UCRS Advisory Board

Meeting of February 22, 2013

AGENDA ITEM D

UCRP – Annual Required Contribution – Projections and Progress

At the request of the Vice Chair, Paul Angelo of the Segal Company will discuss the Annual Required Contribution (ARC) for UCRP and how it may fluctuate in relation to investment returns and employer and employee contributions over the next two fiscal years.

As a reference for the discussion, the attached chart illustrates the Plan's ARC and modified ARC in relation to scheduled employer and employee contributions (figures for fiscal year 2014-2015 are projected). Also attached is the TFIR statement on the urgency of reaching the UCRP Annual Required Contribution. As background for a broader discussion on UCRP's funding policy, also attached is a July 2012 issue brief from the American Academy of Actuaries on pension plan funding ratios and Segal's November 2011 Public Sector Letter on planning for a successful pension plan funding policy.

Attachments