

# GCCCD PERS & STRS 6-YEAR FORECAST

## ANALYSIS OF OPTIONS USING PRSF<sup>(1)</sup>

2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021

### PERS

Employer Rate	<b>11.771%</b>	<b>11.847%</b>	<b>13.05%</b>	<b>16.60%</b>	<b>18.20%</b>	<b>19.90%</b>	<b>20.40%</b>
Annual PERS increase	N/A	\$ 17,427	\$ 281,375	\$ 846,932	\$ 389,350	\$ 421,958	\$ 126,588

### STRS

Employer Rate	<b>8.880%</b>	<b>10.730%</b>	<b>12.58%</b>	<b>14.43%</b>	<b>16.28%</b>	<b>18.13%</b>	<b>19.10%</b>
Annual STRS increase	N/A	\$ 732,449	\$ 747,098	\$ 762,040	\$ 777,281	\$ 792,826	\$ 424,012

### Option 1 (Use one-time funds to pay 100% of increase)

Beginning balance	\$ -	\$ 9,020,000	\$ 7,241,651	\$ 3,854,330			
Annual fiscal impact	(2)	\$ (1,778,349)	\$ (3,387,321)	\$ (4,553,952)	\$ (5,768,736)	\$ (6,319,336)	
One-time funding		\$ 9,020,000					
Ending balance		<u>\$ 9,020,000</u>	<u>\$ 7,241,651</u>	<u>\$ 3,854,330</u>	PRSF funds depleted		

### Option 2 (Use one-time funds to pay 50%, expense other 50%)

Beginning balance	\$ -	\$ 9,020,000	\$ 8,130,825	\$ 6,437,164	\$ 4,160,188	\$ 1,275,820	
Annual fiscal impact	(2)	\$ (889,175)	\$ (1,693,661)	\$ (2,276,976)	\$ (2,884,368)	\$ (3,159,668)	
One-time funding		\$ 9,020,000					
Ending balance		<u>\$ 9,020,000</u>	<u>\$ 8,130,825</u>	<u>\$ 6,437,164</u>	<u>\$ 4,160,188</u>	<u>\$ 1,275,820</u>	PRSF funds depleted

### Option 3 (Stabilize amount for 5 years, use one-time funds to pay 100% of increase)

Beginning balance	\$ -	\$ 9,020,000	\$ 4,658,461	\$ 296,922			
Annual fiscal impact	(2)	\$ (4,361,539)	\$ (4,361,539)	\$ (4,361,539)	\$ (4,361,539)	\$ (4,361,539)	
One-time funding		\$ 9,020,000					
Ending balance		<u>\$ 9,020,000</u>	<u>\$ 4,658,461</u>	<u>\$ 296,922</u>	PRSF funds depleted		

### Option 4 (Stabilize amount for 5 years, use one-time funds to pay 50% of increase)

Beginning balance	\$ -	\$ 9,020,000	\$ 6,839,230	\$ 4,658,460	\$ 2,477,690	\$ 296,920	
Annual fiscal impact	(2)	\$ (2,180,770)	\$ (2,180,770)	\$ (2,180,770)	\$ (2,180,770)	\$ (2,180,770)	
One-time funding		\$ 9,020,000					
Ending balance		<u>\$ 9,020,000</u>	<u>\$ 6,839,230</u>	<u>\$ 4,658,460</u>	<u>\$ 2,477,690</u>	<u>\$ 296,920</u>	PRSF funds depleted

(1) PRSF = Pension Rate Stabilization Fund  
(2) 2015/2016 funded via Unrestricted General Funds