



State & Schools Actuarial Valuation

As of June 30, 2010

Establishing Required Contributions

for the Fiscal Year

July 1, 2011 through June 30, 2012

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**State & Schools
Actuarial Valuation
as of June 30, 2010**

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Actuarial Certification

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the funded condition of the CalPERS' State and Schools plans. This valuation is based on the member and financial data as of June 30, 2010, provided by the various CalPERS databases, and the benefit plans as outlined in Appendix B. It is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles, in accordance with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for these plans, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.



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HIGHLIGHTS AND EXECUTIVE SUMMARY

- PURPOSE OF THE REPORT
- INTRODUCTION
- EMPLOYER REQUIRED CONTRIBUTION RATES
- EXPECTED FUTURE CHANGES
- HISTORY OF THE EXPECTED CONTRIBUTION REQUIREMENTS
- FUNDED STATUS OF THE PLANS
- CHANGES SINCE THE PRIOR VALUATION
- SUBSEQUENT EVENTS

Introduction

This is the actuarial valuation report as of June 30, 2010 for the State and Schools plans. This actuarial valuation was used to set the 2011-2012 required employer contribution rates. The rates set for the 2011-2012 fiscal year reflect a 13% investment return and the second year of the temporary smoothing set in place to phase in the -24% investment return from the 2008-2009 fiscal year.

In the 2010-2011 fiscal year negotiations took place between the State and employee labor groups. Those negotiations resulted in an increase in member retirement contributions for all State employees with the exception of California State University (CSU) employees. For all State plans, new state employees hired on or after January 15, 2011 (with no prior state service) are subject to lower retirement formulas and benefits based on highest average annual compensation during a consecutive 36 month period. This valuation does not reflect the lower benefits being provided to new hires. The June 30, 2011 valuation will be the first valuation where these new lower benefits will be reflected. A summary of benefits is available in Appendix B.

Purpose of the Report

This actuarial valuation of the State and Schools plans of the California Public Employees' Retirement System (CalPERS) was performed by CalPERS' staff actuaries using data as of June 30, 2010 in order to:

- set forth the actuarial assets and funding liabilities of these plans as of June 30, 2010;
- establish the actuarially required contribution rates of these plans for the fiscal year July 1, 2011 through June 30, 2012;
- provide actuarial information as of June 30, 2010 to the CalPERS Board of Administration and other interested parties; and
- provide pension information as of June 30, 2010 to be used in financial reports subject to Governmental Accounting Standards Board Statement Number 27.

Use of this report for other purposes may be inappropriate. Numbers in this report may not add up due to rounding.

Employer Required Contribution Rates

The actuarially required employer contribution rates for the fiscal year July 1, 2011 through June 30, 2012 are shown below. For comparison purposes, the corresponding contributions for fiscal year July 1, 2010 through June 30, 2011 are also provided. The expected contribution amounts these rates are/were expected to generate are also shown.

	2010-2011 Fiscal Year ¹		2011-2012 Fiscal Year	
	Expected Employer Contribution	Required Employer Rate	Expected Employer Contribution	Required Employer Rate
State Miscellaneous Tier 1	\$2,005,386,799	19.922%	\$1,841,648,485	18.175%
State Miscellaneous Tier 2	78,295,146	19.622%	65,054,003	17.025%
State Industrial	104,337,234	18.183%	91,966,115	14.934%
State Safety	423,342,840	20.672%	329,227,399	16.428%
State Peace Officers & Firefighters	1,037,586,121	28.887%	947,128,065	27.415%
California Highway Patrol	239,330,261	32.625%	239,927,089	31.264%
Subtotal State	\$3,888,278,401		\$3,514,951,156	
Schools	1,189,482,769	10.707%	1,232,486,937	10.923%
Total	\$5,077,761,170		\$4,747,438,093	

A request was made for separate rates to be calculated for California State University (CSU) employees. CSU employees participate in both the State Miscellaneous Plan and the POFF plan. There is no mandate requiring separate rates for these groups of employees, and the rates adopted by the CalPERS Board are common for both groups. However, separate rates have been calculated for informational purposes as set forth in Appendix D.

The supporting exhibits in this report entitled “Reconciliation of Employer Contribution Rates” on page 36 and “Reconciliation of Employer Contributions” on page 38 provide explanations of the changes in required contribution rates and expected contribution amounts from the 2010-2011 fiscal year to the 2011-2012 fiscal year.

A history of the required contribution rates is included on page 40 of this report.

Reasons for Change in Employer Contributions for the State Plans

At its August 2010 meeting, the CalPERS Board approved a policy that prescribes changes in retirement benefits and member contribution rates being reflected in the employer contribution rates for the State plans immediately upon the effective date of the changes or as soon thereafter as can be accomplished given the Board’s meeting schedule.

This change in policy resulted in the Board adopting new contribution rates for the State plans mid-way through the 2010-2011 fiscal year to reflect agreements between the State and various employee unions that specified higher member contributions for all affected employees. In December 2010, the

¹ The employer contribution rates and expected employer contribution for 2010-2011 reflect the rates set in the June 30, 2009 annual valuation. They do not reflect the increase in member contributions which resulted in decreased employer contributions.

CalPERS Board adopted new employer contribution rates effective January 1, 2011 that reflected these higher member contributions.

The table below compares the employer contribution rates that were adopted by the Board in June 2010 to those adopted in December 2010 that reflected the higher member contributions as well as the expected employer contribution for the 2010-2011 fiscal year resulting from these contribution rates.

	Employer Contribution Rate for Pay Periods Between July 1, 2010 and December 31, 2010	Employer Contribution Rate for Pay Periods Between January 1, 2011 and June 30, 2011	Expected Employer Contribution for 2010-2011 Fiscal Year
State Miscellaneous Tier 1	19.922%	17.528%	\$1,884,848,488
State Miscellaneous Tier 2	19.622%	16.442%	71,948,991
State Industrial	18.183%	14.683%	94,295,741
State Safety	20.672%	15.702%	372,459,168
State Police Officers & Firefighters	28.887%	28.556%	1,031,624,346
California Highway Patrol	32.625%	29.956%	229,538,369
Subtotal State			\$3,684,715,103
Schools	10.707%	10.707%	\$1,189,482,769
Total			\$4,874,197,872

It is important to note that the employer rates effective January 2011 would have been greater but eight to nine months of savings were concentrated into the final six months of the current fiscal year.

By June 2011, additional employee unions reached agreements with the State, causing further increases to member contribution rates. Overall, the increase in member contributions varies between 2% and 5% of payroll.

The table below outlines the changes in rates and total dollar amount for the various State Plans as a result of the agreements ratified. For comparison purposes, it also includes the employer contribution rates had none of the increases in member contributions taken place.

	Without Increase in Member Contribution		With Increase in Member Contributions	
	Employer Contribution	Employer Rate	Employer Contribution	Employer Rate
State Miscellaneous Tier 1	\$2,051,672,059	20.248%	\$1,841,648,485	18.175%
State Miscellaneous Tier 2	76,008,928	19.892%	65,054,003	17.025% ²
State Industrial	109,976,335	17.859%	91,966,115	14.934%
State Safety	403,405,677	20.129%	329,227,399	16.428%
State Police Officers & Firefighters	1,026,639,409	29.717%	947,128,065	27.415%
California Highway Patrol	253,954,443	33.092%	239,927,089	31.264%
Subtotal State	\$3,921,656,851		\$3,514,951,156	
Schools	1,232,486,937	10.923%	1,232,486,937	10.923%
Total	\$5,154,143,788		\$4,747,438,093	

In order to adjust the employer contribution rates to reflect the higher member contributions, CalPERS staff obtained information from the Department of Personnel Administration (DPA) on each Bargaining Unit's actual ratified agreements and on the size of each group affected by the increases in member contribution rate.

Considering all agreements between the State and employee unions, the required contribution for the State plans will decrease by \$169.8 million. The decrease in expected contributions is mainly driven by the increase in member contributions. In reconciling the change to expected contributions, if one ignores the increases in member contribution, then the State plans are experiencing an increase in contribution of \$33.4 million due to plan experience. This includes \$95.5 million due to the asset loss experienced in 2008-2009 that is being phased in by the temporary rate smoothing methods adopted by the Board in December of 2009. The reasons for the changes in employer contributions for the State between fiscal year 2010-2011 and fiscal year 2011-12 are shown below.

<u>Reason for Change</u>	<u>Change in Required Contribution (millions)</u>
Increase due to growth in payroll and normal progression of existing amortization bases	\$31.9
Actuarial gains and losses:	

² Note that even though State Miscellaneous Tier 2 members do not have member contributions, the employer contribution rate still needs to be adjusted to account for the fact that State Miscellaneous and State Industrial Tier 2 members have the right to convert their Tier 2 service to Tier 1 any time prior to retirement.

• Impact of the second year of smoothing the -24% investment return from fiscal year 2008-2009	95.5
• Lower than expected individual salary increases and overall payroll increases less than expected in fiscal year 2009-2010	(101.3)
• Greater than expected number of retirements in fiscal year 2009-2010	54.2
• Less than expected contributions received in fiscal year 2009-2010	19.7
• Experience for Retirees in fiscal year 2009-2010 including Cost-of-Living Increases less than expected	(25.6)
• Other Gains and Losses	(41.0)
- Impact of reflecting a full year of additional member contributions for agreements that were in effect in December 2010 ³	(106.2)
- Impact of additional member contribution for agreements ratified in May 2011	(97.0)
Total Change in Required Contributions	(\$169.8)

Reasons for Change in Employer Contributions for the Schools Pool

The required contributions for the Schools pool are increasing by \$43.0 million from \$1.189 billion in fiscal year 2010-2011 to \$1.232 billion in fiscal year 2011-2012. The main reasons for the increase includes the second year of recognizing asset losses from 2008-2009 offset by a combination of payroll increases less than expected, cost of living adjustments less than expected and higher than expected number of retirements. About \$48.7 million of the Schools pool contribution is caused from phasing in the large asset loss experienced in 2008-2009 through the temporary smoothing methods.

³ The rates set beginning January 1, 2011 reflected eight to nine months of additional member contributions. The rates for 2011-2012 reflect twelve months of additional member contributions

Expected Future Changes

In July 2011, the investment return for fiscal year 2010-2011 was announced to be 20.7%. Note that this return is before administrative expenses and also does not reflect final investment return information for real estate and private equities. The final return information for these two asset classes will be available later in October. The preliminary 20.7% return for the 2010-2011 fiscal year is good news as it would help reduce the impact of the -24% return in 2008-2009 and the impact of the three year phase in adopted by the Board in December 2009. For purposes of projecting future employer rates, we are assuming a 20% investment return for fiscal year 2010-2011.

Below is a table showing the estimated 2012-2013 employer rates for the State plans and the Schools pool based on a 20% investment return for fiscal year 2010-2011. Note that the projected rates assume that all other actuarial assumptions will be realized and that no changes to either member contributions or benefits will occur between now and the beginning of fiscal year 2012-2013.

	Estimated 2012-2013 Employer Rates Assuming an 20% Investment Return for 2010-2011
State Miscellaneous Tier 1	18.5%
State Miscellaneous Tier 2	17.4%
State Industrial	15.1%
State Safety	16.5%
State Police Officers & Firefighters	27.7%
California Highway Patrol	31.7%
Schools	11.2%

A sensitivity analysis was performed to determine the effects of various investment returns on future employer contribution rates for 3 years beyond the estimated 2012-2013 employer rates shown above. That information is available in Appendix C. Note that investment returns below the assumed rate of return of 7.75% result in increasing employer contribution rates, but investment returns above 7.75% result in only slight decreases in employer contribution rates. The greater sensitivity to lower returns is due to the lingering effects of the 2008-2009 investment losses.

History of the Expected Contribution Requirements

The following table shows the history of the employer contributions set by CalPERS based on projected payroll for the State plans and the Schools pool going back to fiscal year 1996-1997.

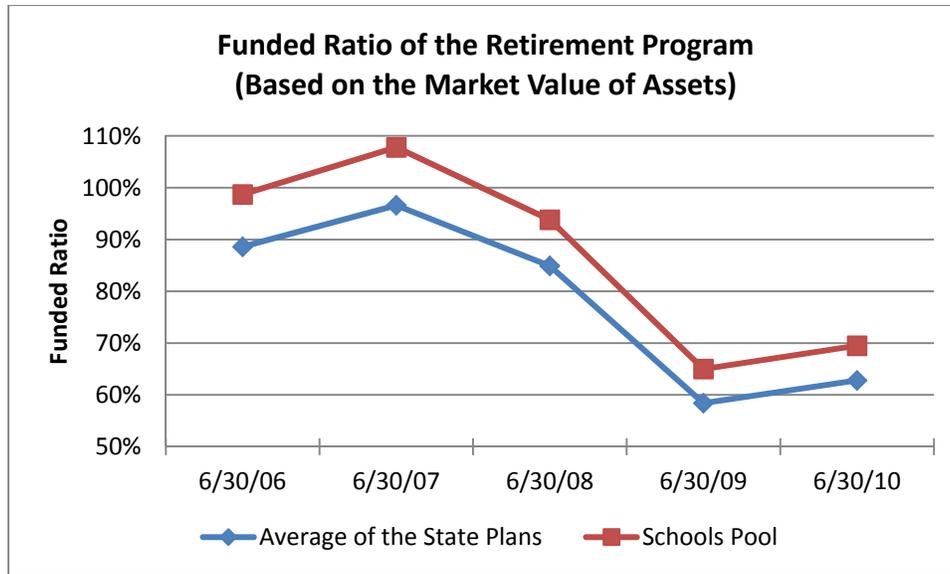
Fiscal Year	Total State Contributions	Total School Contributions
1996-97	\$1,236,447,373	\$ 416,694,314
1997-98	1,223,327,746	317,571,853
1998-99	766,067,149	0
1999-00	159,460,097	0
2000-01	156,722,747	0
2001-02	677,244,769	0
2002-03	1,189,559,722	228,972,653
2003-04	2,212,518,481	869,501,830
2004-05	2,547,364,178	903,570,002
2005-06	2,428,720,628	826,672,339
2006-07	2,665,262,125	841,504,282
2007-08	2,746,929,250	919,528,538
2008-09	3,025,181,372	966,316,743
2009-10	3,287,572,458	1,081,377,863
2010-11 ⁴	3,684,715,103	1,189,482,769
2011-12	\$3,514,951,156	\$1,232,486,937

Funded Status of the Plans

We are monitoring the funded status of the State plans and Schools pool using the market value of assets since this is a better measure of the plans' ability to pay benefits.

As a result of the 14% investment return experienced by CalPERS in fiscal year 2009-2010 versus the assumed 7.75%, the funded status has increased by about 3.5% to 7% for all plans. The graph below shows the average funded status for the State plans and for the Schools pool, based on the market value of assets, for the last five years.

⁴ The State employer contributions for 2010-11 differ from the expected employer contribution of \$3,888,278,401 determined by the June 30, 2009 annual valuation due to additional member contributions which resulted in lower expected employer contributions.



The table below shows the funded status of the plans using the market value of assets on June 30, 2010.

Funded Status and Unfunded Liability on June 30, 2010

Plan	Entry Age Normal Accrued Liability	Market Value of Assets	Unfunded Liability	Funded Ratio
State Miscellaneous	\$76,980,432,507	\$48,645,908,066	\$ 28,334,524,441	63.2%
State Industrial	2,614,478,114	1,784,901,351	829,576,763	68.3%
State Safety	6,435,647,069	4,196,169,119	2,239,477,950	65.2%
State Peace Officers and Firefighters	27,711,534,817	17,199,098,812	10,512,436,005	62.1%
California Highway Patrol	7,703,863,633	4,439,496,887	3,264,366,746	57.6%
Total for the State	\$121,445,956,140	\$76,265,574,235	\$45,180,381,905	62.8%
Schools	\$55,306,963,638	\$38,435,174,651	\$16,871,788,987	69.5%

The table below shows the funded status for each of the plans for the last five years.

Funded Ratio of the Retirement Program (Based on the Market Value of Assets)					
	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010
State Miscellaneous	89.8%	98.6%	86.1%	59.0%	63.2%
State Industrial	95.0%	103.7%	91.0%	63.1%	68.3%
State Safety	89.2%	97.2%	84.8%	58.5%	65.2%
State Police Officers & Firefighters	86.0%	92.3%	82.2%	57.4%	62.1%
California Highway Patrol	81.5%	88.8%	79.3%	53.9%	57.6%
Total State	88.6%	96.6%	84.9%	58.4%	62.8%
Schools	98.7%	107.8%	93.8%	65.0%	69.5%

Changes Since the Prior Valuation

ACTUARIAL ASSUMPTIONS

There were no changes in the actuarial assumptions. Appendix A contains a listing of assumptions.

