

Media Workshop: Media Tool Kit and Q&A

September 18, 2017

Media Toolkit: Impact of Discount Rate Change

Discount Rate		7.5%	
Average Duration of Liabilities		14	
MVA	AAL	UAAL	Funded Ratio
\$100	\$150	\$50	66.7%
With New Discount Rate #1		7.0%	
MVA	AAL	UAAL	Funded Ratio
\$100	\$160	\$60	62.5%
With New Discount Rate #2		5.0%	
MVA	AAL	UAAL	Funded Ratio
\$100	\$223	\$123	44.9%

AAL calculation with new Discount Rates: $AAL * ((1 + \text{Discount Rate})^{\text{Avg. Duration}} / (1 + \text{New Discount Rate})^{\text{Avg. Duration}})$

Media Toolkit: Other Metrics

Financial

$$\text{Actual Rate of Return} = \frac{\text{Investment Gain/Loss} + \text{Dividends} + \text{Income}}{\text{Beginning MVA}}$$

$$\text{Actuarial Gain/Loss} = \text{Beginning MVA} * (\text{Actual Rate of Return} - \text{Assumed Rate of Return})$$

$$\text{Compound Annual Growth Rate} = \left(\frac{\text{Ending MVA}}{\text{Beginning MVA}} \right)^{1/n} - 1$$

$$\text{Total Expense Ratio} = \frac{\text{Total Annual Fees}}{\text{Total Assets Averaged Over Current Year}}$$

Demographic

$$\text{Plan Maturity} = \frac{\text{Number of Active Members}}{\text{Number of Retired Members} + \text{Beneficiaries}}$$

Media Toolkit : Resources

- Pension Tracker Team
- SIEPR Publications
 - Policy Briefs
 - Working Papers
- US and CA Pension Tracker
 - Data
 - Analytics
 - Charts and graphs