required Contribution Rates		
• Employer contribution rate ¹	20.24%	19.24%
• Member	9.75%	9.75%
Assets		
• Market value	\$6,111,672	\$4,730,175
• Actuarial value	5,534,837	5,069,748
• Return on market value	29.9%	-1.6%
• Return on actuarial value	9.8%	4.6%
• Ratio - actuarial value to market value	90.6%	107.2%
• External cash flow %	-0.5%	-0.1%
Actuarial Information		
• Normal cost %	15.38%	14.47%
• Actuarial accrued liability (AAL)	\$8,611,516	\$8,111,938
• Unfunded actuarial accrued liability (UAAL)	3,076,679	3,042,190
• Funded ratio	64.3%	62.5%
• Funding period (years) ²	19	18
Reconciliation of UAAL		
• Beginning of Year UAAL	\$3,042,190	\$2,884,842
- Interest on UAAL	220,559	209,151
- Amortization payment	(228,758)	(229,602)
- Assumption/method changes	233,935	0
- Asset experience	(125,236)	130,430
- Salary experience	(32,398)	38,748
- Other liability experience	(33,613)	8,621
- Legislative Changes	<u>0</u>	<u>0</u>
• End of Year UAAL	\$3,076,679	\$3,042,190

¹ The employer contribution rates in effect for FY 2021, FY 2022, and FY 2023 are 18.24%, 19.24%, and 20.24% of pay, respectively. These scheduled contribution rates came into existence by the Retirement System Funding and Administration Act of 2017 and last amended by Act 135 and a subsequent budget proviso. These contribution rates include the cost of accidental and incidental death benefits.

² The funding period for 2021 is determined on an actuarial value of asset basis and is based on the contribution rate scheduled to become effective for FY 2023 (i.e. beginning July 1, 2022 and ending June 30, 2023).

Retirement System for Judges and Solicitors (JSRS)

Executive Summary

(Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2021	July 1, 2020
Membership		
<ul style="list-style-type: none"> • Number of <ul style="list-style-type: none"> - Active members¹ 160 - Retirees and beneficiaries 213 - Inactive members 5 - Total 378 • Projected payroll of active members \$31,104 	369 \$30,346	
Contribution Rates		
<ul style="list-style-type: none"> • Employer contribution rate 62.94% ² • Non-Payroll based State appropriations \$2,900 • Member 10.00% 	62.94% \$2,900 10.00%	
Assets		
<ul style="list-style-type: none"> • Market value \$212,683 • Actuarial value 193,555 • Return on market value 28.9% • Return on actuarial value 9.7% • Ratio of actuarial to market value of assets 91.0% • External cash flow % -0.1% 	\$165,250 176,649 -1.4% 4.6% 106.9% 1.1%	
Actuarial Information		
<ul style="list-style-type: none"> • Normal cost % 30.77% • Actuarial accrued liability (AAL) \$444,357 • Unfunded actuarial accrued liability (UAAL) 250,802 • Funded ratio 43.6% • Calculated funding period (years) 23 	28.85% \$415,069 238,420 42.6% 21	
Reconciliation of UAAL		
<ul style="list-style-type: none"> • Beginning of Year UAAL \$238,420 - Interest on UAAL 17,285 - Amortization payment (18,412) - Assumption/method changes 18,021 - Asset experience (4,333) - Benefit adjustment (710) - Salary experience (336) - Other liability experience 867 - Legislative Changes 0 • End of Year UAAL 250,802 	\$232,627 16,866 (19,766) 0 4,418 (7,540) (553) 12,368 0 \$238,420	

¹ Active member counts include 16 and 18 retired-in-place members as of July 1, 2021 and July 1, 2020, respectively and also includes unfilled positions.

² 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, 2021	July 1, 2020
Membership		
<ul style="list-style-type: none"> • Number of <ul style="list-style-type: none"> - Active positions - Special contributors - Retirees and beneficiaries - Inactive members - Total • Projected payroll 	55 18 341 37 <hr/> 451 \$1,249	69 18 338 35 <hr/> 460 \$1,570
Contribution Requirement		
<ul style="list-style-type: none"> • Member contribution rate • Employer contribution requirement ¹ 	11.00% \$6,308	11.00% \$6,279
Assets		
<ul style="list-style-type: none"> • Market value • Actuarial value • Return on market value • Return on actuarial value • Ratio - actuarial value to market value • External cash flow % 	\$43,655 40,056 27.5% 9.3% 91.8% -0.6%	\$34,454 36,869 -1.3% 4.4% 107.0% 0.6%
Actuarial Information		
<ul style="list-style-type: none"> • Normal cost % • Actuarial accrued liability (AAL) • Unfunded actuarial accrued liability (UAAL) • Funded ratio • Funding period from the valuation date 	22.21% \$71,433 31,377 56.1% 6 Years	23.26% \$71,426 34,557 51.6% 7 Years
Reconciliation of UAAL		
<ul style="list-style-type: none"> • Beginning of Year UAAL - Interest on UAAL - Amortization payment - Assumption change - Asset experience - Liability experience - Legislative changes • End of Year UAAL 	\$34,557 2,087 (5,769) 1,499 (766) (231) 0 <hr/> \$31,377	\$36,915 2,235 (6,092) 0 1,010 489 0 <hr/> \$34,557

¹ The contribution requirement determined by the July 1, 2021 valuation is effective for the fiscal year beginning July 1, 2022. The contribution requirement determined by the July 1, 2020 valuation was adopted by the Board to be effective for the fiscal year beginning July 1, 2021.

South Carolina National Guard Supplemental Retirement Plan (SCNG)

Executive Summary

(Dollar amounts expressed in thousands)

Valuation Date:	July 1, 2021	July 1, 2020
Membership <ul style="list-style-type: none"> • Number of <ul style="list-style-type: none"> - Active Members - Retirees - Inactive Members - Total 	12,146 5,027 <u>1,635</u> 18,808	12,099 4,981 <u>1,739</u> 18,819
Annual Required Contribution <ul style="list-style-type: none"> • Member • Employer contribution¹ 	\$0 \$3,984	\$0 \$4,405
Assets <ul style="list-style-type: none"> • Market value • Actuarial value • Return on market value • Return on actuarial value • Ratio - actuarial value to market value • External cash flow % 	\$39,784 36,958 25.4% 8.8% 92.9% 2.0%	\$31,092 33,299 -1.1% 4.5% 107.1% 2.5%
Actuarial Information <ul style="list-style-type: none"> • Normal cost • Actuarial accrued liability (AAL) • Unfunded actuarial accrued liability (UAAL) • Funded ratio • Amortization period 	\$806 68,332 31,374 54.1% 15	\$821 66,597 33,298 50.0% 16
Reconciliation of UAAL <ul style="list-style-type: none"> • Beginning of Year UAAL - Interest on UAAL - Amortization payment - Assumption/method changes - Asset experience - Other liability experience - Legislative changes • End of Year UAAL 	\$33,298 2,414 (4,630) 1,102 (524) (286) <u>0</u> 31,374	\$35,401 2,567 (4,633) 0 868 (905) <u>0</u> \$33,298

¹ The contribution amount determined by the actuarial valuation is effective for the following fiscal year. The calculated contribution amount for FY 2021 was \$4,405 thousand. However, the state appropriations were \$5,290 thousand.