## South Carolina Retirement System Cost impact of Various Plan Changes under the Recommended Assumptions

Scenario #2 plus

Current Plan	Plan Change Scenario	Proposed Assumptions 1% COLA Current Plan		Eliminate TERI & RTW for Members Not Eligible as of July 1, 2012		Scenario #1 plus 7.50% Member Contribution Rate and Cost Neutral Service Purchase #2		5-yr Final Avg Comp 60&30 Normal Ret 8% Early Ret Factor Eliminate Sick and Annual Leave Credits	
2. Normal Cost         10.77%         10.33%         10.47%         9.50%           b. Member Contribution Rate         6.50%         6.50%         7.50%         7.50%         7.50%         7.50%         7.50%         2.00%				#1					
a.         Total Normal Cost Rate         10.77%         10.33%         10.47%         9.50%           b.         Member Contribution Rate         6.50%         6.50%         7.50%         7.50%           c.         Employer Normal Cost Rate         4.27%         3.83%         2.97%         2.00%           3.         Actuarial Accrued Liability         3.876.504         \$ 15,139,103         \$ 13,598,018           b.         Inactive Members         22,937,401	1. Projected Payroll for Next Fiscal Year	\$	7,688,659	\$	7,688,659	\$	7,688,659	\$	7,688,659
b. Member Contribution Rate 6.50% 6.50% 7.50% 7.50% 7.50% 6.50% 7.50% 7.50% 6.50% 7.	2. Normal Cost								
b. Member Contribution Rate c. Employer Normal Cost Rate d. 4.27% d. 3.83% c. Employer Normal Cost Rate d. 4.27% d. 3.83% d. 2.97% d. 2.00%  3. Actuarial Accrued Liability a. Active Members b. Inactive Members c. Total Actuarial Accrued Liability c. Total Actuarial Accrued Liability d. Actuarial Value of Assets d. 2.937,401 d. Actuarial Value of Assets d. 2.5,400,331	a. Total Normal Cost Rate		10.77%		10.33%		10.4794		0.500/
c. Employer Normal Cost Rate 4.27% 3.83% 2.97% 2.00% 2.00% 3.83% 2.97% 2.00% 2.00% 3.83% 2.97% 2.00% 2	b. Member Contribution Rate								
a. Active Members       \$ 15,791,269       \$ 15,084,362       \$ 15,139,103       \$ 13,598,018         b. Inactive Members       22,937,401       22,937,401       22,937,401       22,937,401       22,937,401       22,937,401       22,937,401       22,937,401       22,937,401       \$ 22,937,401       \$ 22,937,401       \$ 22,937,401       \$ 36,535,419       \$ 36,535,419       \$ 38,021,763       \$ 38,076,504       \$ 36,535,419       \$ 36,535,419       \$ 25,400,331 </td <td>c. Employer Normal Cost Rate</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	c. Employer Normal Cost Rate								
b. Inactive Members 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 22,937,401 38,021,763 \$ 38,021,763 \$ 38,076,504 \$ 36,535,419    4. Actuarial Value of Assets \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 11,135,088    5. Unfunded Actuarial Accrued Liability (3.c 4.) \$ 13,328,339 \$ 12,621,432 \$ 12,676,173 \$ 11,135,088    6. Funding Ratio - Actuarial Value Assets Basis 65.6% 66.8% 66.8% 66.7% 53.9%    7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 53.9%    Statutory Contribution Rate Information    8. Employer Normal Cost 4.27% 3.83% 2.97% 2.00% 9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68%    10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68%    11. Amortization Period - Current Contribution Rate 65 52 37 23    12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54%    13. 30-Year Contribution Rate - Market Value 11.56% 11.22% 10.41% 8.54%	3. Actuarial Accrued Liability								
b. Inactive Members c. Total Actuarial Accrued Liability \$ 38,728,670 \$ 38,021,763 \$ 38,076,504 \$ 36,535,419  4. Actuarial Value of Assets \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 25,400,331  5. Unfunded Actuarial Accrued Liability (3.c 4.) \$ 13,328,339 \$ 12,621,432 \$ 12,676,173 \$ 11,135,088  6. Funding Ratio - Actuarial Value Assets Basis 6. Funding Ratio - Actuarial Value Assets Basis 7. Funding Ratio - Market Value of Assets Basis 50.8% 66.8% 66.8% 66.8% 66.7% 69.5% 7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 53.9%  Statutory Contribution Rate Information 8. Employer Normal Cost 9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68% 10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68% 11. Amortization Period - Current Contribution Rate 65 52 37 23 12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54%	a. Active Members	\$	15,791,269	\$	15 084 362	\$	15 130 103	•	12 500 010
c. Total Actuarial Accrued Liability \$ 38,728,670 \$ 38,021,763 \$ 38,076,504 \$ 36,535,419  4. Actuarial Value of Assets \$ 25,400,331 \$ 25,400,331 \$ 25,400,331 \$ 25,400,331  5. Unfunded Actuarial Accrued Liability (3.c 4.) \$ 13,328,339 \$ 12,621,432 \$ 12,676,173 \$ 11,135,088  6. Funding Ratio - Actuarial Value Assets Basis 65.6% 66.8% 66.7% 69.5%  7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 53.9%  Statutory Contribution Rate Information  8. Employer Normal Cost 4.27% 3.83% 2.97% 2.00%  9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68%  10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68%  11. Amortization Period - Current Contribution Rate 65 52 37 23  12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54%						Ψ		Φ	