METHODS

There were no changes in methods since the prior valuation.

PLAN PROVISIONS

There was one change in plan provisions from the prior valuation described below:

- Member contribution rates increased for most State employees as a result of agreements made between the State and employee groups. Appendix B contains a summary of those changes.

Subsequent Events

BENEFIT CHANGES

For all State plans, new state employees hired on or after January 15, 2011 (with no prior state service) are subject to lower retirement formulas and benefits based on highest average annual compensation during a consecutive 36 month period. The June 30, 2011 valuation will be the first valuation where these lower benefits for new hires will be reflected. A summary of benefits is available in Appendix B.

Liabilities and Rates

- COMPARISON OF CURRENT AND PRIOR YEAR
- DEVELOPMENT OF ACCRUED AND UNFUNDED LIABILITIES
- DEVELOPMENT OF EMPLOYER CONTRIBUTION RATES
- SCHEDULE OF AMORTIZATION BASES FOR THE RETIREMENT PROGRAM
- GAIN/LOSS ANALYSIS
- DEVELOPMENT OF GROUP TERM LIFE INSURANCE CONTRIBUTIONS
- RECONCILIATION OF EMPLOYER CONTRIBUTION RATES
- RECONCILIATION OF EMPLOYER CONTRIBUTIONS
- EMPLOYER CONTRIBUTION RATE HISTORY
- HISTORY OF FUNDED STATUS AND FUNDING PROGRESS

Comparison of Current and Prior Year

Shown below are the key valuation results for the current valuation compared to the corresponding results from the prior valuation.

STATE MISCELLANEOUS

Participant Information

	June 30, 2009	June 30, 2010
Members Included in the Valuation ¹		
Active Members Tier 1	151,547	151,631
Active Members Tier 2	8,090	7,674
Subtotal Active Members	159,637	159,305
Transfers from Tier 1	22,201	21,163
Transfers from Tier 2	12,434	11,881
Subtotal Transfers	34,635	33,044
Vested Terminations Tier 1	40,408	41,164
Vested Terminations Tier 2	1,681	1,694
Subtotal Vested Terminations ²	42,089	42,858
Receiving Payments Tier 1	149,283	154,540
Receiving Payments Tier 2	4,229	4,362
Subtotal Receiving Payments	153,512	158,902
Subtotal Tier 1	363,439	368,498
Subtotal Tier 2	26,434	25,611
Grand Total	389,873	394,109
Average Entry Age of Active Members Tier 1	34.7	34.8
Average Entry Age of Active Members Tier 2	32.5	32.4
Average Age of Active Members Tier 1	47.9	48.0
Average Age of Active Members Tier 2	48.9	49.5
Average Pay Tier 1	\$ 61,952	\$ 62,322
Average Pay Tier 2	52,893	53,851
Average Pay Total	\$ 61,493	\$ 61,914
Covered Payroll Prior Fiscal Year		
Tier 1	\$ 9,388,604,763	\$ 9,449,935,700
Tier 2	427,907,081	413,255,995
Total	\$ 9,816,511,844	\$ 9,863,191,695
Projected Payroll for Contribution Rate		
Tier 1	\$ 10,065,946,533	\$ 10,132,613,023
Tier 2	399,007,271	382,104,128
Total	\$ 10,464,953,804	\$ 10,514,717,151

- Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.
- Includes non-vested terminated participants with employee contributions remaining in the plan.

STATE MISCELLANEOUS (CONTINUED)

Funded Status of the Retirement Program

	June 30, 2009	June 30, 2010
Present Value of Benefits	\$ 85,804,183,546	\$ 88,081,227,732
Accrued Liability	\$ 74,762,618,379	\$ 76,980,432,507
Market Value of Assets	\$ 44,093,662,038	\$ 48,645,908,066
Unfunded Liability/(Surplus) on a Market Value of Assets Basis	\$ 30,668,956,341	\$ 28,334,524,441
Funded Status	59.0%	63.2%

Employer Contribution

	June 30, 2009	June 30, 2010
Tier 1 Contribution Required in Dollars		
Employer Normal Costs	\$ 992,703,647	\$ 791,483,897
Amortization of Unfunded Liability ³	1,012,683,152	1,046,820,826
Group Term Life Benefits	-	3,343,762
Total	<u>\$ 2,005,386,799</u>	<u>\$ 1,841,648,485</u>
Tier 1 Contribution Required (Percent of Payroll)		
Employer Normal Costs	9.862%	7.811%
Amortization of Unfunded Liability ³	10.060%	10.331%
Group Term Life Benefits	<u>0.000%</u>	<u>0.033%</u>
Total	19.922%	18.175%

Tier 2 Contribution Required in Dollars		
Employer Normal Costs	\$ 38,153,075	\$ 25,451,956
Amortization of Unfunded Liability ³	40,142,071	39,475,953
Group Term Life Benefits	-	126,094
Total	<u>\$ 78,295,146</u>	<u>\$ 65,054,003</u>
Tier 2 Contribution Required (Percent of Payroll)		
Employer Normal Costs	9.562%	6.661%
Amortization of Unfunded Liability ³	10.060%	10.331%
Group Term Life Benefits	<u>0.000%</u>	<u>0.033%</u>
Total	19.622%	17.025%

³ For rate setting purposes, the unfunded liability is calculated based on the smoothed actuarial value of assets.

STATE INDUSTRIAL

Participant Information

	June 30, 2009	June 30, 2010
Members Included in the Valuation ¹		
Active Members	10,823	11,637
Transfers from Industrial	7,660	7,601
Vested Terminations ²	2,642	2,666
Receiving Payments	8,470	9,275
Total	29,595	31,179
Average Entry Age of Active Members	36.9	36.9
Average Age of Active Members	45.4	45.1
Average Pay	\$ 49,733	\$ 49,639
Covered Payroll Prior Fiscal Year	\$ 538,263,711	\$ 577,654,483
Projected Payroll for Contribution Rate	\$ 573,819,393	\$ 615,812,172

- Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.
- Includes non-vested terminated participants with employee contributions remaining in the plan.

Funded Status of the Retirement Program

	June 30, 2009	June 30, 2010
Present Value of Benefits	\$ 3,291,688,170	\$ 3,512,457,534
Accrued Liability	\$ 2,467,298,792	\$ 2,614,478,114
Market Value of Assets	\$ 1,555,771,235	\$ 1,784,901,351
Unfunded Liability/(Surplus) on a Market Value of Assets Basis	\$ 911,527,557	\$ 829,576,763
Funded Status	63.1%	68.3%

Employer Contribution

	June 30, 2009	June 30, 2010
Contribution Required in Dollars		
Employer Normal Costs	\$ 78,171,416	\$ 64,915,047
Amortization of Unfunded Liability ³	25,190,325	26,059,610
Group Term Life Benefits	975,493	991,458
Total	\$ 104,337,234	\$ 91,966,115
Contribution Required (Percent of Payroll)		
Employer Normal Costs	13.623%	10.541%
Amortization of Unfunded Liability ³	4.390%	4.232%
Group Term Life Benefits	0.170%	0.161%
Total	18.183%	14.934%

- For rate setting purposes, the unfunded liability is calculated based on the smoothed actuarial value of assets.

STATE SAFETY

Participant Information

	June 30, 2009	June 30, 2010
Members Included in the Valuation ¹		
Active Members	25,863	24,900
Transfers From State Safety	4,547	4,787
Vested Terminations ²	4,323	4,694
Receiving Payments	15,576	16,749
Total	50,309	51,130
Average Entry Age of Active Members	40.7	40.3
Average Age of Active Members	47.4	47.4
Average Pay	\$ 74,278	\$ 75,497
Covered Payroll Prior Fiscal Year	\$ 1,921,044,751	\$ 1,879,876,274
Projected Payroll for Contribution Rate	\$ 2,047,941,763	\$ 2,004,053,851

1 Counts of members included in the valuation are counts of the records processed by the valuation.

Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

2 Includes non-vested terminated participants with employee contributions remaining in the plan.

Funded Status of the Retirement Program

	June 30, 2009	June 30, 2010
Present Value of Benefits	\$ 9,111,215,208	\$ 9,420,615,235
Accrued Liability	\$ 6,005,613,098	\$ 6,435,647,069
Market Value of Assets	\$ 3,514,114,682	\$ 4,196,169,119
Unfunded Liability/(Surplus) on a Market Value of Assets Basis	\$ 2,491,498,416	\$ 2,239,477,950
Funded Status	58.5%	65.2%

Employer Contribution

	June 30, 2009	June 30, 2010
Contribution Required in Dollars		
Employer Normal Costs	\$ 336,661,146	\$ 247,572,568
Amortization of Unfunded Liability ³	84,142,246	79,550,574
Group Term Life Benefits	2,539,448	2,104,257
Total	\$ 423,342,840	\$ 329,227,399
Contribution Required (Percent of Payroll)		
Employer Normal Costs	16.439%	12.354%
Amortization of Unfunded Liability ³	4.109%	3.969%
Group Term Life Benefits	0.124%	0.105%
Total	20.672%	16.428%

3 For rate setting purposes, the unfunded liability is calculated based on the smoothed actuarial value of assets.

STATE PEACE OFFICERS AND FIREFIGHTERS

Participant Information

	June 30, 2009	June 30, 2010
Members Included in the Valuation ¹		
Active Members	46,987	45,018
Transfers from State POFF	5,583	5,200
Vested Terminations ²	5,767	6,006
Receiving Payments	22,571	24,801
Total	80,908	81,025
Average Entry Age of Active Members	30.2	30.2
Average Age of Active Members	41.2	41.5
Average Pay	\$ 71,706	\$ 71,987
Covered Payroll Prior Fiscal Year	\$ 3,369,258,593	\$ 3,240,688,506
Projected Payroll for Contribution Rate	\$ 3,591,819,181	\$ 3,454,756,236

- Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.
- Includes non-vested terminated participants with employee contributions remaining in the plan.

Funded Status of the Retirement Program

	June 30, 2009	June 30, 2010
Present Value of Benefits	\$ 34,244,736,129	\$ 35,298,097,500
Accrued Liability	\$ 26,291,087,859	\$ 27,711,534,817
Market Value of Assets	\$ 15,083,085,214	\$ 17,199,098,812
Unfunded Liability/(Surplus) on a Market Value of Assets Basis	\$ 11,208,002,645	\$ 10,512,436,005
Funded Status	57.4%	62.1%

Employer Contribution

	June 30, 2009	June 30, 2010
Contribution Required in Dollars		
Employer Normal Costs	\$ 659,565,756	\$ 556,578,374
Amortization of Unfunded Liability ³	375,254,664	387,440,410
Group Term Life Benefits	2,765,701	3,109,281
Total	\$ 1,037,586,121	\$ 947,128,065
Contribution Required (Percent of Payroll)		
Employer Normal Costs	18.363%	16.110%
Amortization of Unfunded Liability ³	10.447%	11.215%
Group Term Life Benefits	0.077%	0.090%
Total	28.887%	27.415%

- For rate setting purposes, the unfunded liability is calculated based on the smoothed actuarial value of assets.

CALIFORNIA HIGHWAY PATROL

Participant Information

	June 30, 2009	June 30, 2010
Members Included in the Valuation ¹		
Active Members	7,335	7,476
Transfers from CHP	316	321
Vested Terminations ²	350	328
Receiving Payments	7,567	7,805
Total	15,568	15,930
Average Entry Age of Active Members	26.3	26.4
Average Age of Active Members	39.1	39.0
Average Pay	\$ 93,813	\$ 96,290
Covered Payroll Prior Fiscal Year	\$ 688,117,602	\$ 719,864,469
Projected Payroll for Contribution Rate	\$ 733,572,070	\$ 767,416,016

- 1 Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.
- 2 Includes non-vested terminated participants with employee contributions remaining in the plan.

Funded Status of the Retirement Program

	June 30, 2009	June 30, 2010
Present Value of Benefits	\$ 8,901,809,378	\$ 9,399,974,347
Accrued Liability	\$ 7,300,111,305	\$ 7,703,863,633
Market Value of Assets	\$ 3,932,218,884	\$ 4,439,496,887
Unfunded Liability/(Surplus) on a Market Value of Assets Basis	\$ 3,367,892,421	\$ 3,264,366,746
Funded Status	53.9%	57.6%

Employer Contribution

	June 30, 2009	June 30, 2010
Contribution Required in Dollars		
Employer Normal Costs	\$ 112,970,099	\$ 103,855,420
Amortization of Unfunded Liability ³	126,360,162	136,071,669
Group Term Life Benefits	-	-
Total	\$ 239,330,261	\$ 239,927,089
Contribution Required (Percent of Payroll)		
Employer Normal Costs	15.400%	13.533%
Amortization of Unfunded Liability ³	17.225%	17.731%
Group Term Life Benefits	0.000%	0.000%
Total	32.625%	31.264%

- 3 For rate setting purposes, the unfunded liability is calculated based on the smoothed actuarial value of assets.

SCHOOLS

Participant Information

	June 30, 2009	June 30, 2010
Members Included in the Valuation ¹		
Active Members	299,066	291,530
Transfers from Schools	25,843	23,101
Vested Terminations ²	155,624	159,360
Receiving Payments	174,733	181,706
Total	655,266	655,697
Average Entry Age of Active Members	36.8	36.7
Average Age of Active Members	46.6	47.0
Average Pay	\$ 34,846	\$ 36,306
Covered Payroll Prior Fiscal Year	\$ 10,421,362,253	\$ 10,584,242,823
Projected Payroll for Contribution Rate	\$ 11,109,758,363	\$ 11,283,398,213

- 1 Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.
- 2 Includes non-vested terminated participants with employee contributions remaining in the plan.

Funded Status of the Retirement Program

	June 30, 2009	June 30, 2010
Present Value of Benefits	\$ 63,760,931,059	\$ 66,620,002,962
Accrued Liability	\$ 52,493,079,524	\$ 55,306,963,638
Market Value of Assets	\$ 34,146,446,650	\$ 38,435,174,651
Unfunded Liability/(Surplus) on a Market Value of Assets Basis	\$ 18,346,632,874	\$ 16,871,788,987
Funded Status	65.0%	69.5%

Employer Contribution

	June 30, 2009	June 30, 2010
Contribution Required in Dollars		
Employer Normal Costs	\$ 796,902,967	\$ 804,731,961
Amortization of Unfunded Liability ³	392,579,802	427,754,976
Total	\$ 1,189,482,769	\$ 1,232,486,937
Contribution Required (Percent of Payroll)		
Employer Normal Costs	7.173%	7.132%
Amortization of Unfunded Liability ³	3.534%	3.791%
Total	10.707%	10.923%

- 3 For rate setting purposes, the unfunded liability is calculated based on the smoothed actuarial value of assets.

Development of Accrued and Unfunded Liabilities

The following table shows the development of the accrued liabilities and the unfunded liabilities based on the market value of assets and represent the true measure of the plan's ability to pay benefits.

