



SOCIETY OF ACTUARIES

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Do you think the previous statements are crazy?

Do you think these statements are brilliant?

Are you unsure?

Come join the debate! These and other papers will be discussed at the “**The Great Controversy: Current Pension Actuarial Practice in Light of Financial Economics Symposium**” being held on June 24-25 2003 as part of the Spring Meeting (Health, Long Term Care & Pension) in Vancouver, BC. You can register today for the symposium only at the SOA Web site at <http://www.soa.org/conted/bro123.html> (scroll to the bottom for the registration card) or you are automatically registered for the symposium when you register for the Spring Meeting at <http://www.soa.org/conted/vancouver/vancouver.html>.

The symposium is recommended to satisfy 720 minutes of non-core credit to meet enrolled actuary continuing education requirements.

The symposium will present 23 papers on the following topics:

- The Employer Perspective
- Solvency Measures and Related Issues
- Investment
- Benefit Adequacy and DB/DC Issues
- Valuation (with special emphases on Employer Choices and Assumptions/Methods)

Don't miss your chance to be part of the discussion!

To read more about the papers being presented, go to www.soa.org/sections/pension_financial_econ.html. ♦

SOA Distance Learning Subscriptions *Virtual Access to Quality, Cost-effective Continuing Education*

by John Riley, Managing Director of Continuing Education

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How would you like to meet your continuing education requirements for only \$150 a year?

The SOA is offering pension actuaries access to dozens of Web-based and audiotape learning assets for one, low annual fee. These programs can be used to meet joint board requirements for core and non-core continuing education credits *and save you hundreds of dollars! Best of all, the cost of delivering Enrolled Actuary (EA) questionnaires, audiotapes and presentation visuals is included in the subscription fee! No additional fees or hidden charges!*

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A portion of your subscription fee is dedicated to creating high-quality, interactive web-based training programs. Subscribers have a stake in determining the content of these future programs. You may submit your ideas for future WBT to John Riley, SOA Managing Director of Continuing Education, at jriley@soa.org.

Subscriber Benefits:

- Up to eight audiotapes (12 hours of core or non-core credit) from the SOA collection of over 100 sessions on pension-related topics conducted in 2000, 2001 and 2002. Visuals of these sessions will be provided electronically whenever possible. Subscribers may wait to order upcoming 2002 audiotapes as they become available. (\$100 value).
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How Do I Subscribe?

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and return it with check, by mail, or credit card information, by fax or e-mail, to the SOA. You will be enrolled for one year in all courses on the SOA Virtual Campus. Subscribers will receive a Distance Learning Subscription order form by e-mail for EA audiotapes, and may obtain up to eight audiotapes by placing one or two orders within the subscription year. Year 2003 titles will be included on the form as soon as they are available. Presentation visuals to accompany the tapes (when available) and EA questionnaires will be sent to you via e-mail at the time the tapes are mailed. ♦

SOA GASB Webcast

On February 24th, the Retirement Practice Area and Pension Section presented a webcast on the proposed account rules for State and Local employers related to OPEB benefits. The webcast was very well attended with over 100 sites and probably about 450 individuals listening in at those sites.

Karl Johnson, GASB project manager, presented the proposed rules and Bill Reimert, of Milliman USA, provided the actuarial view. This was the first exposure most had to the proposed standards, as they were only issued 10 days prior to the webcast. Key dis-

tinctions were made between these rules and FAS106. GASB expense calculations are more like pension funding (choice of funding method and 30-year amortization of unfunded liabilities) than FASB expense rules.

Those wanting a copy of the proposal can call GASB at 800.748.0659 and ask for product codes GE54 and GE55. The SOA also has a discussion forum set up on its Web site that you may wish to participate in. The discussion forum includes some of the survey questions asked as part of the webcast. ♦

Letters to the Editor

Summary of 2003 IRC, PBGC, Federal Tax, Social Security and Medicare Amounts, February 2003, Pension Section News

First, let me say that I found the latest edition of the *Pension Section News* to be full of useful information, and I'm very glad to have it. I thought that the section showing Social Security retirement age was a trifle simplified, though. If people aren't aware of what's really going on, and maybe no member of the Pension Section is in this category, they might look at the chart and think that the Social Security retirement age is increasing by a year and then staying the same for awhile, then increasing by a year again. In reality, as you probably know, full-retirement age goes up from age 65 to age 66 in two-month increments, then stays the same for 12 years, then goes up in two-month increments again to age 67. Social Security has a nice chart on their web site showing this at www.ssa.gov/retirechartred.htm.

I hope this doesn't sound too picky, but we have to take these retirement age changes into account in our projections where I work, so I noticed that the chart

wasn't quite accurate. Even though giving retirement age in years and months rather than just years may seem like too much detail, it can make a difference when dealing with projections and valuations for large plans (like the Railroad Retirement program). Of course, those few months also make a difference to anyone who wants to retire with full benefits rather than reduced ones. Since the *Pension Section News* is included in the SOA online library, which is searchable through the SOA Web site, it is possible that someone unfamiliar with the changes to the Social Security full-retirement age could be confused by the chart. It's very useful to have so much valuable information summarized in a few pages, so I think we should make every effort to be accurate when publishing material like this. ♦

Pat Pruitt
U.S. Railroad Retirement Board
Chicago, IL

Author Response

Dear Pat:

Thank you for your comments. Good points. Perhaps what is really needed is better table labeling. For purposes of permitted and imputed disparity (which is the purpose of covered compensation table) IRS uses integral SSNRAs, not exact SSNRAs.

Regards,
Heidi Rackley, FSA,
Mercer, Seattle, WA