



**DAUPHIN COUNTY
EMPLOYEES' RETIREMENT FUND
ACTUARIAL EXPERIENCE STUDY**

**PENNSYLVANIA ASSOCIATION OF PUBLIC EMPLOYEES'
RETIREMENT SYSTEMS**

11th Annual Fall Workshop November 14-15, 2017

Timothy L. DeFoor, Dauphin County Controller

Retirement Fund Overview

- **Market Fund Value 2nd Quarter 2017 – \$322.7 million**
- **Funded Ratio 2nd Quarter 2017 – 91%**
- **Current Actuarial Assumed Rate of Return – 7.5%**
- **Number of Retirees and Beneficiaries Receiving Benefits – 1,139**
- **Terminated Members Entitled To Benefits – 238**
- **Active Members – 1,467**
- **Number of participating Employers: 1 (Dauphin County)**

Items Under Consideration By Retirement Board. Should We Change Our Assumptions?

Assumptions

	Base	Best Estimate	7.25% BE	7.25% 1/80
Assumed Return (interest rate for calculating liabilities)	7.5%	7.5%	7.25%	7.25%
Actual Return	7.5%	6.0% next 10 years, then 7.5%	6.0% next 10 years, then 7.5%	6.0% next 10 years, then 7.5%
Assumed Wage Increases	4.5%	4.5%	4.5%	4.5%
Actual Wage Increases	4.5%	3.5% next 10 years, then 4.5%	3.5% next 10 years, then 4.5%	3.5% next 10 years, then 4.5%
Benefit Class (for new employees)	1/60	1/60	1/60	1/80

Questions We Hoped To Answer With An Actuarial Experience Study

- What was our _____ from January 1, 2012 through January 1, 2017?
 - Actuarial Experience
 - Rate of Return on Investments
 - Consumer Price Index
 - Salary Increase Percentage
 - Mortality Rate
 - Retirement Rates
 - Turnover, or Withdraw
 - Disability Rate

Questions Answered By The Experience Study

- Our actual ____ from January 1, 2012 through January 1, 2017 is..
 - Rate of Return on Investments was 7.6% (Assumed Rate of Return 7.5%)
 - Consumer Price Index was 1.36%
 - Salary increase have averaged 3.26% (Assumed Salary Increase 4.5%)
 - Mortality Rate showed 143 deaths vs. 153.97 under current mortality table and 142.46 under RP-2014. Total exposures were 5,281..
 - Retirement Rates show a high rate of employees retiring around age 62 with between 20 and 25 years of service.
 - Turnover, or Withdraw rate showed 546 members terminated compared to 694 expected terminations.
 - Currently no employees are on disability.