	State Miscellaneous	State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
1. Present Value of Benefits						
a. Actives and Inactives	\$ 46,803,071,478	\$ 2,330,840,316	\$ 6,432,458,012	\$ 20,401,740,410	\$ 4,664,169,450	\$ 41,988,986,705
b. Retired	41,278,156,254	1,181,617,218	2,988,157,223	14,896,357,090	4,735,804,897	24,631,016,257
c. Total	\$ 88,081,227,732	\$ 3,512,457,534	\$ 9,420,615,235	\$ 35,298,097,500	\$ 9,399,974,347	\$ 66,620,002,962
2. Present Value of Future Employee Contributions	\$ 5,072,655,502	\$ 379,895,587	\$ 1,356,530,073	\$ 2,844,846,022	\$ 678,204,513	\$ 5,802,383,655
3. Present Value of Future Employer Normal Costs	\$ 6,028,139,723	\$ 518,083,833	\$ 1,628,438,093	\$ 4,741,716,661	\$ 1,017,906,201	\$ 5,510,655,669
4. Accrued Liability [(1c) - (2) - (3)]	\$ 76,980,432,507	\$ 2,614,478,114	\$ 6,435,647,069	\$ 27,711,534,817	\$ 7,703,863,633	\$ 55,306,963,638
5. Market Value of Assets (MVA)	\$ 48,645,908,066	\$ 1,784,901,351	\$ 4,196,169,119	\$ 17,199,098,812	\$ 4,439,496,887	\$ 38,435,174,651
6. Unfunded Liability/(Surplus) MVA Basis [(4) - (5)]	\$ 28,334,524,441	\$ 829,576,763	\$ 2,239,477,950	\$ 10,512,436,005	\$ 3,264,366,746	\$ 16,871,788,987
7. Funded Status MVA Basis [(5)/(4)]	63.2%	68.3%	65.2%	62.1%	57.6%	69.5%

Development of Employer Contribution Rates

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	\$ 76,980,432,507	\$ 2,614,478,114	\$ 6,435,647,069	\$ 27,711,534,817	\$ 7,703,863,633	\$ 55,306,963,638
Actuarial Value of Assets (AVA)	\$ 62,213,588,699	\$ 2,268,588,289	\$ 5,272,535,578	\$ 21,928,176,588	\$ 5,663,252,031	\$ 48,955,651,302
Unfunded Liability/(Surplus) AVA Basis	\$ 14,766,843,808	\$ 345,889,825	\$ 1,163,111,491	\$ 5,783,358,229	\$ 2,040,611,602	\$ 6,351,312,336

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							
Total Normal Cost	\$ 1,461,528,102	\$ 25,451,956	\$ 108,327,519	\$ 435,060,051	\$ 879,028,177	\$ 172,852,784	\$ 1,594,457,001
Expected Employee Contribution	(670,044,206)	-	(43,412,472)	(187,487,483)	(322,449,802)	(68,997,363)	(789,725,041)
Employer Normal Cost	791,483,897	25,451,956	64,915,047	247,572,568	556,578,374	103,855,420	804,731,961
Payment on the Unfunded Liability	1,046,820,826	39,475,953	26,059,610	79,550,574	387,440,410	136,071,669	427,754,976
Payment for Term Life Benefits (Sec. 21600-21605)	3,343,762	126,094	991,458	2,104,257	3,109,281	-	N/A
Total Employer Contribution Amount	\$ 1,841,648,485	\$ 65,054,003	\$ 91,966,115	\$ 329,227,399	\$ 947,128,065	\$ 239,927,089	\$ 1,232,486,937
Projected Payroll	\$ 10,132,613,023	\$ 382,104,128	\$ 615,812,172	\$ 2,004,053,851	\$ 3,454,756,236	\$ 767,416,016	\$ 11,283,398,213
Employer Contribution (as a percent of payroll)							
Total Normal Cost	14.424%	6.661%	17.591%	21.709%	25.444%	22.524%	14.131%
Expected Employee Contribution	(6.613%)	0.000%	(7.050%)	(9.355%)	(9.334%)	(8.991%)	(6.999%)
Employer Normal Cost	7.811%	6.661%	10.541%	12.354%	16.110%	13.533%	7.132%
Payment on the Unfunded Liability	10.331%	10.331%	4.232%	3.969%	11.215%	17.731%	3.791%
Payment for Term Life Benefits (Sec. 21600-21605)	0.033%	0.033%	0.161%	0.105%	0.090%	0.000%	N/A
Total Employer Contribution Rate	18.175%	17.025%	14.934%	16.428%	27.415%	31.264%	10.923%

Schedule of Amortization Bases for the Retirement Program

The schedule below shows the development of the payment on the amortization bases used to determine the employer contribution rates. Each row of the schedule gives a brief description of a base (or portion of the Unfunded Actuarial Liability), the date the base was established, the balance of the base on the valuation date, and the number of years remaining in the amortization period. In addition, we show the expected payment for the year immediately following the valuation date, the balance on the date a year after the valuation date, and the scheduled payment for fiscal year 2011-2012. Please refer to Appendix A for an explanation of how amortization periods are determined.

State Miscellaneous

Reason for Base	Date Established	Remaining Amortization Period	Balance on 6/30/2010	Expected Payment in 2010-2011	Amount Remaining on 6/30/2011	Scheduled Payment for Fiscal Year 2011-2012
Assumption Change	6/30/2009	19	\$ 2,160,974,319	\$ 163,220,894	\$ 2,159,022,138	\$ 168,525,573
Reclass of BU 7 Members	6/30/2005	15	\$ (93,273,293)	\$ (8,174,003)	\$ (92,017,137)	\$ (8,439,658)
New Rate Stabilization Policies	6/30/2004	14	\$ (197,162,549)	\$ (18,083,420)	\$ (193,671,569)	\$ (18,671,131)
Actuarial Equivalent Reduction Benefits	6/30/2004	14	\$ 273,478,332	\$ 25,082,976	\$ 268,636,097	\$ 25,898,173
Benefit Change (SB 1801)	6/30/2003	13	\$ (2,565,797)	\$ (247,359)	\$ (2,507,881)	\$ (255,398)
Assumption Change	6/30/2003	13	\$ 879,039,104	\$ 84,744,780	\$ 859,197,267	\$ 87,498,986
(Gain)/Loss Prior to 2009	N/A	22	\$ 10,601,538,394	\$ 735,187,982	\$ 10,660,012,663	\$ 759,081,591
(Gain)/Loss in 2009	6/30/2009	29	\$ 1,078,481,481	\$ 64,763,866	\$ 1,094,837,156	\$ 66,868,692
(Gain)/Loss in 2010	6/30/2010	30	\$ (39,068,399)	\$ -	\$ (42,096,200)	\$ (2,527,918)
Payment (Gain)/Loss	N/A	30	\$ 105,402,216	\$ (24,028,841)	\$ 138,513,473	\$ 8,317,869
Total			\$ 14,766,843,808	\$ 1,022,466,875	\$ 14,849,926,006	\$ 1,086,296,779

State Industrial

Reason for Base	Date Established	Remaining Amortization Period	Balance on 6/30/2010	Expected Payment in 2010-2011	Amount Remaining on 6/30/2011	Scheduled Payment for Fiscal Year 2011-2012
Assumption Change	6/30/2009	19	\$ 71,555,785	\$ 5,404,691	\$ 71,491,143	\$ 5,580,344
New Rate Stabilization Policies	6/30/2004	14	\$ (6,768,513)	\$ (620,797)	\$ (6,648,669)	\$ (640,973)
Actuarial Equivalent Reduction Benefits	6/30/2004	14	\$ 12,294,100	\$ 1,127,594	\$ 12,076,420	\$ 1,164,241
Assumption Change	6/30/2003	13	\$ 94,162,002	\$ 9,077,797	\$ 92,036,559	\$ 9,372,825
(Gain)/Loss in 2009	6/30/2009	29	\$ 37,295,912	\$ 2,239,656	\$ 37,861,522	\$ 2,312,445
(Gain)/Loss in 2010	6/30/2010	30	\$ 4,773,460	\$ -	\$ 5,143,403	\$ 308,866
(Gain)/Loss Prior to 2009	N/A	30	\$ 135,666,623	\$ 8,146,912	\$ 137,724,072	\$ 8,270,465
Payment (Gain)/Loss	N/A	30	\$ (3,089,544)	\$ 1,743,740	\$ (5,139,033)	\$ (308,604)
Total			\$ 345,889,825	\$ 27,119,593	\$ 344,545,417	\$ 26,059,610

Schedule of Amortization Bases for the Retirement Program (Continued)

State Safety

Reason for Base	Date Established	Remaining Amortization Period	Balance on 6/30/2010	Expected Payment in 2010-2011	Amount Remaining on 6/30/2011	Scheduled Payment for Fiscal Year 2011-2012
Assumption Change	6/30/2009	19	\$ 276,660,488	\$ 20,896,487	\$ 276,410,559	\$ 21,575,623
New Rate Stabilization Policies	6/30/2004	14	\$ (7,636,371)	\$ (700,395)	\$ (7,501,161)	\$ (723,158)
Assumption Change	6/30/2003	13	\$ (3,414,319)	\$ (329,161)	\$ (3,337,251)	\$ (339,859)
Benefit Change (Arnett)	6/30/2002	12	\$ 107,216,201	\$ 10,918,690	\$ 104,191,562	\$ 11,273,548
(Gain)/Loss in 2009	6/30/2009	29	\$ 140,361,775	\$ 8,428,862	\$ 142,490,426	\$ 8,702,800
(Gain)/Loss in 2010	6/30/2010	30	\$ (98,236,696)	\$ -	\$ (105,850,040)	\$ (6,356,398)
(Gain)/Loss Prior to 2009	N/A	30	\$ 776,525,286	\$ 46,631,100	\$ 788,301,656	\$ 47,338,284
Payment (Gain)/Loss	N/A	30	\$ (28,364,873)	\$ 1,362,300	\$ (31,977,255)	\$ (1,920,265)
Total			\$ 1,163,111,491	\$ 87,207,883	\$ 1,162,728,496	\$ 79,550,574

State Peace Officers and Firefighters

Reason for Base	Date Established	Remaining Amortization Period	Balance on 6/30/2010	Expected Payment in 2010-2011	Amount Remaining on 6/30/2011	Scheduled Payment for Fiscal Year 2011-2012
Assumption Change	6/30/2009	19	\$ 717,573,645	\$ 54,199,169	\$ 716,925,403	\$ 55,960,642
Benefit Change (SB 65)	6/30/2006	16	\$ 290,622,889	\$ 24,426,660	\$ 287,790,631	\$ 25,220,526
New Rate Stabilization Policies	6/30/2004	14	\$ (56,483,140)	\$ (5,180,539)	\$ (55,483,044)	\$ (5,348,907)
Benefit Change (SB 183)	6/30/2004	14	\$ 18,432,397	\$ 1,690,589	\$ 18,106,031	\$ 1,745,533
Assumption Change	6/30/2003	13	\$ 368,814,804	\$ 35,556,017	\$ 360,489,847	\$ 36,711,588
(Gain)/Loss in 2009	6/30/2009	29	\$ 349,673,141	\$ 20,998,214	\$ 354,976,097	\$ 21,680,656
(Gain)/Loss in 2010	6/30/2010	30	\$ 38,761,218	\$ -	\$ 41,765,213	\$ 2,508,042
(Gain)/Loss Prior to 2009	N/A	30	\$ 4,106,415,300	\$ 246,594,249	\$ 4,168,691,004	\$ 250,333,966
Payment (Gain)/Loss	N/A	30	\$ (50,452,025)	\$ (30,366,147)	\$ (22,841,177)	\$ (1,371,635)
Total			\$ 5,783,358,229	\$ 347,918,212	\$ 5,870,420,004	\$ 387,440,410

Schedule of Amortization Bases for the Retirement Program (Continued)

California Highway Patrol

Reason for Base	Date Established	Remaining Amortization Period	Balance on 6/30/2010	Expected Payment in 2010-2011	Amount Remaining on 6/30/2011	Scheduled Payment for Fiscal Year 2011-2012
Assumption Change	6/30/2009	19	\$ 175,420,269	\$ 13,249,696	\$ 175,261,798	\$ 13,680,311
Benefit Change (AB 2936)	6/30/2008	18	\$ (211,307,185)	\$ (16,493,886)	\$ (210,562,394)	\$ (17,029,937)
Benefit Change (SB 439)	6/30/2005	15	\$ 175,914,083	\$ 15,416,227	\$ 173,544,964	\$ 15,917,255
New Rate Stabilization Policies	6/30/2004	14	\$ (19,261,638)	\$ (1,766,645)	\$ (18,920,589)	\$ (1,824,061)
Assumption Change	6/30/2003	13	\$ 60,577,660	\$ 5,840,059	\$ 59,210,289	\$ 6,029,861
Benefit Change (SB 1801)	6/30/2003	13	\$ 9,597,229	\$ 925,232	\$ 9,380,598	\$ 955,302
Benefit Change (Arnett)	6/30/2002	12	\$ 1,992,127	\$ 202,874	\$ 1,935,928	\$ 209,468
Benefit Change (AB 2621)	6/30/2001	11	\$ 2,769,399	\$ 299,650	\$ 2,672,983	\$ 309,388
(Gain)/Loss Prior to 2009	N/A	27	\$ 1,495,952,087	\$ 93,025,027	\$ 1,515,325,886	\$ 96,048,340
(Gain)/Loss in 2009	6/30/2009	29	\$ 283,094,540	\$ 17,000,104	\$ 287,387,801	\$ 17,552,607
(Gain)/Loss in 2010	6/30/2010	30	\$ 88,147,031	\$ -	\$ 94,978,425	\$ 5,703,547
Payment (Gain)/Loss	N/A	30	\$ (22,283,999)	\$ 618,079	\$ (24,652,592)	\$ (1,480,412)
Total			\$ 2,040,611,602	\$ 128,316,417	\$ 2,065,563,099	\$ 136,071,669

Schools

Reason for Base	Date Established	Remaining Amortization Period	Balance on 6/30/2010	Expected Payment in 2010-2011	Amount Remaining on 6/30/2011	Scheduled Payment for Fiscal Year 2011-2012
Assumption Change	6/30/2009	19	\$ 1,062,610,719	\$ 80,260,219	\$ 1,061,650,778	\$ 82,868,676
Fresh Start	6/30/2004	24	\$ 2,763,340,118	\$ 182,671,736	\$ 2,787,880,788	\$ 188,608,567
(Gain)/Loss in 2009	6/30/2009	29	\$ 804,818,606	\$ 48,330,143	\$ 817,024,056	\$ 49,900,873
(Gain)/Loss in 2010	6/30/2010	30	\$ 366,398,312	\$ -	\$ 394,794,181	\$ 23,707,776
(Gain)/Loss Prior to 2009	N/A	30	\$ 1,353,323,799	\$ 81,268,416	\$ 1,373,847,585	\$ 82,500,889
Payment (Gain)/Loss	N/A	30	\$ 820,781	\$ (1,846,266)	\$ 2,800,866	\$ 168,195
Total			\$ 6,351,312,336	\$ 390,684,248	\$ 6,437,998,254	\$ 427,754,976

Gain and Loss Analysis

STATE MISCELLANEOUS

A. Total (Gain)/Loss for the Year

1. Unfunded Liability/(Surplus) as of 6/30/09	\$ 14,430,330,994
2. Expected Payment on the Unfunded Liability during 2009-2010	715,558,899
3. Interest through 6/30/10 $[0.0775 \times (A1) - ((1 + 0.0775)^{1/2} - 1) \times (A2)]$	1,091,140,112
4. Expected Unfunded Liability as of 6/30/10 before all changes $[(A1)-(A2)+(A3)]$	\$ 14,805,912,207
5. Actual Unfunded Liability as of 6/30/10	<u>14,766,843,808</u>
6. Total (Gain)/Loss for 2009-2010 $[(A4) - (A5)]$	\$ (39,068,399)

B. Contribution (Gain)/Loss for the Year

1. Expected Contribution for 2009-2010	\$ 2,153,058,577
2. Actual Contribution for 2009-2010	<u>2,016,757,986</u>
3. Contribution (Gain)/Loss for 2009-2010 $[(B1) - (B2)]$	\$ 136,300,591

C. Asset (Gain)/Loss for the Year

1. Actuarial Value of Assets before receivables as of 6/30/09	\$ 59,833,123,553
2. Contributions Received during 2009-2010	2,016,757,986
3. Benefits and Refunds Paid during 2009-2010	(3,771,189,141)
4. Expected Interest for 2009-2010 $[0.0775 \times (C1) + ((1+0.0775)^{1/2} - 1) \times ((C2) + (C3))]$	4,570,351,366
5. Receivables for AER and Past Service Benefits	<u>499,163,832</u>
6. Expected Actuarial Value of Assets as of 6/30/10 $[(C1) + (C2) + (C3) + (C4) + (C5)]$	\$ 63,148,207,596
7. Actual Actuarial Value of Assets as of 6/30/10	<u>62,213,588,699</u>
8. Asset (Gain)/Loss for 2009-2010 $[(C6) - (C7)]$	\$ 934,618,897

D. Liability (Gain)/Loss for the Year

1. Total (Gain)/Loss for 2009-2010 (A6)	\$ (39,068,399)
2. Contribution (Gain)/Loss for 2009-2010 (B3)	136,300,591
3. Asset (Gain)/Loss for 2009-2010 (C8)	<u>934,618,897</u>
4. Liability (Gain)/Loss for 2009-2010 $[(D1) - (D2) - (D3)]$	\$ (1,109,987,887)

E. Development of the (Gain)/Loss Balance as of 6/30/10

1. (Gain)/Loss Balance as of 6/30/09	\$ 11,444,073,847
2. Payment Made on the Balance during 2009-2010	627,122,134
3. Interest through 6/30/10 $[0.0775 \times (E1) - ((1 + 0.0775)^{1/2} - 1) \times (E2)]$	<u>863,068,166</u>
4. Scheduled (Gain)/Loss Balance as of 6/30/10 $[(E1) - (E2) + (E3)]$	\$ 11,680,019,879
5. (Gain)/Loss for 2009-2010 [(A6) above]	(39,068,399)
6. Final (Gain)/Loss Balance as of 6/30/10 $[(E4) + (E5)]$	\$ 11,640,951,480

