

Development of Employer Contribution Rates Fiscal Year 2012-2013 (Includes Phase-in of Cost of Assumption Change)

The following table shows the development of the unfunded liabilities based on the smoothed actuarial value of assets. The unfunded liability on an actuarial value of assets basis is used only for purposes of setting the employer contribution and keeping the contribution rates as smooth as possible from year to year.

	State Miscellaneous	State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
Accrued Liability	\$ 81,271,085,568	\$ 2,831,498,651	\$ 7,224,281,258	\$ 30,127,480,709	\$ 8,193,449,625	\$ 58,358,406,128
Actuarial Value of Assets (AVA)	<u>\$ 64,792,922,278</u>	<u>\$ 2,435,530,361</u>	<u>\$ 5,914,941,212</u>	<u>\$ 23,317,993,416</u>	<u>\$ 5,990,968,539</u>	<u>\$ 51,547,418,456</u>
Unfunded Liability/(Surplus) AVA Basis	\$ 16,478,163,290	\$ 395,968,290	\$ 1,309,340,046	\$ 6,809,487,293	\$ 2,202,481,086	\$ 6,810,987,672

The following table shows the development of the employer contribution rates which includes the amortization of the unfunded liability calculated on an actuarial value of assets basis.

	State Miscellaneous		State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
	Tier 1	Tier 2					
Employer Contribution Amount							
Normal Cost	842,847,657	29,654,990	69,131,739	252,773,910	558,484,782	110,460,594	781,572,581
Payment on the Unfunded Liability	1,128,280,762	39,917,126	28,050,832	85,050,637	431,030,184	142,629,808	421,857,575
Payment for Term Life Benefits (Sec. 21600-21605)	<u>7,653,097</u>	<u>270,757</u>	<u>-</u>	<u>496,024</u>	<u>882,282</u>	<u>202,794</u>	N/A
Total Employer Contribution Amount	\$ 1,978,781,516	\$ 69,842,873	\$ 97,182,571	\$ 338,320,571	\$ 990,397,248	\$ 253,293,196	\$ 1,203,430,156
Projected Payroll	\$ 10,069,864,485	\$ 356,258,886	\$ 616,147,402	\$ 1,984,096,624	\$ 3,393,393,985	\$ 779,978,771	\$ 10,540,425,907
Employer Contribution (as a percent of payroll)							
Normal Cost	8.370%	8.324%	11.220%	12.740%	16.458%	14.162%	7.415%
Payment on the Unfunded Liability	11.205%	11.205%	4.553%	4.287%	12.702%	18.286%	4.002%
Payment for Term Life Benefits (Sec. 21600-21605)	<u>0.076%</u>	<u>0.076%</u>	<u>0.000%</u>	<u>0.025%</u>	<u>0.026%</u>	<u>0.026%</u>	N/A
Total Employer Contribution Rate	19.651%	19.605%	15.773%	17.052%	29.186%	32.474%	11.417%