



Actuarial Circular Letter

California Public Employees' Retirement System
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Circular Letter No: 200-041-17
Distribution: IV

To: All Public Agency Employers

Subject: 1959 Survivor Employer Billing Changes

Purpose The purpose of this Circular Letter is to inform you of changes to the billing process for 1959 Survivor employer contributions. These changes will affect public agency employers who contract for the 1959 Survivor Benefit Program. The 1959 Survivor Benefit Program is an employer contract provision that provides monthly benefits for eligible survivors of participating members who die while actively employed.

Employer Premiums In prior years, invoices for employer premiums were posted to my|CalPERS in January. The required premium amount was calculated by annualizing the number of employees covered by the 1959 Survivor Benefit Program at the beginning of the fiscal year. Beginning in fiscal Year 2017-18, invoices for employers who contracted for the 4th or Indexed Level of 1959 Survivor Benefits effective prior to June 30, 2012 will now post to my|CalPERS in June, at the end of the fiscal year. The required employer premiums will be calculated by the actual number of active member months in the fiscal year.

Employer Normal Costs Public agencies who contracted for the 4th or Indexed Level of 1959 Survivor Benefits after June 30, 2012 are required to pay the pool's annual employer normal cost for a period of five years. (After the first five years, agencies will be required to pay the pool's employer premium). In prior years, employers received invoices for employer normal cost at the beginning of the fiscal year in July. Beginning in fiscal year 2017-18, invoices for employer normal cost will now post to my|CalPERS in June, at the end of the fiscal year. Therefore, agencies should not expect an invoice in July 2017. Instead, they will receive an invoice in June 2018.

**Accessing
Valuation Report**

To view the full valuation report visit:
<https://www.calpers.ca.gov/docs/forms-publications/1959-survivor-valuation-2016.pdf>

Questions

If you have any questions, please call CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

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