Gain and Loss Analysis (Continued)

STATE INDUSTRIAL

A. Total (Gain)/Loss for the Year

1. Unfunded Liability/(Surplus) as of 6/30/09	\$ 335,475,500
2. Expected Payment on the Unfunded Liability during 2009-2010	19,612,674
3. Interest through 6/30/10 $[0.0775 \times (A1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (A2)]$	25,253,541
4. Expected Unfunded Liability as of 6/30/10 before all changes $[(A1)-(A2)+(A3)]$	\$ 341,116,367
5. Actual Unfunded Liability as of 6/30/10	<u>345,889,825</u>
6. Total (Gain)/Loss for 2009-2010 $[(A4) - (A5)]$	\$ 4,773,458

B. Contribution (Gain)/Loss for the Year

1. Expected Contribution for 2009-2010	\$ 117,731,623
2. Actual Contribution for 2009-2010	<u>106,417,897</u>
3. Contribution (Gain)/Loss for 2009-2010 $[(B1) - (B2)]$	\$ 11,313,726

C. Asset (Gain)/Loss for the Year

1. Actuarial Value of Assets before receivables as of 6/30/09	\$ 2,117,573,930
2. Contributions Received during 2009-2010	106,417,897
3. Benefits and Refunds Paid during 2009-2010	(101,864,672)
4. Expected Interest for 2009-2010 $[0.0775 \times (C1) + ((1+0.0775)^{\frac{1}{2}} - 1) \times ((C2) + (C3))]$	164,285,125
5. Receivables for AER and Past Service Benefits	<u>14,249,362</u>
6. Expected Actuarial Value of Assets as of 6/30/10 $[(C1) + (C2) + (C3) + (C4) + (C5)]$	\$ 2,300,661,642
7. Actual Actuarial Value of Assets as of 6/30/10	<u>2,268,588,289</u>
8. Asset (Gain)/Loss for 2009-2010 $[(C6) - (C7)]$	\$ 32,073,353

D. Liability (Gain)/Loss for the Year

1. Total (Gain)/Loss for 2009-2010 (A6)	\$ 4,773,458
2. Contribution (Gain)/Loss for 2009-2010 (B3)	11,313,726
3. Asset (Gain)/Loss for 2009-2010 (C8)	<u>32,073,353</u>
4. Liability (Gain)/Loss for 2009-2010 $[(D1) - (D2) - (D3)]$	\$ (38,613,620)

E. Development of the (Gain)/Loss Balance as of 6/30/10

1. (Gain)/Loss Balance as of 6/30/09	\$ 168,253,294
2. Payment Made on the Balance during 2009-2010	8,025,207
3. Interest through 6/30/10 $[0.0775 \times (E1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (E2)]$	<u>12,734,456</u>
4. Scheduled (Gain)/Loss Balance as of 6/30/10 $[(E1) - (E2) + (E3)]$	\$ 172,962,543
5. (Gain)/Loss for 2009-2010 $[(A6) \text{ above}]$	4,773,458
6. Final (Gain)/Loss Balance as of 6/30/10 $[(E4) + (E5)]$	\$ 177,736,001

Gain and Loss Analysis (Continued)

STATE SAFETY

A. Total (Gain)/Loss for the Year

1. Unfunded Liability/(Surplus) as of 6/30/09	\$ 1,201,216,932
2. Expected Payment on the Unfunded Liability during 2009-2010	31,755,494
3. Interest through 6/30/10 $[0.0775 \times (A1) - ((1 + 0.0775)^{1/2} - 1) \times (A2)]$	91,886,747
4. Expected Unfunded Liability as of 6/30/10 before all changes $[(A1)-(A2)+(A3)]$	\$ 1,261,348,185
5. Actual Unfunded Liability as of 6/30/10	<u>1,163,111,491</u>
6. Total (Gain)/Loss for 2009-2010 $[(A4) - (A5)]$	\$ (98,236,694)

B. Contribution (Gain)/Loss for the Year

1. Expected Contribution for 2009-2010	\$ 469,548,914
2. Actual Contribution for 2009-2010	<u>403,233,174</u>
3. Contribution (Gain)/Loss for 2009-2010 $[(B1) - (B2)]$	\$ 66,315,740

C. Asset (Gain)/Loss for the Year

1. Actuarial Value of Assets before receivables as of 6/30/09	\$ 4,789,030,848
2. Contributions Received during 2009-2010	403,233,174
3. Benefits and Refunds Paid during 2009-2010	(233,341,264)
4. Expected Interest for 2009-2010 $[0.0775 \times (C1) + ((1+0.0775)^{1/2} - 1) \times ((C2) + (C3))]$	377,610,366
5. Receivables for AER and Past Service Benefits	<u>15,365,318</u>
6. Expected Actuarial Value of Assets as of 6/30/10 $[(C1) + (C2) + (C3) + (C4) + (C5)]$	\$ 5,351,898,442
7. Actual Actuarial Value of Assets as of 6/30/10	<u>5,272,535,578</u>
8. Asset (Gain)/Loss for 2009-2010 $[(C6) - (C7)]$	\$ 79,362,864

D. Liability (Gain)/Loss for the Year

1. Total (Gain)/Loss for 2009-2010 (A6)	\$ (98,236,694)
2. Contribution (Gain)/Loss for 2009-2010 (B3)	66,315,740
3. Asset (Gain)/Loss for 2009-2010 (C8)	<u>79,362,864</u>
4. Liability (Gain)/Loss for 2009-2010 $[(D1) - (D2) - (D3)]$	\$ (243,915,298)

E. Development of the (Gain)/Loss Balance as of 6/30/10

1. (Gain)/Loss Balance as of 6/30/09	\$ 895,190,993
2. Payment Made on the Balance during 2009-2010	45,934,483
3. Interest through 6/30/10 $[0.0775 \times (E1) - ((1 + 0.0775)^{1/2} - 1) \times (E2)]$	<u>67,630,553</u>
4. Scheduled (Gain)/Loss Balance as of 6/30/10 $[(E1) - (E2) + (E3)]$	\$ 916,887,063
5. (Gain)/Loss for 2009-2010 $[(A6) \text{ above}]$	(98,236,694)
6. Final (Gain)/Loss Balance as of 6/30/10 $[(E4) + (E5)]$	\$ 818,650,369

Gain and Loss Analysis (Continued)

STATE PEACE OFFICERS AND FIREFIGHTERS

A. Total (Gain)/Loss for the Year

1. Unfunded Liability/(Surplus) as of 6/30/09	\$ 5,581,454,448
2. Expected Payment on the Unfunded Liability during 2009-2010	259,550,246
3. Interest through 6/30/10 $[0.0775 \times (A1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (A2)]$	422,692,809
4. Expected Unfunded Liability as of 6/30/10 before all changes $[(A1)-(A2)+(A3)]$	\$ 5,744,597,011
5. Actual Unfunded Liability as of 6/30/10	<u>5,783,358,229</u>
6. Total (Gain)/Loss for 2009-2010 $[(A4) - (A5)]$	\$ 38,761,218

B. Contribution (Gain)/Loss for the Year

1. Expected Contribution for 2009-2010	\$ 1,142,737,707
2. Actual Contribution for 2009-2010	<u>1,028,524,068</u>
3. Contribution (Gain)/Loss for 2009-2010 $[(B1) - (B2)]$	\$ 114,213,639

C. Asset (Gain)/Loss for the Year

1. Actuarial Value of Assets before receivables as of 6/30/09	\$ 20,665,379,825
2. Contributions Received during 2009-2010	1,028,524,068
3. Benefits and Refunds Paid during 2009-2010	(1,068,666,565)
4. Expected Interest for 2009-2010 $[0.0775 \times (C1) + ((1+0.0775)^{\frac{1}{2}} - 1) \times ((C2) + (C3))]$	1,600,040,439
5. Receivables for AER and Past Service Benefits	<u>44,253,586</u>
6. Expected Actuarial Value of Assets as of 6/30/10 $[(C1) + (C2) + (C3) + (C4) + (C5)]$	\$ 22,269,531,353
7. Actual Actuarial Value of Assets as of 6/30/10	<u>21,928,176,588</u>
8. Asset (Gain)/Loss for 2009-2010 $[(C6) - (C7)]$	\$ 341,354,765

D. Liability (Gain)/Loss for the Year

1. Total (Gain)/Loss for 2009-2010 (A6)	\$ 38,761,218
2. Contribution (Gain)/Loss for 2009-2010 (B3)	114,213,639
3. Asset (Gain)/Loss for 2009-2010 (C8)	<u>341,354,765</u>
4. Liability (Gain)/Loss for 2009-2010 $[(D1) - (D2) - (D3)]$	\$ (416,807,186)

E. Development of the (Gain)/Loss Balance as of 6/30/10

1. (Gain)/Loss Balance as of 6/30/09	\$ 4,369,592,561
2. Payment Made on the Balance during 2009-2010	242,910,400
3. Interest through 6/30/10 $[0.0775 \times (E1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (E2)]$	<u>329,406,276</u>
4. Scheduled (Gain)/Loss Balance as of 6/30/10 $[(E1) - (E2) + (E3)]$	\$ 4,456,088,437
5. (Gain)/Loss for 2009-2010 [(A6) above]	38,761,218
6. Final (Gain)/Loss Balance as of 6/30/10 $[(E4) + (E5)]$	\$ 4,494,849,655

Gain and Loss Analysis (Continued)

CALIFORNIA HIGHWAY PATROL

A. Total (Gain)/Loss for the Year

1. Unfunded Liability/(Surplus) as of 6/30/09	\$ 1,901,271,161
2. Expected Payment on the Unfunded Liability during 2009-2010	92,632,568
3. Interest through 6/30/10 $[0.0775 \times (A1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (A2)]$	143,825,979
4. Expected Unfunded Liability as of 6/30/10 before all changes $[(A1)-(A2)+(A3)]$	\$ 1,952,464,572
5. Actual Unfunded Liability as of 6/30/10	<u>2,040,611,602</u>
6. Total (Gain)/Loss for 2009-2010 $[(A4) - (A5)]$	\$ 88,147,030

B. Contribution (Gain)/Loss for the Year

1. Expected Contribution for 2009-2010	\$ 252,497,993
2. Actual Contribution for 2009-2010	<u>276,303,411</u>
3. Contribution (Gain)/Loss for 2009-2010 $[(B1) - (B2)]$	\$ (23,805,418)

C. Asset (Gain)/Loss for the Year

1. Actuarial Value of Assets before receivables as of 6/30/09	\$ 5,386,972,259
2. Contributions Received during 2009-2010	276,303,411
3. Benefits and Refunds Paid during 2009-2010	(338,156,956)
4. Expected Interest for 2009-2010 $[0.0775 \times (C1) + ((1+0.0775)^{\frac{1}{2}} - 1) \times ((C2) + (C3))]$	415,138,247
5. Receivables for AER and Past Service Benefits	<u>11,867,885</u>
6. Expected Actuarial Value of Assets as of 6/30/10 $[(C1) + (C2) + (C3) + (C4) + (C5)]$	\$ 5,752,124,846
7. Actual Actuarial Value of Assets as of 6/30/10	<u>5,663,252,031</u>
8. Asset (Gain)/Loss for 2009-2010 $[(C6) - (C7)]$	\$ 88,872,815

D. Liability (Gain)/Loss for the Year

1. Total (Gain)/Loss for 2009-2010 (A6)	\$ 88,147,030
2. Contribution (Gain)/Loss for 2009-2010 (B3)	(23,805,418)
3. Asset (Gain)/Loss for 2009-2010 (C8)	<u>88,872,815</u>
4. Liability (Gain)/Loss for 2009-2010 $[(D1) - (D2) - (D3)]$	\$ 23,079,633

E. Development of the (Gain)/Loss Balance as of 6/30/10

1. (Gain)/Loss Balance as of 6/30/09	\$ 1,736,336,946
2. Payment Made on the Balance during 2009-2010	88,491,370
3. Interest through 6/30/10 $[0.0775 \times (E1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (E2)]$	<u>131,201,054</u>
4. Scheduled (Gain)/Loss Balance as of 6/30/10 $[(E1) - (E2) + (E3)]$	\$ 1,779,046,630
5. (Gain)/Loss for 2009-2010 $[(A6) \text{ above}]$	88,147,030
6. Final (Gain)/Loss Balance as of 6/30/10 $[(E4) + (E5)]$	\$ 1,867,193,660

Gain and Loss Analysis (Continued)

SCHOOLS

A. Total (Gain)/Loss for the Year

1. Unfunded Liability/(Surplus) as of 6/30/09	\$ 5,817,323,127
2. Expected Payment on the Unfunded Liability during 2009-2010	272,875,034
3. Interest through 6/30/10 $[0.0775 \times (A1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (A2)]$	440,465,930
4. Expected Unfunded Liability as of 6/30/10 before all changes $[(A1) - (A2) + (A3)]$	\$ 5,984,914,023
5. Actual Unfunded Liability as of 6/30/10	<u>6,351,312,336</u>
6. Total (Gain)/Loss for 2009-2010 $[(A4) - (A5)]$	\$ 366,398,313

B. Contribution (Gain)/Loss for the Year

1. Expected Contribution for 2009-2010	\$ 1,797,682,644
2. Actual Contribution for 2009-2010	<u>1,798,650,436</u>
3. Contribution (Gain)/Loss for 2009-2010 $[(B1) - (B2)]$	\$ (967,792)

C. Asset (Gain)/Loss for the Year

1. Actuarial Value of Assets before receivables as of 6/30/09	\$ 46,647,004,402
2. Contributions Received during 2009-2010	1,798,650,436
3. Benefits and Refunds Paid during 2009-2010	(2,360,006,180)
4. Expected Interest for 2009-2010 $[0.0775 \times (C1) + ((1 + 0.0775)^{\frac{1}{2}} - 1) \times ((C2) + (C3))]$	3,593,796,181
5. Receivables for AER and Past Service Benefits	<u>28,751,995</u>
6. Expected Actuarial Value of Assets as of 6/30/10 $[(C1) + (C2) + (C3) + (C4) + (C5)]$	\$ 49,708,196,834
7. Actual Actuarial Value of Assets as of 6/30/10	<u>48,955,651,302</u>
8. Asset (Gain)/Loss for 2009-2010 $[(C6) - (C7)]$	\$ 752,545,532

D. Liability (Gain)/Loss for the Year

1. Total (Gain)/Loss for 2009-2010 (A6)	\$ 366,398,313
2. Contribution (Gain)/Loss for 2009-2010 (B3)	(967,792)
3. Asset (Gain)/Loss for 2009-2010 (C8)	<u>752,545,532</u>
4. Liability (Gain)/Loss for 2009-2010 $[(D1) - (D2) - (D3)]$	\$ (385,179,426)

E. Development of the (Gain)/Loss Balance as of 6/30/10

1. (Gain)/Loss Balance as of 6/30/09	\$ 2,080,038,037
2. Payment Made on the Balance during 2009-2010	80,054,355
3. Interest through 6/30/10 $[0.0775 \times (E1) - ((1 + 0.0775)^{\frac{1}{2}} - 1) \times (E2)]$	<u>158,158,723</u>
4. Scheduled (Gain)/Loss Balance as of 6/30/10 $[(E1) - (E2) + (E3)]$	\$ 2,158,142,405
5. (Gain)/Loss for 2009-2010 $[(A6) \text{ above}]$	366,398,313
6. Final (Gain)/Loss Balance as of 6/30/10 $[(E4) + (E5)]$	\$ 2,524,540,718

Development of Group Term Life Insurance Contributions

	State Miscellaneous	State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol
1. GTLI Market Value of Assets as of June 30, 2009	\$ 8,389,340	\$ (220,516)	\$ 447,770	\$ 471,403	\$ 585,067
2. Contributions Received for GTLI During Fiscal Year 2009-2010	-	478,326	961,578	722,022	23,413
3. Benefits Paid for GTLI During Fiscal Year 2009-2010	(3,276,945)	(485,286)	(835,730)	(1,201,543)	(245,963)
4. Investment Return During Fiscal Year 2009-2010	1,321,153	27,307	180,717	180,917	96,803
5. GTLI Market Value of Assets as of June 30, 2010	\$ 6,433,548	\$ (200,169)	\$ 754,335	\$ 172,799	\$ 459,320
6. Plan's Actuarial Value of Assets As a Percentage of Market Value of Assets	128.200%	127.355%	125.730%	127.561%	127.630%
7. GTLI Actuarial Value of Assets as of June 30, 2010	\$ 8,247,809	\$ (254,925)	\$ 948,425	\$ 220,424	\$ 586,230
8. Expected GTLI Benefit Payments for Fiscal Year 2010-2011	\$ 7,656,162	\$ 466,210	\$ 1,951,167	\$ 2,148,909	\$ 370,581
9. Closed Group Projected Payroll for Fiscal Year 2010-2011	\$ 9,942,505,468	\$ 591,558,259	\$ 1,882,202,163	\$ 3,323,161,710	\$ 739,961,514
10. Required GTLI Contribution Rate [(1.5 x (8) - 7, but not less than zero) / (9)]	0.033%	0.161%	0.105%	0.090%	0.000%
11. Projected Payroll for Contributions	\$ 10,514,717,151	\$ 615,812,172	\$ 2,004,053,851	\$ 3,454,756,236	\$ 767,416,016
12. Required GTLI Contribution for Fiscal Year 2011-2012* [(10) x (11)]	\$ 3,469,857	\$ 991,458	\$ 2,104,257	\$ 3,109,281	\$ -

* The Required GTLI Contribution for Miscellaneous Tier 1 and Tier 2 is divided equally between the two groups as a percentage of payroll.