5. Unfunded Actuarial Accrued Liability (3.c 4.) \$ 13,328,339 \$ 12,621,432 \$ 12,676,173 \$ 11,135,088  6. Funding Ratio - Actuarial Value Assets Basis 65.6% 66.8% 66.7% 69.5%  7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 53.9%  Statutory Contribution Rate Information  8. Employer Normal Cost 4.27% 3.83% 2.97% 2.00%  9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68%  10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68%  11. Amortization Period - Current Contribution Rate 65 52 37 23  12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54%	c. Total Actuarial Accrued Liability	\$		\$	· · · · · · · · · · · · · · · · · · ·	\$		\$	
6. Funding Ratio - Actuarial Value Assets Basis 65.6% 66.8% 66.7% 69.5% 7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 53.9%    Statutory Contribution Rate Information 8. Employer Normal Cost 4.27% 3.83% 2.97% 2.00% 9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68% 10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68% 9.68% 11. Amortization Period - Current Contribution Rate 65 52 37 23 12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54%	4. Actuarial Value of Assets	\$	25,400,331	\$	25,400,331	\$	25,400,331	\$	25,400,331
7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 69.3% 53.9%   Statutory Contribution Rate Information   8. Employer Normal Cost 4.27% 3.83% 2.97% 2.00% 9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68% 10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68% 9.68% 9.68% 11. Amortization Period - Current Contribution Rate 65 52 37 23 12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54% 13. 30-Year Contribution Rate - Market Value 11.56% 11.22% 10.41% 8.54%	5. Unfunded Actuarial Accrued Liability (3.c 4.)	\$	13,328,339	\$	12,621,432	\$	12,676,173	\$	11,135,088
7. Funding Ratio - Market Value of Assets Basis 50.8% 51.8% 51.7% 53.9%   Statutory Contribution Rate Information  8. Employer Normal Cost 4.27% 3.83% 2.97% 2.00%  9. Amortization of Unfunded Liability 5.41% 5.85% 6.71% 7.68%  10. Total Employer Contribution Rate 9.68% 9.68% 9.68% 9.68% 9.68%  11. Amortization Period - Current Contribution Rate 65 52 37 23   12. 30-Year Contribution Rate - Actuarial Value 11.56% 11.22% 10.41% 8.54%  13. 30-Year Contribution Rate - Market Value 15.67%			65.6%		66.8%		66.7%		60.59/
8. Employer Normal Cost       4.27%       3.83%       2.97%       2.00%         9. Amortization of Unfunded Liability       5.41%       5.85%       6.71%       7.68%         10. Total Employer Contribution Rate       9.68%       9.68%       9.68%       9.68%         11. Amortization Period - Current Contribution Rate       65       52       37       23         12. 30-Year Contribution Rate - Actuarial Value       11.56%       11.22%       10.41%       8.54%         13. 30-Year Contribution Rate - Market Value       16.67%       10.41%       8.54%	7. Funding Ratio - Market Value of Assets Basis		50.8%						
9. Amortization of Unfunded Liability       5.41%       5.85%       6.71%       7.68%         10. Total Employer Contribution Rate       9.68%       9.68%       9.68%       9.68%         11. Amortization Period - Current Contribution Rate       65       52       37       23         12. 30-Year Contribution Rate - Actuarial Value       11.56%       11.22%       10.41%       8.54%         13. 30-Year Contribution Rate - Market Value       16.67%       10.41%       8.54%	Statutory Contribution Rate Information								
9. Amortization of Unfunded Liability       5.41%       5.85%       6.71%       7.68%         10. Total Employer Contribution Rate       9.68%       9.68%       9.68%       9.68%         11. Amortization Period - Current Contribution Rate       65       52       37       23         12. 30-Year Contribution Rate - Actuarial Value       11.56%       11.22%       10.41%       8.54%         13. 30-Year Contribution Rate - Market Value       16.67%       10.41%       8.54%			4.27%		3 83%		2 97%		2.009/
10. Total Employer Contribution Rate       9.68%       9.68%       9.68%       9.68%         11. Amortization Period - Current Contribution Rate       65       52       37       23         12. 30-Year Contribution Rate - Actuarial Value       11.56%       11.22%       10.41%       8.54%         13. 30-Year Contribution Rate - Market Value       15.67%       10.41%       8.54%			5.41%						
12. 30-Year Contribution Rate - Actuarial Value 13. 30-Year Contribution Rate - Market Value 14. 156% 15. 67% 16. 67% 17. 10.41% 18.54%	10. Total Employer Contribution Rate		9.68%					•	
12. 30-Year Contribution Rate - Actuarial Value 13. 30-Year Contribution Rate - Market Value 14. 56% 15. 67% 16. 67% 17. 67% 18. 54%	11. Amortization Period - Current Contribution Rate		65		52		37		23
13 30-Year Contribution Rate - Market Value 8.54%	12. 30-Year Contribution Rate - Actuarial Value		11.56%		11 22%		10 410/		
	13. 30-Year Contribution Rate - Market Value						14.03%		8.54% 12.13%

## \$ in thousands

## Notes and assumptions:

- Projected payroll for fiscal year 2011 (excludes compensation attributable to members in TERI and return to work retirees).
- Plan changes in scenarios #1, #2, and #3 are modeled assuming the changes only apply to members who are not retirement eligible as of July 1, 2012.
- Cost and liabilities are determined using asset and census information as of July 1, 2010 and the recommended assumptions proposed by GRS.