

# American Federation of Musicians and Employers' Pension Fund Stats for 2016

American Federation of Musicians and Employers' Pension Fund and Subsidiary has provided pension benefits since 1959. Benefits are related to service and compensation (up to the maximum allowed to be recognized for pension benefits under federal law).<sup>1</sup> In general the plan considers age 65 to be standard retirement age, but musicians with at least 5 years of service may begin receiving retirement benefits as early as age 55 with reductions to reflect that they will probably receive benefits for a longer time.

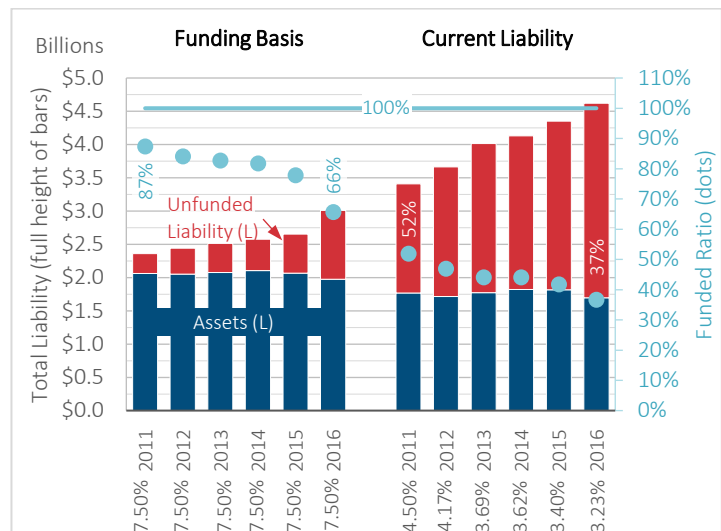
## Pension Plan Stats<sup>2</sup>

As of April 1, 2016

Active participants	21,031
Retirees receiving pension benefits	13,989
Inactive participants <sup>3</sup>	<u>15,137</u>
Total participants	50,157
Average approximate annual pension benefit \$11,000	
Total pension benefits paid for 2016	\$158 million
Contributions for 2016	\$68 million
Assets for minimum required funding <sup>4</sup> \$2.0 billion	
Liability for minimum required funding	\$3.0 billion
Unfunded liability for minimum funding	\$1.0 billion
Funded ratio (based on unrounded values)	66%
Market value of assets \$1.7 billion	
Current Liability <sup>5</sup>	\$4.6 billion
Unfunded Current Liability	\$2.9 billion
Funded ratio (based on unrounded values)	37%

## Plan Funded Status

2011–2016



## About Pension Finances

For funding purposes, the discount rate used to compute liabilities represents the long-term expected return on assets; this plan uses 7.50%. In addition, assets may be smoothed. For funding purposes, the plan is 66% funded for 2016.

The discount rate for Current Liability must be based on a 4-year average of 30-year Treasury securities; this plan's rate is 3.23% for 2016. Against the market value of assets, the plan's Current Liability is 37% funded for 2016.



For more Society of Actuaries' pension plan stats:  
<https://www.soa.org/research-reports/2016/2016-multiemployer-pension-plan-stats/>



For more Society of Actuaries' research on pension plans and retirement issues in general:  
<https://www.soa.org/research/topics/pension-res-report-list/>

<sup>1</sup> Internal Revenue Code §415 defines the maximum benefits. For 2016 the limit is \$210,000, increasing to \$215,000 for 2017 and \$220,000 for 2018.

<sup>2</sup> Based on publicly available Department of Labor Forms 5500 with accompanying schedules. Some figures may not add because of rounding.

<sup>3</sup> Former active participants who have not yet started to receive pension benefits.

<sup>4</sup> As reported by the plan's actuary on the plan's Form 5500 Schedule MB. Internal Revenue Code §§431–432 and accompanying regulations define minimum funding requirements for multiemployer pension plans.

<sup>5</sup> Current Liability for multiemployer pension plans is defined by Internal Revenue Code §431(c)(6).

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