Reconciliation of Employer Contribution Rates

Change in Normal Cost Rate from 2010-2011 to 2011-2012 for the Retirement Program

	State Miscellaneous		State	State	State Peace	California	Schools
	Tier 1	Tier 2	Industrial	Safety	Officers and	Highway	
					Firefighters	Patrol	
2010-2011 Normal Cost Rate	9.862%	9.562%	13.623%	16.439%	18.363%	15.400%	7.173%
Effect of Changes in Employee Contribution Rate	-2.073%	-2.867%	-2.925%	-3.701%	-2.302%	-1.828%	0.000%
Effect of (Gain)/Loss	0.022%	-0.034%	-0.157%	-0.384%	0.049%	-0.039%	-0.041%
2011-2012 Normal Cost Rate	7.811%	6.661%	10.541%	12.354%	16.110%	13.533%	7.132%

Change in Unfunded Liability Amortization Rate from 2010-2011 to 2011-2012 for the Retirement Program

	State Miscellaneous		State	State	State Peace	California	Schools
	Tier 1	Tier 2	Industrial	Safety	Officers and	Highway	
					Firefighters	Patrol	
2010-2011 Rate to Amortize the Unfunded Liability	10.060%	10.060%	4.390%	4.109%	10.447%	17.225%	3.534%
Effect of (Gain)/Loss	0.271%	0.271%	-0.158%	-0.140%	0.768%	0.506%	0.257%
2011-2012 Rate to Amortize the Unfunded Liability	10.331%	10.331%	4.232%	3.969%	11.215%	17.731%	3.791%

Reconciliation of Employer Contribution Rates (Continued)

	Change in Group Term Life Rate from 2010-2011 to 2011-2012						
	State Miscellaneous		State	State	State Peace	California	Schools
	Tier 1	Tier 2	Industrial	Safety	Officers and Firefighters	Highway Patrol	
2010-2011 Group Term Life Rate	0.000%	0.000%	0.170%	0.124%	0.077%	0.000%	N/A
Effect of (Gain)/Loss	0.033%	0.033%	-0.009%	-0.019%	0.013%	0.000%	N/A
2011-2012 Group Term Life Rate	0.033%	0.033%	0.161%	0.105%	0.090%	0.000%	N/A

	Change in Total Rate from 2010-2011 to 2011-2012						
	State Miscellaneous		State	State	State Peace	California	Schools
	Tier 1	Tier 2	Industrial	Safety	Officers and Firefighters	Highway Patrol	
2010-2011 Employer Rates	19.922%	19.622%	18.183%	20.672%	28.887%	32.625%	10.707%
Effect of Changes in Employee Contribution Rate	-2.073%	-2.867%	-2.925%	-3.701%	-2.302%	-1.828%	0.000%
Effect of Additional Contribution	0.000%	0.000%	N/A	N/A	N/A	0.000%	N/A
Effect of (Gain)/Loss	0.326%	0.270%	-0.324%	-0.543%	0.830%	0.467%	0.216%
2011-2012 Employer Rates	18.175%	17.025%	14.934%	16.428%	27.415%	31.264%	10.923%

Reconciliation of Employer Contributions

Change in Normal Cost Contribution from 2010-2011 to 2011-2012 for the Retirement Program							
	State Miscellaneous		State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
	Tier 1	Tier 2					
2010-2011 Normal Cost Contribution	\$992,703,647	\$38,153,075	\$78,171,416	\$336,661,146	\$659,565,756	\$112,970,099	\$796,902,967
Effect of Change in Payroll	6,574,649	(1,616,279)	5,720,676	(7,214,734)	(25,168,869)	5,211,968	12,455,186
Effect of Change in Employee Contributions	(210,023,574)	(10,954,925)	(18,010,220)	(74,178,278)	(79,511,344)	(14,027,354)	-
Effect of (Gain)/Loss	2,229,175	(129,915)	(966,825)	(7,695,566)	1,692,831	(299,293)	(4,626,192)
2011-2012 Normal Cost Contribution	\$791,483,897	\$25,451,956	\$64,915,047	\$247,572,568	\$556,578,374	\$103,855,420	\$804,731,961

Change in Unfunded Liability Amortization Contribution from 2010-2011 to 2011-2012 for the Retirement Program							
	State Miscellaneous		State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
	Tier 1	Tier 2					
2010-2011 Amortization of the Unfunded Liability	\$1,012,683,152	\$40,142,071	\$25,190,325	\$84,142,246	\$375,254,664	\$126,360,162	\$392,579,802
Effect of Progression of Amortization of Prior Unfunded Liability	34,750,123	(643,022)	680,679	1,955,821	7,973,699	4,129,902	11,349,239
Effect of (Gain)/Loss	(612,449)	(23,096)	188,606	(6,547,493)	4,212,047	5,581,605	23,825,935
2011-2012 Amortization of the Unfunded Liability	\$1,046,820,826	\$39,475,953	\$26,059,610	\$79,550,574	\$387,440,410	\$136,071,669	\$427,754,976

Reconciliation of Employer Contributions (Continued)

	Change in Group Term Life Contribution from 2010-2011 to 2011-2012						
	State Miscellaneous		State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
	Tier 1	Tier 2					
2010-2011 Group Term Life Contribution	\$0	\$0	\$975,493	\$2,539,448	\$2,765,701	\$0	N/A
Effect of Change in Payroll	-	-	71,388	(54,421)	(105,538)	-	N/A
Effect of (Gain)/Loss	3,343,762	126,094	(55,423)	(380,770)	449,118	-	N/A
2011-2012 Group Term Life Contribution	\$3,343,762	\$126,094	\$991,458	\$2,104,257	\$3,109,281	\$0	N/A

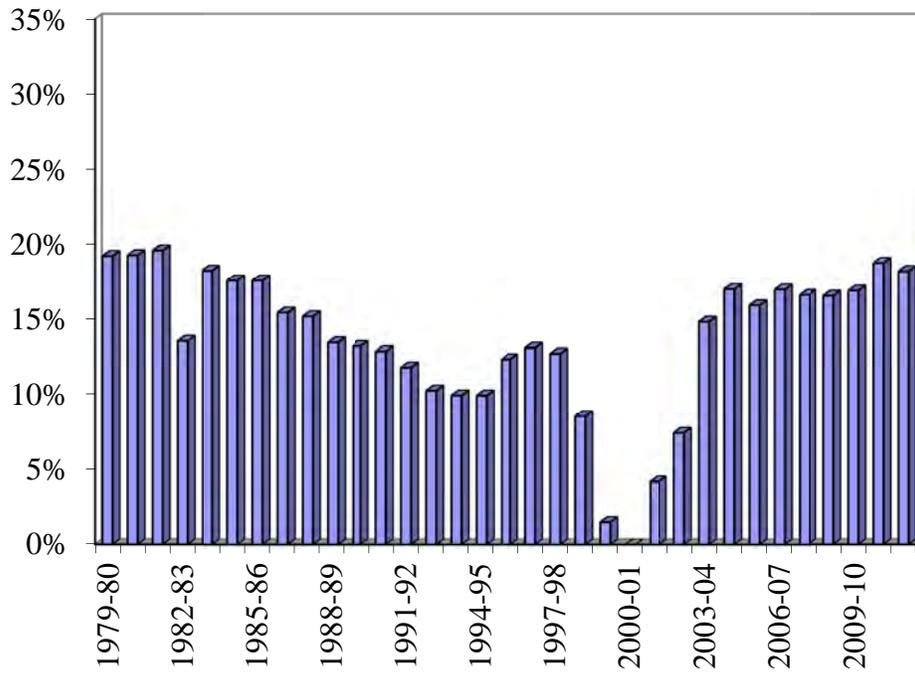
	Change in Total Contribution from 2010-2011 to 2011-2012						
	State Miscellaneous		State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
	Tier 1	Tier 2					
2010-2011 Employer Contribution	\$2,005,386,799	\$78,295,146	\$104,337,234	\$423,342,840	\$1,037,586,121	\$239,330,261	\$1,189,482,769
Effect of Change in Payroll and Progression of Amortization of Prior Unfunded Liability	41,324,772	(2,259,301)	6,472,743	(5,313,334)	(17,300,708)	9,341,870	23,804,425
Effect of Change in Employee Contributions	(210,023,574)	(10,954,925)	(18,010,220)	(74,178,278)	(79,511,344)	(14,027,354)	0
Effect of (Gain)/Loss	4,960,488	(26,917)	(833,642)	(14,623,829)	6,353,996	5,282,312	19,199,743
2011-2012 Employer Contribution	\$1,841,648,485	\$65,054,003	\$91,966,115	\$329,227,399	\$947,128,065	\$239,927,089	\$1,232,486,937

Employer Contribution Rate History

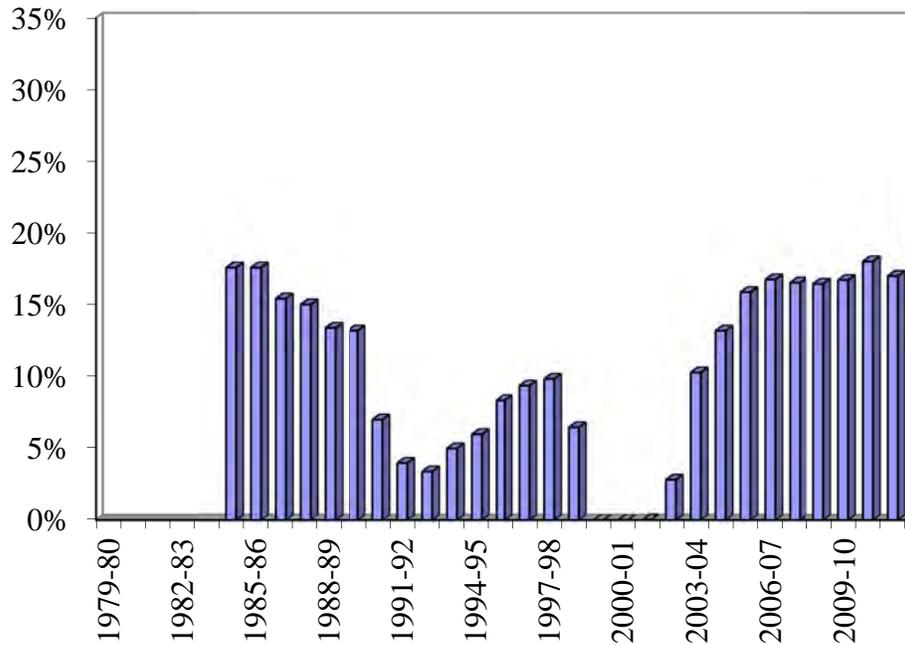
The table below provides a history of the contribution rates for the various State plans and the Schools plan. In cases where the contribution rate changed during the course of a fiscal year, the entry shown is the weighted average of the rates effective during the fiscal year.

Fiscal Year	State Miscellaneous		State	State	State Peace	California	Schools
	Tier 1	Tier 2	Industrial	Safety	Officers and Firefighters	Highway Patrol	
1979-80	19.188%		20.040%	20.106%		31.373%	12.515%
1980-81	19.247%		20.047%	20.145%		31.440%	13.119%
1981-82	19.563%		20.263%	20.409%		31.995%	13.020%
1982-83	13.559%		15.013%	16.381%		19.555%	12.045%
1983-84	18.262%		18.884%	20.615%		24.306%	12.378%
1984-85	17.604%	17.604%	19.976%	20.518%		25.292%	12.378%
1985-86	17.604%	17.604%	19.749%	20.518%	24.310%	24.868%	11.969%
1986-87	15.450%	15.450%	16.638%	22.522%	20.578%	22.150%	11.015%
1987-88	15.202%	15.038%	15.332%	19.229%	17.171%	20.859%	9.718%
1988-89	13.464%	13.413%	16.626%	17.296%	16.431%	18.453%	8.454%
1989-90	13.224%	13.218%	16.783%	17.424%	16.200%	18.318%	8.210%
1990-91	12.878%	6.975%	16.720%	17.916%	15.702%	18.090%	7.282%
1991-92	11.804%	3.986%	13.399%	17.376%	17.386%	21.721%	8.162%
1992-93	10.266%	3.391%	11.995%	15.698%	15.560%	17.074%	7.273%
1993-94	9.939%	5.005%	11.765%	15.485%	15.202%	16.940%	7.066%
1994-95	9.934%	5.947%	10.597%	13.927%	12.817%	15.552%	3.849%
1995-96	12.350%	8.326%	8.981%	14.228%	14.350%	14.778%	6.979%
1996-97	13.106%	9.345%	9.260%	14.656%	15.401%	15.851%	7.787%
1997-98	12.721%	9.822%	9.048%	13.754%	15.270%	15.515%	6.172%
1998-99	8.541%	6.437%	4.583%	9.440%	9.591%	13.541%	0.000%
1999-00	1.491%	0.000%	0.026%	7.487%	0.000%	13.345%	0.000%
2000-01	0.000%	0.000%	0.026%	6.808%	2.729%	13.711%	0.000%
2001-02	4.166%	0.036%	0.350%	12.923%	9.638%	16.897%	0.000%
2002-03	7.413%	2.813%	2.858%	17.055%	13.925%	23.076%	2.894%
2003-04	14.843%	10.265%	11.099%	21.930%	20.325%	32.653%	10.420%
2004-05	17.022%	13.216%	16.386%	20.773%	23.841%	33.434%	9.952%
2005-06	15.942%	15.890%	17.147%	19.026%	23.563%	26.396%	9.116%
2006-07	16.997%	16.778%	17.861%	19.294%	24.505%	31.463%	9.124%
2007-08	16.633%	16.565%	17.345%	18.835%	25.552%	32.212%	9.306%
2008-09	16.574%	16.470%	17.236%	18.411%	26.064%	32.149%	9.428%
2009-10	16.917%	16.737%	17.251%	18.099%	25.848%	28.438%	9.709%
2010-11	18.725%	18.032%	16.433%	18.187%	28.722%	31.291%	10.707%
2011-12	18.175%	17.025%	14.934%	16.428%	27.415%	31.264%	10.923%

