

**Probability of High Levels of Employer Contribution Rates**

The tables below compare the probability of the employer contribution rate being above the given percentage in any year over the next 30 years. The results are based on 1,500 projections for 50 years using randomly simulated investment returns. Projections include impact of changes due to the PEPRA reform law. Data is as of June 30, 2011.

**State Miscellaneous**

<b>Method</b>	<b>Probability of Employer Rate above 30%</b>	<b>Probability of Employer Rate above 35%</b>	<b>Probability of Employer Rate above 40%</b>
Current Method	57%	33%	13%
Proposed Method	73%	53%	31%
Alternative 1	72%	54%	32%
Alternative 2	73%	57%	37%

**Schools Pool**

<b>Method</b>	<b>Probability of Employer Rate above 30%</b>	<b>Probability of Employer Rate above 35%</b>	<b>Probability of Employer Rate above 40%</b>
Current Method	11%	1%	0%
Proposed Method	31%	15%	4%
Alternative 1	31%	14%	4%
Alternative 2	34%	16%	5%

**Sample Public Agency Miscellaneous Plan**

<b>Method</b>	<b>Probability of Employer Rate above 30%</b>	<b>Probability of Employer Rate above 35%</b>	<b>Probability of Employer Rate above 40%</b>
Current Method	24%	6%	1%
Proposed Method	45%	23%	10%
Alternative 1	46%	23%	9%
Alternative 2	48%	25%	11%

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**CHP**

<b>Method</b>	<b>Probability of Employer Rate above 50%</b>	<b>Probability of Employer Rate above 55%</b>	<b>Probability of Employer Rate above 60%</b>
Current Method	47%	31%	17%
Proposed Method	66%	51%	38%
Alternative 1	66%	51%	38%
Alternative 2	67%	53%	40%

**POFF**

<b>Method</b>	<b>Probability of Employer Rate above 50%</b>	<b>Probability of Employer Rate above 55%</b>	<b>Probability of Employer Rate above 60%</b>
Current Method	18%	8%	2%
Proposed Method	43%	30%	19%
Alternative 1	43%	29%	18%
Alternative 2	45%	31%	19%

**Sample Public Agency Safety Plan**

<b>Method</b>	<b>Probability of Employer Rate above 50%</b>	<b>Probability of Employer Rate above 55%</b>	<b>Probability of Employer Rate above 60%</b>
Current Method	30%	16%	7%
Proposed Method	51%	38%	25%
Alternative 1	51%	38%	25%
Alternative 2	54%	40%	28%