UCRS Advisory Board

Meeting of March 3, 2023

AGENDA ITEM A

UCRP – Overview of Actuarial Experience Study

Following introductory remarks by John Monroe, Manager of Actuarial Services, Actuaries Paul Angelo and Emily Klare from Segal, will provide an overview of the upcoming Actuarial Experience Study (Study) for UCRP. Attached for your reference is a presentation that provides an overview of the Study that will be conducted by Segal.

The Study will generally compare UCRP's current actuarial assumptions to the actual experience from July 1, 2018 through June 30, 2022. Segal will determine if adjustments to UCRP's assumptions are warranted for use in future valuations of liabilities and costs.

Specifically, UCRP's actual, as compared to expected experience will be analyzed with respect to the following actuarial assumptions:

- mortality, termination, disability and retirement rates;
- merit and promotional salary increases, adjusted for estimated wage inflation;
- other valuation assumptions, including the percentage of UCRP members with eligible survivors, sick leave conversion, future rates of benefit accrual, Lump Sum Cashout (LSC) elections, deferred vested retirement ages and unknown member sex codes; and
- whether significant patterns or trends existed which indicated that a change should be made to the Plan's actuarial valuation assumptions.

The Study will also determine whether UCRP's current economic assumptions, including the assumed rate of inflation and investment return, are still appropriate.

The Study is expected to go to the Board of Regents for action in July 2023. The actuarial assumptions adopted by the Board of Regents will be effective with the July 1, 2023 Actuarial Valuation for UCRP.

Attachment