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 Statues. 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, Office of the State Treasurer
April 21, 2016
SUMMARY OF ALTERNATIVES
FOR PRESENTATION TO THE 2016 GENERAL ASSEMBLY

<table>
<thead>
<tr>
<th>Retirement System</th>
<th>Employer Contributions</th>
<th>Enhance Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Register of Deeds' Supplemental Pension Fund</td>
<td>No change to employer contributions.</td>
<td>Increases equal to $34,989.</td>
</tr>
</tbody>
</table>

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).