

## Contribution Rate Impacts under Other Financing Options

### **Recommended Assumptions 20 Year Amortization with 7 Year Phase-In**

<b>State &amp; Schools</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 7) (% of payroll)
State CHP	3.4%	5.0%	14.9%
State POFF	2.3%	3.4%	10.0%
State Safety	0.5%	0.9%	3.2%
State Miscellaneous	0.7%	1.4%	5.9%
State Industrial	0.4%	0.8%	3.2%
Schools	0.8%	1.3%	4.6%

<b>Public Agencies</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 7) (% of payroll)
Safety CPO	1.6% to 2.1%	2.4% to 3.3%	7.9% to 9.8%
Safety Fire	0.0% to 0.5%	0.9% to 1.7%	7.1% to 8.2%
Safety Police	1.1% to 1.7%	1.8% to 3.0%	5.9% to 10.5%
Misc 3% at 60	0.6% to 0.7%	1.1% to 1.7%	4.5% to 7.6%
Misc 2.7% at 55	0.4% to 0.7%	0.8% to 1.7%	3.5% to 7.4%
Misc 2.5% at 55	0.2% to 0.4%	0.5% to 1.1%	2.7% to 5.5%
Misc 2% at 55	0.2% to 0.3%	0.4% to 1.1%	1.5% to 5.8%
Misc 2% at 60	0.3% to 0.4%	0.4% to 0.8%	1.1% to 3.5%

**Note**

- 1- Includes mortality improvements projected to 2028 using scale BB (i.e. 20 years of projections).
- 2- Assumes the increase in unfunded liability caused by the assumption change will be amortized in accordance with current Board policy i.e. over twenty year period and phased-in over seven years.
- 3- The ranges of changes in rates listed above for public agencies are expected to cover 90% of the public agency plans.

**Recommended Assumptions**  
**30 Year Amortization with 5 Year Phase-In**

<b>State &amp; Schools</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 5) (% of payroll)
State CHP	3.4%	4.9%	10.8%
State POFF	2.3%	3.3%	7.3%
State Safety	0.5%	0.9%	2.3%
State Miscellaneous	0.7%	1.3%	4.0%
State Industrial	0.4%	0.8%	2.2%
Schools	0.8%	1.3%	3.3%

<b>Public Agencies</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 5) (% of payroll)
Safety CPO	1.6% to 2.1%	2.3% to 3.2%	5.8% to 6.9%
Safety Fire	0.0% to 0.5%	0.9% to 1.6%	4.7% to 5.3%
Safety Police	1.1% to 1.7%	1.7% to 2.9%	4.2% to 7.3%
Misc 3% at 60	0.6% to 0.7%	1.1% to 1.6%	3.2% to 5.1%
Misc 2.7% at 55	0.4% to 0.7%	0.8% to 1.6%	2.5% to 5.0%
Misc 2.5% at 55	0.2% to 0.4%	0.5% to 1.0%	1.8% to 3.7%
Misc 2% at 55	0.2% to 0.3%	0.4% to 1.0%	1.1% to 3.9%
Misc 2% at 60	0.3% to 0.4%	0.4% to 0.8%	0.8% to 2.4%

**Note**

- 1- Includes mortality improvements projected to 2028 using scale BB (i.e. 20 years of projections).
- 2- Assumes the increase in unfunded liability caused by the assumption change will be amortized in accordance with current Board policy i.e. over thirty year period and phased-in over five years.
- 3- The ranges of changes in rates listed above for public agencies are expected to cover 90% of the public agency plans.

**Recommended Assumptions with Alternative Mortality Assumption**  
**20 Year Amortization with 7 Year Phase-In**

<b>State &amp; Schools</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 7) (% of payroll)
State CHP	3.2%	4.7%	13.6%
State POFF	2.1%	3.1%	8.9%
State Safety	0.4%	0.7%	2.5%
State Miscellaneous	0.5%	1.1%	4.6%
State Industrial	0.2%	0.6%	2.4%
Schools	0.6%	1.1%	3.7%

<b>Public Agencies</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 7) (% of payroll)
Safety CPO	1.4% to 1.9%	2.1% to 2.9%	7.0% to 8.2%
Safety Fire	0.0% to 0.3%	0.7% to 1.2%	5.5% to 6.2%
Safety Police	0.9% to 1.5%	1.5% to 2.6%	4.8% to 9.0%
Misc 3% at 60	0.4% to 0.5%	0.9% to 1.3%	3.7% to 5.9%
Misc 2.7% at 55	0.2% to 0.5%	0.6% to 1.3%	2.7% to 5.7%
Misc 2.5% at 55	0.0% to 0.2%	0.2% to 0.5%	1.3% to 2.1%
Misc 2% at 55	0.1% to 0.2%	0.2% to 0.7%	1.0% to 4.2%
Misc 2% at 60	0.1% to 0.2%	0.2% to 0.6%	0.7% to 2.6%

**Note**

- 1- Includes mortality improvements projected to 2023 using scale BB (i.e. 15 years of projections).
- 2- Assumes the increase in unfunded liability caused by the assumption change will be amortized in accordance with current Board policy i.e. over twenty year period and phased-in over seven years.
- 3- The ranges of changes in rates listed above for public agencies are expected to cover 90% of the public agency plans.

**Recommended Assumptions with Alternative Mortality Assumption**

**30 Year Amortization with 5 Year Phase-In**

<b>State &amp; Schools</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 5) (% of payroll)
State CHP	3.2%	4.6%	9.9%
State POFF	2.1%	3.0%	6.5%
State Safety	0.4%	0.6%	1.7%
State Miscellaneous	0.5%	1.0%	3.1%
State Industrial	0.2%	0.5%	1.6%
Schools	0.6%	1.0%	2.6%

<b>Public Agencies</b>			
Category	Total Estimated Change in Total Normal Cost (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 1) (% of payroll)	Total Estimated Ultimate Change in Employer Rate (Year 5) (% of payroll)
Safety CPO	1.4% to 1.9%	2.0% to 2.8%	5.2% to 5.8%
Safety Fire	0.0% to 0.3%	0.7% to 1.1%	3.6% to 3.9%
Safety Police	0.9% to 1.5%	1.4% to 2.5%	3.4% to 6.3%
Misc 3% at 60	0.4% to 0.5%	0.8% to 1.2%	2.5% to 4.0%
Misc 2.7% at 55	0.2% to 0.5%	0.5% to 1.2%	1.9% to 3.8%
Misc 2.5% at 55	0.0% to 0.2%	0.2% to 0.5%	0.9% to 1.5%
Misc 2% at 55	0.1% to 0.2%	0.2% to 0.7%	0.7% to 2.8%
Misc 2% at 60	0.1% to 0.2%	0.1% to 0.5%	0.6% to 1.7%

**Note**

- 1- Includes mortality improvements projected to 2023 using scale BB (i.e. 15 years of projections).
- 2- Assumes the increase in unfunded liability caused by the assumption change will be amortized in accordance with current Board policy i.e. over thirty year period and phased-in over five years.
- 3- The ranges of changes in rates listed above for public agencies are expected to cover 90% of the public agency plans.