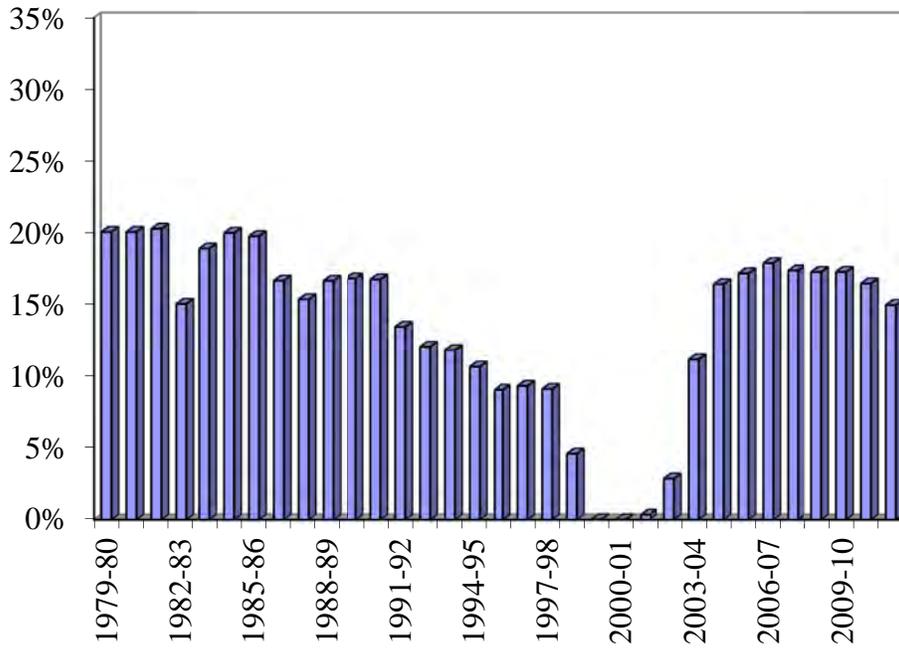
State Miscellaneous Tier 1 Rates



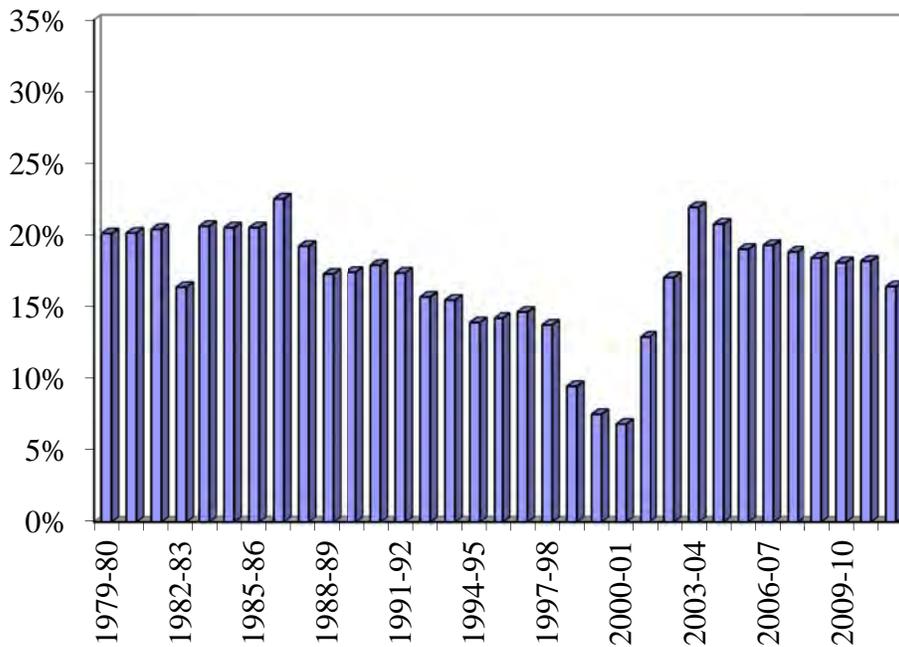
State Miscellaneous Tier 2 Rates



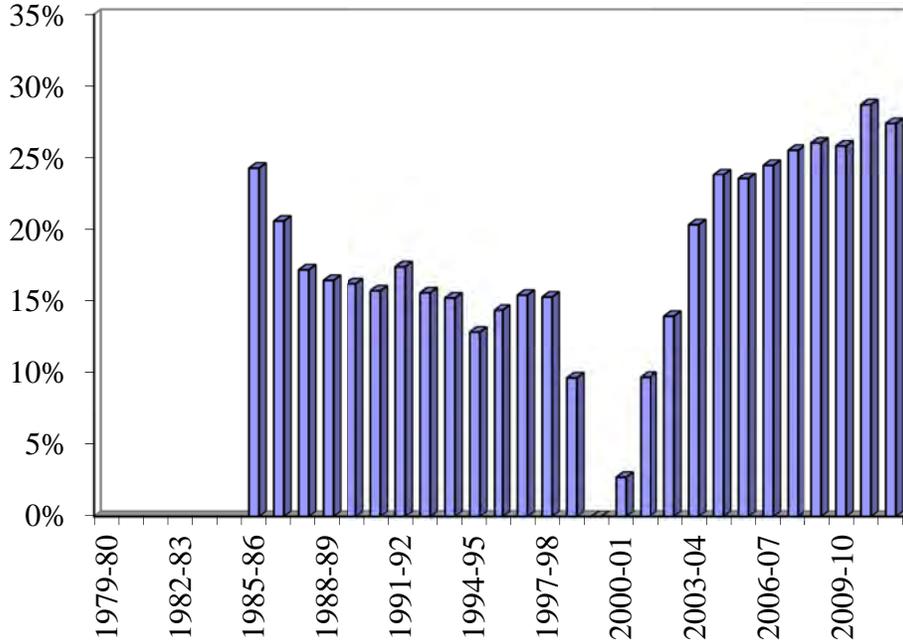
State Industrial Rates



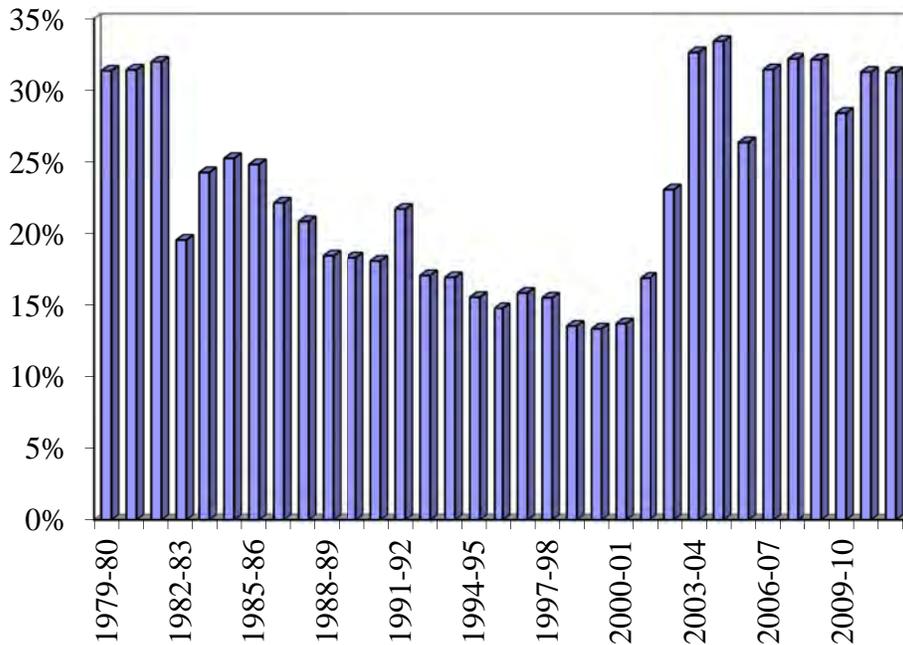
State Safety Rates



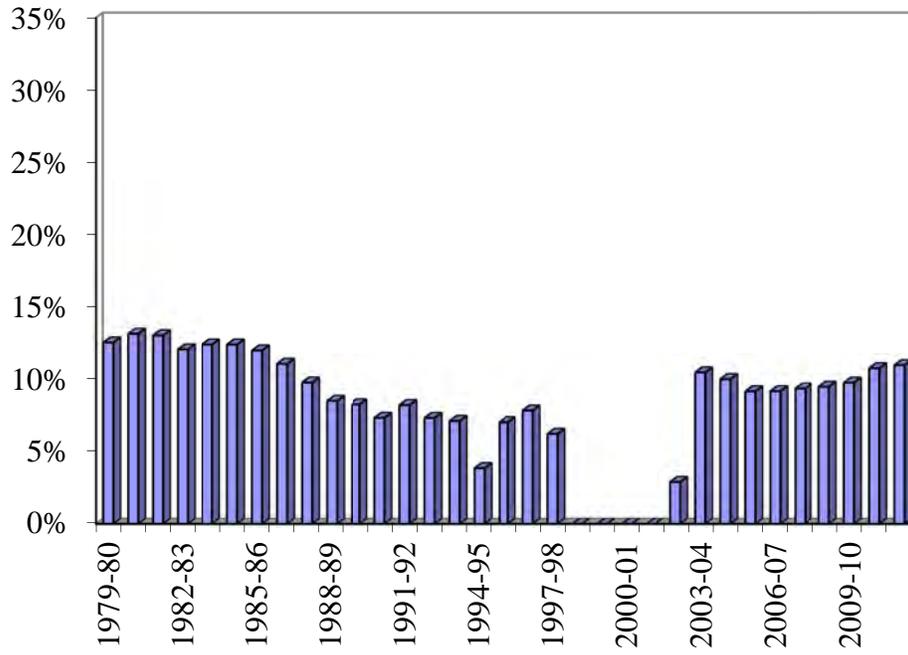
State Peace Officers and Firefighters Rates



California Highway Patrol Rates



Schools Rates

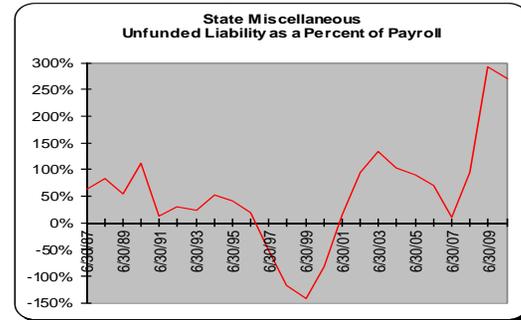
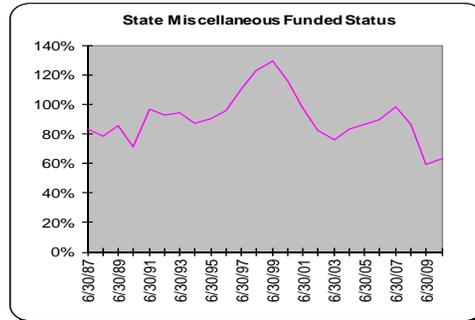
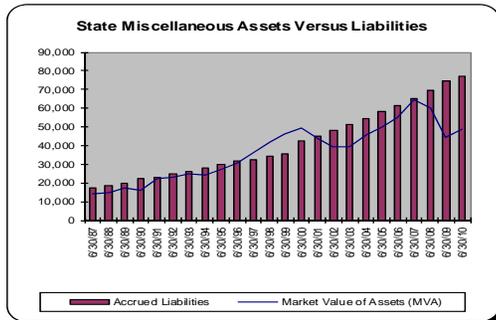


History of Funded Status and Funding Progress

Shown below is the history of funding progress for the plans. One could view the trend in the ratio of the unfunded liability to covered payroll as a measure of the ability of the employer to address the unfunded liability.

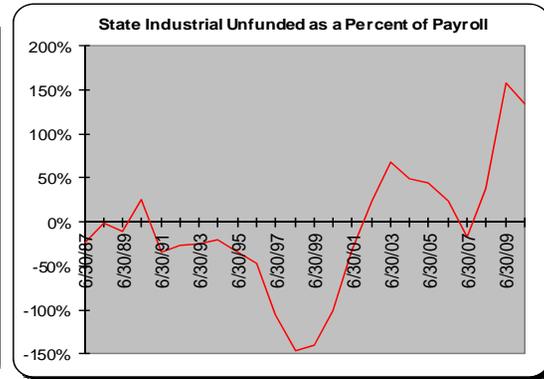
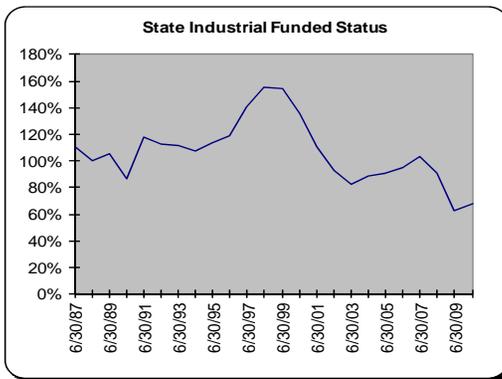
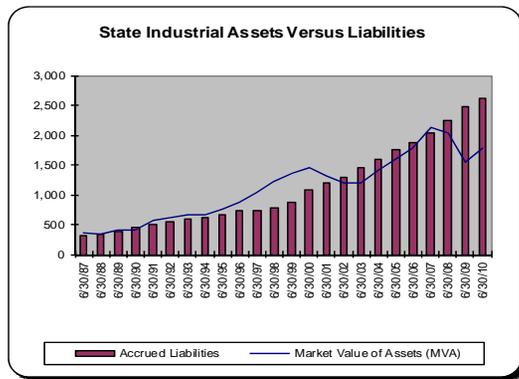
State Miscellaneous (Dollars in Millions)

Valuation Date	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Contribution	Unfunded/ (Surplus) as a % of Payroll
6/30/87	\$17,216.59	\$14,341.10	83.3%	\$2,875.49	\$4,632.96	62.1%
6/30/88	18,551.55	14,534.21	78.3%	\$4,017.34	4,912.26	81.8%
6/30/89	19,971.99	17,132.13	85.8%	\$2,839.87	5,348.02	53.1%
6/30/90	22,441.71	16,026.60	71.4%	\$6,415.10	5,815.86	110.3%
6/30/91	23,152.67	22,441.42	96.9%	\$711.24	6,302.82	11.3%
6/30/92	24,887.16	22,978.69	92.3%	\$1,908.47	6,242.74	30.6%
6/30/93	26,162.26	24,714.91	94.5%	\$1,447.35	6,310.21	22.9%
6/30/94	27,820.55	24,278.25	87.3%	\$3,542.30	6,826.52	51.9%
6/30/95	29,959.51	27,087.75	90.4%	\$2,871.76	7,009.46	41.0%
6/30/96	31,742.11	30,451.89	95.9%	\$1,290.22	6,881.12	18.8%
6/30/97	32,557.43	35,958.74	110.4%	(\$3,401.31)	6,623.62	-51.4%
6/30/98	34,169.38	42,011.09	122.9%	(\$7,841.72)	6,592.21	-119.0%
6/30/99	35,771.22	46,176.43	129.1%	(\$10,405.22)	7,332.11	-141.9%
6/30/00	42,386.05	49,207.61	116.1%	(\$6,821.57)	8,246.46	-82.7%
6/30/01	45,261.49	43,933.20	97.1%	\$1,328.30	8,815.88	15.1%
6/30/02	48,118.21	39,530.08	82.2%	\$8,588.13	9,238.43	93.0%
6/30/03	51,558.91	39,324.37	76.3%	\$12,234.54	9,207.49	132.9%
6/30/04	54,700.51	45,459.67	83.1%	\$9,240.84	9,078.96	101.8%
6/30/05	58,266.63	50,230.53	86.2%	\$8,036.10	8,896.91	90.3%
6/30/06	61,298.78	55,050.67	89.8%	\$6,248.11	8,956.47	69.8%
6/30/07	65,341.72	64,441.85	98.6%	\$899.87	9,529.56	9.4%
6/30/08	69,647.97	59,978.56	86.1%	\$9,669.41	10,241.26	94.4%
6/30/09	74,762.62	44,093.66	59.0%	\$30,668.96	10,464.95	293.1%
6/30/10	76,980.43	48,645.91	63.2%	\$28,334.52	10,514.72	269.5%



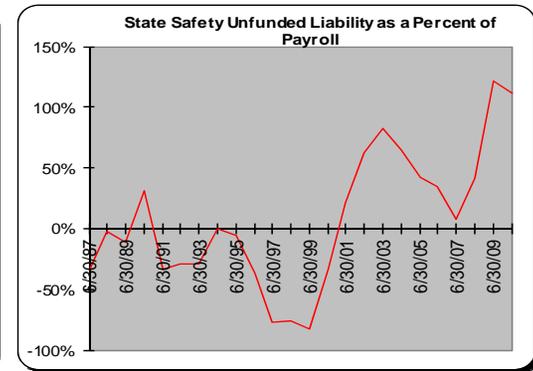
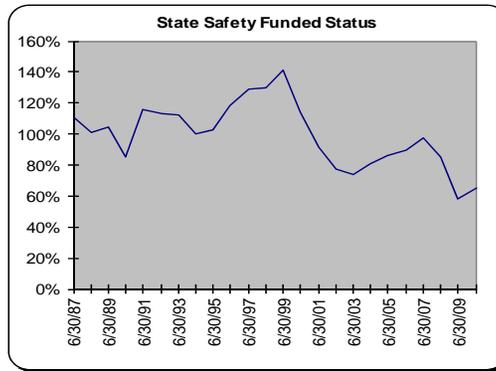
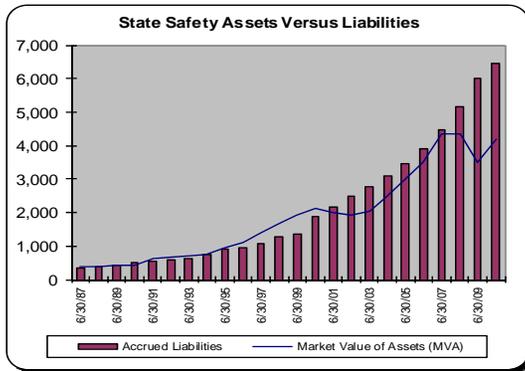
State Industrial
(Dollars in Millions)

