San Francisco Community College District

Actuarial Study of
Retiree Health Liabilities Under GASB 74/75
Roll-forward Valuation
Valuation Date: June 30, 2019
Measurement Date9 te13 (F12 (mo)14 (r)F12 (m)13 (sc)]6-a)12 (a)10 (

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PART I: EXECUTIVE SUMMARY .....1.....

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PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS .....8...

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F. Certification

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PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

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C. Actuarial Accrual

$FFRXQWLQJ SUDFWLFH IRU GHWHUPLQLQJ SHQVLRQ FRVW 7RWDO SHQVLRQ
OLIHWLPH)RU WKLV UHDVRQ WKH *RYHUQPHQWDO $FFRXQWLQJ 6W
6WDQGDUGV DQG IRU UHWLUHH KHDOWK EHQHILWV 7KHVH VWD
FRVW RI UHWLUHH KHDOWK EHQHILWV IRU FXUUHQW RU IXWXUH UH
LQGLUYHDQWLPSULDWXVVLG\´

7R DFWXDULDOO\ DFFUXH UHWLUHH KHDOWK EHQHILWV UHTXLU
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,Q RUGHU WR DFFUXH WKH $393%3 RYHU WKH ZRUNLQJ OLIHWL
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PHWKRGRGWKHQDJFXFDUHGWRKRFXDU\ GHWHUPLQHV WKH VHUYLFH
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PART III: ACTUARIAL ASSUMPTIONS AND METHODS

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B. ECONOMIC ASSUMPTIONS:

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WKLQJV $623 SURYLGHV WKDW HFRQRPLF DVVXPSWLRQV VKRXOG
)RU WKDW UHDVRQ ZH VKRZ RXU DVVXPHG ORQJ WHUP LQIODWLRQ

,1)/$7,21:H DVVXPHSGHU \HDU XVHG IRU SHQVLRQ SXUSRVHV $FW
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ORQJ WHUP KLVWRULFDO UHWXUQV IRU VXSOXV IXQGV LQYHV
HW VHT

75(1':H DVVXPHG SHU \HDU 2XU ORQJ WHUP WUHQG DVVXP
ZKLOH PHGLFDO WUHQG ZLOO H[FHHG LQIODWLRQ WR EH F\FOLFDO WKH

Measurement Period	Experience (Gain)/Loss	Original									

3D\ $V <RX *R &RVW The proposed benefit payments to retirees and actuarial valuation. Actuarial benefit payments estimated amounts. For 2023 plans that do not return the Pay As You Go Cost serves as an estimate

5HWLUHPHQW 5DWH The proportion of active employees who retire usually based on age and length of service, in conjunction with the service requirement. The more likely employees are to retire early, the lower the accrued liability will be

6HUYLFH &RVW The present value of benefits that are attributed to one year of service. Normal cost and health benefits are the portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. Normal cost and health benefits are the portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method.

6HUYLFH 5HTXLUHPHQW The number of years of service an employee must complete to be eligible for a benefit. Some plans require a minimum number of years of service. A shorter service requirement and ages. A shorter service requirement and

7RWDO 23(% /LDELOLW\ The total present value of all benefits that are attributed to service already rendered. The total present value of all benefits that are attributed to service already rendered.

7UHQG 5DWH The rate at which the cost of a benefit is expected to increase over time. The trend rate is usually based on assumptions about inflation, utilization, and other factors affecting the cost of benefits. The trend rate is usually based on assumptions about inflation, utilization, and other factors affecting the cost of benefits.

7XUQRYHU 5DWH The rate at which employees cease employment due to resignation, retirement, disability, or other reasons. Turnover rates are usually based on age, service, and other factors affecting employee turnover. Higher turnover rates may result in lower benefit costs and administrative costs.

9DOXDWLRQ 'DWH The date as of which the 23(% obligation is valuation. Under *$6% and the valuation date may be earlier than the measurement date, but not more than three months earlier.