Valuation Date	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Contribution	Unfunded/ (Surplus) as a % of Payroll
6/30/87	\$315.86	\$350.09	110.8%	(\$34.22)	\$146.17	-23.4%
6/30/88	344.81	\$347.47	100.8%	(\$2.66)	166.90	-1.6%
6/30/89	386.48	\$405.87	105.0%	(\$19.39)	191.17	-10.1%
6/30/90	459.94	\$401.13	87.2%	\$58.81	224.06	26.2%
6/30/91	492.36	\$579.06	117.6%	(\$86.71)	256.41	-33.8%
6/30/92	539.59	\$609.95	113.0%	(\$70.36)	268.41	-26.2%
6/30/93	596.89	\$667.52	111.8%	(\$70.63)	278.37	-25.4%
6/30/94	618.92	\$665.17	107.5%	(\$46.25)	235.06	-19.7%
6/30/95	659.45	\$750.80	113.9%	(\$91.35)	270.74	-33.7%
6/30/96	721.31	\$861.49	119.4%	(\$140.18)	293.77	-47.7%
6/30/97	740.68	\$1,042.38	140.7%	(\$301.69)	284.64	-106.0%
6/30/98	789.88	\$1,226.17	155.2%	(\$436.29)	296.55	-147.1%
6/30/99	880.05	\$1,359.58	154.5%	(\$479.53)	343.75	-139.5%
6/30/00	1,078.75	\$1,463.21	135.6%	(\$384.45)	379.44	-101.3%
6/30/01	1,196.07	\$1,325.06	110.8%	(\$128.99)	390.17	-33.1%
6/30/02	1,294.63	\$1,199.71	92.7%	\$94.92	389.72	24.4%
6/30/03	1,462.07	\$1,200.75	82.1%	\$261.32	381.30	68.5%
6/30/04	1,601.67	\$1,414.67	88.3%	\$187.01	377.65	49.5%
6/30/05	1,753.85	\$1,586.13	90.4%	\$167.72	379.50	44.2%
6/30/06	1,870.23	\$1,776.30	95.0%	\$93.93	381.08	24.6%
6/30/07	2,043.85	\$2,119.42	103.7%	(\$75.56)	440.39	-17.2%
6/30/08	2,234.92	\$2,033.97	91.0%	\$200.95	521.55	38.5%
6/30/09	2,467.30	\$1,555.77	63.1%	\$911.53	573.82	158.9%
6/30/10	2,614.48	\$1,784.90	68.3%	\$829.58	615.81	134.7%



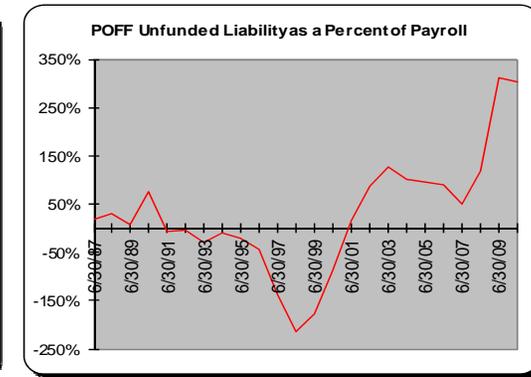
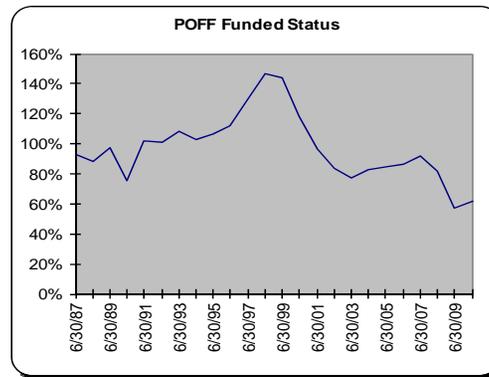
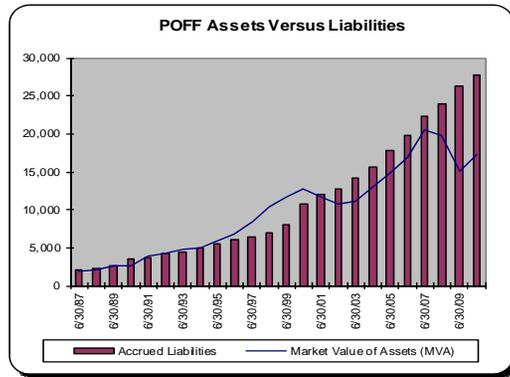
State Safety
(Dollars in Millions)

Valuation Date	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Contribution	Unfunded/ (Surplus) as a % of Payroll
6/30/87	\$349.50	\$387.09	110.8%	(\$37.59)	\$112.68	-33.4%
6/30/88	369.94	\$372.43	100.7%	(\$2.49)	133.51	-1.9%
6/30/89	420.00	\$440.28	104.8%	(\$20.28)	184.89	-11.0%
6/30/90	498.73	\$425.64	85.3%	\$73.09	231.79	31.5%
6/30/91	548.01	\$636.70	116.2%	(\$88.70)	262.42	-33.8%
6/30/92	602.36	\$679.63	112.8%	(\$77.27)	262.99	-29.4%
6/30/93	644.22	\$721.61	112.0%	(\$77.39)	265.34	-29.2%
6/30/94	761.10	\$761.74	100.1%	(\$0.64)	385.40	-0.2%
6/30/95	913.75	\$936.36	102.5%	(\$22.61)	408.03	-5.5%
6/30/96	946.58	\$1,122.60	118.6%	(\$176.02)	473.79	-37.2%
6/30/97	1,086.00	\$1,403.64	129.2%	(\$317.64)	413.78	-76.8%
6/30/98	1,285.33	\$1,671.77	130.1%	(\$386.45)	510.51	-75.7%
6/30/99	1,363.94	\$1,927.29	141.3%	(\$563.35)	681.63	-82.6%
6/30/00	1,864.69	\$2,121.78	113.8%	(\$257.09)	759.19	-33.9%
6/30/01	2,179.43	\$1,999.67	91.8%	\$179.76	850.00	21.1%
6/30/02	2,476.47	\$1,925.90	77.8%	\$550.56	875.83	62.9%
6/30/03	2,788.06	\$2,049.31	73.5%	\$738.75	890.67	82.9%
6/30/04	3,087.45	\$2,508.66	81.3%	\$578.79	889.30	65.1%
6/30/05	3,472.58	\$2,999.91	86.4%	\$472.67	1,106.95	42.7%
6/30/06	3,906.96	\$3,486.19	89.2%	\$420.77	1,225.72	34.3%
6/30/07	4,467.41	\$4,341.68	97.2%	\$125.73	1,530.40	8.2%
6/30/08	5,146.24	\$4,364.99	84.8%	\$781.25	1,913.63	40.8%
6/30/09	6,005.61	\$3,514.11	58.5%	\$2,491.50	2,047.94	121.7%
6/30/10	6,435.65	\$4,196.17	65.2%	\$2,239.48	2,004.05	111.7%



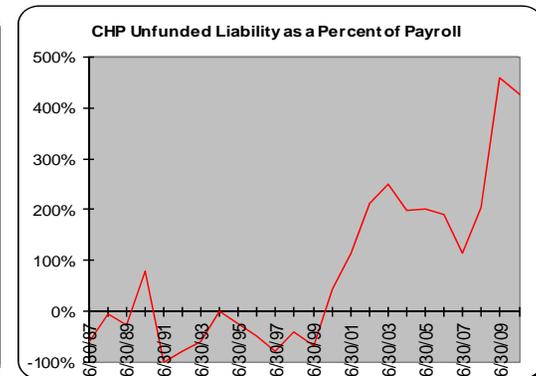
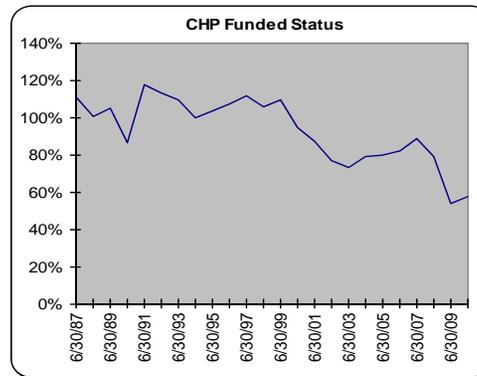
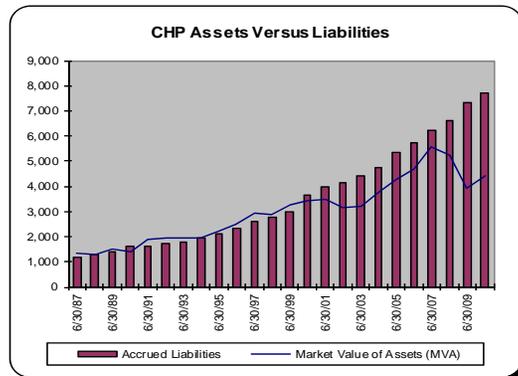
State Peace Officers and Firefighters (Dollars in Millions)

Valuation Date	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Contribution	Unfunded/ (Surplus) as a % of Payroll
6/30/87	\$2,046.60	\$1,902.78	93.0%	\$143.82	\$791.32	18.2%
6/30/88	2,323.22	\$2,060.31	88.7%	\$262.91	892.79	29.4%
6/30/89	2,664.98	\$2,594.85	97.4%	\$70.13	1,001.85	7.0%
6/30/90	3,439.63	\$2,585.12	75.2%	\$854.51	1,150.54	74.3%
6/30/91	3,773.05	\$3,854.02	102.1%	(\$80.97)	1,319.96	-6.1%
6/30/92	4,193.43	\$4,232.07	100.9%	(\$38.63)	1,332.15	-2.9%
6/30/93	4,475.70	\$4,867.29	108.7%	(\$391.58)	1,347.85	-29.1%
6/30/94	4,883.90	\$5,031.67	103.0%	(\$147.77)	1,504.71	-9.8%
6/30/95	5,552.00	\$5,892.10	106.1%	(\$340.10)	1,592.42	-21.4%
6/30/96	6,128.81	\$6,860.00	111.9%	(\$731.19)	1,653.57	-44.2%
6/30/97	6,494.67	\$8,435.81	129.9%	(\$1,941.14)	1,409.62	-137.7%
6/30/98	7,015.67	\$10,321.52	147.1%	(\$3,305.85)	1,540.44	-214.6%
6/30/99	8,091.24	\$11,684.90	144.4%	(\$3,593.66)	2,017.76	-178.1%
6/30/00	10,720.41	\$12,667.55	118.2%	(\$1,947.13)	2,227.34	-87.4%
6/30/01	11,949.04	\$11,574.35	96.9%	\$374.70	2,303.58	16.3%
6/30/02	12,826.58	\$10,731.13	83.7%	\$2,095.45	2,406.97	87.1%
6/30/03	14,219.50	\$11,037.85	77.6%	\$3,181.65	2,506.75	126.9%
6/30/04	15,668.42	\$12,998.58	83.0%	\$2,669.85	2,603.55	102.5%
6/30/05	17,753.24	\$14,984.69	84.4%	\$2,768.54	2,860.33	96.8%
6/30/06	19,737.05	\$16,972.81	86.0%	\$2,764.24	3,057.73	90.4%
6/30/07	22,249.94	\$20,538.69	92.3%	\$1,711.25	3,420.18	50.0%
6/30/08	24,004.31	\$19,734.05	82.2%	\$4,270.26	3,588.76	119.0%
6/30/09	26,291.09	\$15,083.09	57.4%	\$11,208.00	3,591.82	312.0%
6/30/10	27,711.53	\$17,199.10	62.1%	\$10,512.44	3,454.76	304.3%



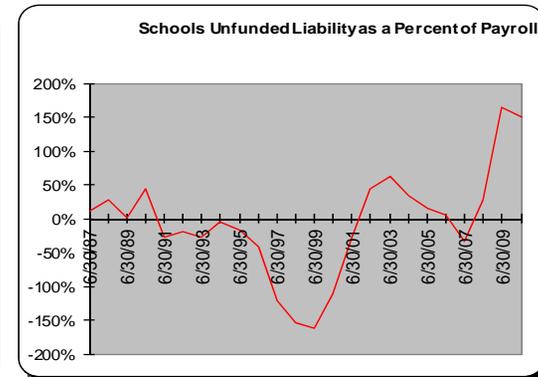
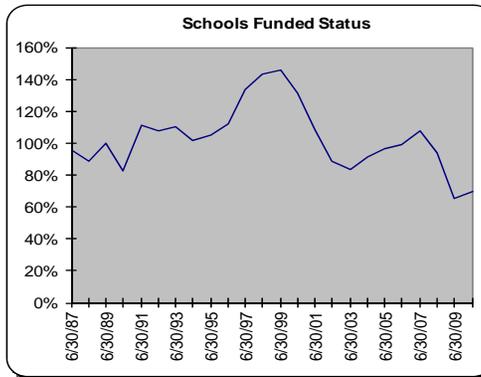
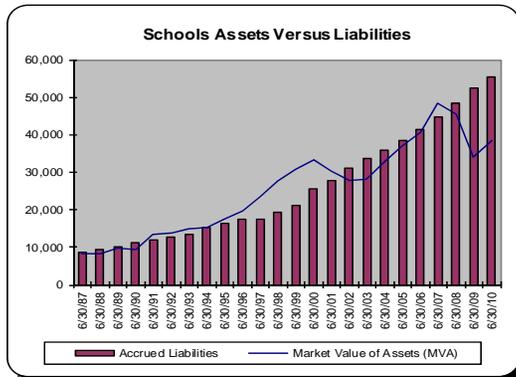
California Highway Patrol (Dollars in Millions)

Valuation Date	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Contribution	Unfunded/ (Surplus) as a % of Payroll
6/30/87	\$1,196.54	\$1,325.90	110.8%	(\$129.35)	\$216.42	-59.8%
6/30/88	1,290.70	\$1,300.19	100.7%	(\$9.49)	226.20	-4.2%
6/30/89	1,414.86	\$1,483.64	104.9%	(\$68.79)	249.06	-27.6%
6/30/90	1,612.80	\$1,395.26	86.5%	\$217.54	271.01	80.3%
6/30/91	1,628.94	\$1,915.61	117.6%	(\$286.67)	287.52	-99.7%
6/30/92	1,732.68	\$1,956.27	112.9%	(\$223.60)	282.14	-79.2%
6/30/93	1,772.76	\$1,940.50	109.5%	(\$167.74)	278.84	-60.2%
6/30/94	1,970.53	\$1,968.32	99.9%	\$2.21	288.04	0.8%
6/30/95	2,133.61	\$2,206.59	103.4%	(\$72.98)	301.83	-24.2%
6/30/96	2,328.09	\$2,496.33	107.2%	(\$168.24)	343.47	-49.0%
6/30/97	2,620.57	\$2,911.76	111.1%	(\$291.18)	370.66	-78.6%
6/30/98	2,756.37	\$2,901.44	105.3%	(\$145.07)	366.98	-39.5%
6/30/99	2,983.40	\$3,249.25	108.9%	(\$265.84)	402.37	-66.1%
6/30/00	3,635.32	\$3,443.17	94.7%	\$192.15	433.10	44.4%
6/30/01	3,980.87	\$3,465.65	87.1%	\$515.22	455.09	113.2%
6/30/02	4,137.94	\$3,159.30	76.3%	\$978.64	461.05	212.3%
6/30/03	4,421.26	\$3,230.38	73.1%	\$1,190.87	475.73	250.3%
6/30/04	4,741.67	\$3,733.81	78.7%	\$1,007.86	508.61	198.2%
6/30/05	5,348.62	\$4,248.85	79.4%	\$1,099.77	546.14	201.4%
6/30/06	5,743.98	\$4,681.57	81.5%	\$1,062.41	556.30	191.0%
6/30/07	6,248.79	\$5,546.16	88.8%	\$702.63	613.03	114.6%
6/30/08	6,608.65	\$5,237.58	79.3%	\$1,371.08	674.69	203.2%
6/30/09	7,300.11	\$3,932.22	53.9%	\$3,367.89	733.57	459.1%
6/30/10	7,703.86	\$4,439.50	57.6%	\$3,264.37	767.42	425.4%



Schools
(Dollars in Millions)

Valuation Date	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Contribution	Unfunded/ (Surplus) as a % of Payroll
6/30/87	\$8,582.66	\$8,173.59	95.2%	\$409.07	\$3,605.26	11.3%
6/30/88	9,395.40	\$8,341.39	88.8%	\$1,054.01	3,768.65	28.0%
6/30/89	9,941.35	\$9,925.64	99.8%	\$15.72	4,054.28	0.4%
6/30/90	11,249.14	\$9,297.76	82.7%	\$1,951.37	4,392.59	44.4%
6/30/91	12,002.48	\$13,300.78	110.8%	(\$1,298.30)	4,849.84	-26.8%
6/30/92	12,855.90	\$13,815.63	107.5%	(\$959.73)	4,882.78	-19.7%
6/30/93	13,575.13	\$14,955.70	110.2%	(\$1,380.57)	4,852.84	-28.4%
6/30/94	15,135.82	\$15,373.38	101.6%	(\$237.56)	5,140.41	-4.6%
6/30/95	16,421.90	\$17,314.37	105.4%	(\$892.46)	5,350.87	-16.7%
6/30/96	17,571.63	\$19,706.46	112.1%	(\$2,134.83)	5,145.78	-41.5%
6/30/97	17,583.43	\$23,499.15	133.6%	(\$5,915.72)	4,907.43	-120.5%
6/30/98	19,499.14	\$27,873.56	142.9%	(\$8,374.42)	5,444.66	-153.8%
6/30/99	21,216.00	\$30,917.57	145.7%	(\$9,701.57)	5,961.02	-162.8%
6/30/00	25,473.96	\$33,295.07	130.7%	(\$7,821.11)	7,052.94	-110.9%
6/30/01	27,946.43	\$30,307.55	108.4%	(\$2,361.12)	7,912.23	-29.8%
6/30/02	31,271.16	\$27,689.90	88.5%	\$3,581.27	8,344.24	42.9%
6/30/03	33,792.88	\$28,182.01	83.4%	\$5,610.86	9,079.11	61.8%
6/30/04	35,932.74	\$32,828.49	91.4%	\$3,104.24	9,068.75	34.2%
6/30/05	38,367.52	\$36,898.25	96.2%	\$1,469.27	9,222.78	15.9%
6/30/06	41,408.65	\$40,852.35	98.7%	\$556.31	9,880.89	5.6%
6/30/07	44,810.07	\$48,292.93	107.8%	(\$3,482.86)	10,249.83	-34.0%
6/30/08	48,537.68	\$45,547.90	93.8%	\$2,989.78	11,137.70	26.8%
6/30/09	52,493.08	\$34,146.45	65.0%	\$18,346.63	11,109.76	165.1%
6/30/10	55,306.96	\$38,435.17	69.5%	\$16,871.79	11,283.40	149.5%



Assets

- RECONCILIATION OF THE MARKET VALUE OF ASSETS OVER THE PRIOR FISCAL YEAR
- DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS
- ASSET ALLOCATION
- CALPERS HISTORY OF INVESTMENT RETURNS

Reconciliation of the Market Value of Assets Over the Prior Fiscal Year

	State Miscellaneous	State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
1. Market Value of Assets as of June 30, 2009 Including Receivables for Tier 1 Conversion and Service Buybacks	\$ 44,093,662,038	\$ 1,555,771,235	\$ 3,514,114,682	\$ 15,083,085,214	\$ 3,932,218,884	\$ 34,146,446,650
2. Receivables for Tier 1 Conversion and Service Buybacks as of June 30, 2009	\$ 499,163,832	\$ 14,249,362	\$ 15,365,318	\$ 44,253,586	\$ 11,867,885	\$ 28,751,995
3. Market Value of Assets as of June 30, 2009	\$ 43,594,498,206	\$ 1,541,521,873	\$ 3,498,749,364	\$ 15,038,831,628	\$ 3,920,350,999	\$ 34,117,694,655
4. Contributions Received during fiscal year 2009-2010	2,016,757,986	106,417,897	403,233,174	1,028,524,068	276,303,411	1,798,650,436
5. Benefit Payments in 2009-2010	(3,758,310,046)	(101,407,992)	(228,293,631)	(1,059,890,631)	(337,581,904)	(2,287,617,248)
6. Refunds in 2009-2010	(12,879,095)	(456,680)	(5,047,633)	(8,775,934)	(575,052)	(72,388,932)
7. Investment Return	6,272,176,035	222,101,177	514,642,072	2,159,719,590	570,593,281	4,851,166,659
8. Market Value of Assets as of June 30, 2010 [(3) + (4) + (5) + (6) + (7)]	\$ 48,112,243,086	\$ 1,768,176,275	\$ 4,183,283,346	\$ 17,158,408,721	\$ 4,429,090,735	\$ 38,407,505,570
9. Receivables for Tier 1 Conversion and Service Buybacks as of June 30, 2010	\$ 533,664,980	\$ 16,725,076	\$ 12,885,773	\$ 40,690,091	\$ 10,406,152	\$ 27,669,081
10. Market Value of Assets as of June 30, 2010 Including Receivables for Tier 1 Conversion and Service Buybacks	\$ 48,645,908,066	\$ 1,784,901,351	\$ 4,196,169,119	\$ 17,199,098,812	\$ 4,439,496,887	\$ 38,435,174,651

Development of the Actuarial Value of Assets

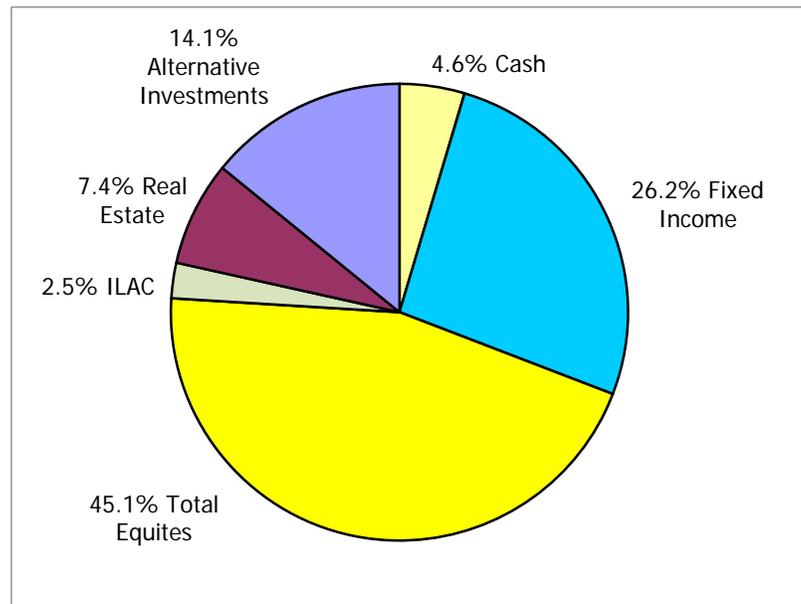
	State Miscellaneous	State Industrial	State Safety	State Peace Officers and Firefighters	California Highway Patrol	Schools
1. Actuarial Value of Assets as of June 30, 2009 Used for Rate Setting Purposes	\$ 60,332,287,385	\$ 2,131,823,292	\$ 4,804,396,166	\$ 20,709,633,411	\$ 5,398,840,144	\$ 46,675,756,397
2. Receivables for Tier 1 Conversion and Service Buybacks as of June 30, 2009	\$ 499,163,832	\$ 14,249,362	\$ 15,365,318	\$ 44,253,586	\$ 11,867,885	\$ 28,751,995
3. Actuarial Value of Assets as of 6/30/09 (Prior to adjustments for Receivables for Tier 1 Conversion and Service Buybacks) [(1)-(2)]	\$ 59,833,123,553	\$ 2,117,573,930	\$ 4,789,030,848	\$ 20,665,379,825	\$ 5,386,972,259	\$ 46,647,004,402
4. Contributions Received during fiscal year 2009-2010	2,016,757,986	106,417,897	403,233,174	1,028,524,068	276,303,411	1,798,650,436
5. Benefit Payments in 2009-2010	(3,758,310,046)	(101,407,992)	(228,293,631)	(1,059,890,631)	(337,581,904)	(2,287,617,248)
6. Refunds in 2009-2010	(12,879,095)	(456,680)	(5,047,633)	(8,775,934)	(575,052)	(72,388,932)
7. Expected Investment Return during fiscal 2009-2010 [(3) x 0.0775 + [(4) + (5) + (6)] x ((1 + 0.0775)^.5-1)]	4,570,351,366	164,285,125	377,610,366	1,600,040,439	415,138,247	3,593,796,181
8. Expected Actuarial Value of Assets as of June 30, 2010 (Prior to Adjustment for Receivables) [(3) + (4) + (5) + (6) + (7)]	\$ 62,649,043,764	\$ 2,286,412,280	\$ 5,336,533,124	\$ 22,225,277,767	\$ 5,740,256,961	\$ 49,679,444,839
9. Market Value of Assets as of 6/30/10 (Prior to Adjustment for Receivables for Tier 1 Conversion and Service Buybacks)	\$ 48,112,243,086	\$ 1,768,176,275	\$ 4,183,283,346	\$ 17,158,408,721	\$ 4,429,090,735	\$ 38,407,505,570
10. Actuarial Value of Assets as of 6/30/10 [(8) + [(9) - (8)]/15, but not less than 70% or more than 130% of (9)]	\$ 61,679,923,719	\$ 2,251,863,213	\$ 5,259,649,805	\$ 21,887,486,497	\$ 5,652,845,879	\$ 48,927,982,221
11. Receivables for Tier 1 Conversion and Service Buybacks as of June 30, 2010	\$ 533,664,980	\$ 16,725,076	\$ 12,885,773	\$ 40,690,091	\$ 10,406,152	\$ 27,669,081
12. Actuarial Value of Assets as of June 30, 2010 Used for Rate Setting Purposes Only [(10) + (11)], Including Receivables	\$ 62,213,588,699	\$ 2,268,588,289	\$ 5,272,535,578	\$ 21,928,176,588	\$ 5,663,252,031	\$ 48,955,651,302

Asset Allocation

CalPERS follows a strategic allocation policy that identifies the percentage of funds to be invested in each asset class. The target allocation was changed by the Board in December 2010.

The asset allocation and market value of assets shown below are in respect of the Public Employees Retirement Fund (PERF) as a whole as of June 30, 2010. The assets of the State plans and Schools pool are part of the PERF and are invested accordingly.

Asset Class	Market Value (\$ Billion)	Current Allocation	Prior Target ¹	New Target
1) Short-term Investments	9.3	4.6%	2.0%	4.0%
2) Total Global Fixed Income	53.4	26.2%	22.5%	16.0%
3) Total Equities	91.9	45.1%	49.0%	49.0%
4) Inflation Linked (ILAC)	5.0	2.5%	3.5%	4.0%
5) Total Real Estate	15.2	7.5%	10.0%	13.0%
6) Alternative Investments	<u>28.7</u>	<u>14.1%</u>	<u>13.0%</u>	<u>14.0%</u>
Total Fund	\$203.5 ²	100.0%	100.0%	100.0%

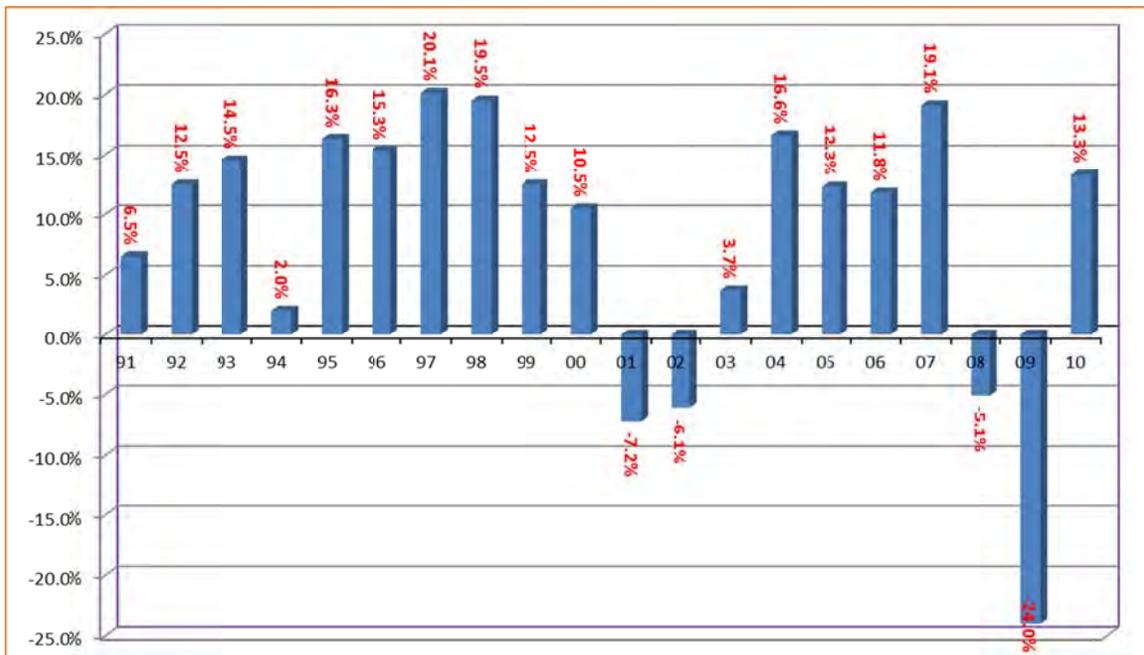


¹ Prior Target Allocation effective January 1, 2010.

² Differences between investment values above and the values on the Summary of Investments on page 23 of the Comprehensive Annual Financial Report (Year Ended June 30, 2010) are due to differences in reporting methods. The Summary of Investments includes Net Investment Receivables/Payables.

CalPERS 20-Year History of Investment Returns

The following is a chart with historical annual returns of the Public Employees Retirement Fund for each fiscal year ending on June 30. Beginning with June 30, 2002 the figures are reported as gross of fees.



PARTICIPANT DATA

- SOURCE OF THE PARTICIPANT DATA
- DATA VALIDATION TESTS AND ADJUSTMENTS
- DATA STATEMENT
- RECONCILIATION OF PARTICIPANTS
- DISTRIBUTION OF ACTIVE PARTICIPANTS AND AVERAGE MONTHLY SALARIES BY AGE AND SERVICE
- DISTRIBUTION BY AGE AND SERVICE OF TERMINATED PARTICIPANTS WITH FUNDS ON DEPOSIT AND TRANSFERS TO OTHER CALPERS PLANS
- SUMMARY OF RETIREES AND BENEFICIARIES

Source of the Participant Data

The data was extracted from various databases within CalPERS and placed in a data warehouse by a series of extract programs. Included in this data is:

- individual member and beneficiary information,
- employment and payroll information,
- accumulated contributions with interest,
- service information,
- benefit payment information,
- information about the various organizations which contract with CalPERS, and
- detailed information about the plan provisions applicable to each group of members.

Data Validation Tests and Adjustments

Once the information is extracted from the various computer systems into the data warehouse, update queries are then run against this data to correct for flaws found in the data. This part of the process is intended to validate the participant data for all CalPERS plans. It is not specific to the State and Schools plans.

The data for each of the State and Schools plans was then pulled into separate files. The data in these files was then checked for reasonableness and consistency with data from the prior valuation.

Checks on the data included:

- a reconciliation of the membership of the plans,
- comparisons of various member statistics (average attained age, average entry age, average salary, etc.) for each plan with those from the prior valuation
- pension amounts for each retiree and beneficiary receiving payments were compared with the pension amounts from the prior valuation
- checks for invalid ages and dates, and
- reasonableness checks on various key data elements such as service and salary.

As a result of the tests on the data, a number of adjustments were determined to be necessary. These included:

- dates of hire and dates of entry were adjusted where necessary to be consistent with the service fields, the date of birth and each other, and
- the annual earnings rate for most Schools members were overwritten with the annualized earnings based on their yearly contributions.

In addition, it is also known that records relating to pre-1984 State Safety retirees who were transferred to the State Peace Officers and Firefighters plan upon its creation have not had their records updated to reflect the transfer. In this valuation, as in prior valuations, this deficiency has been handled by adjusting the assets and liabilities rather than by trying to correct the data. The member counts and summary of retiree data have not been adjusted to correct for this deficiency.

Data Statement

The data does not contain information about reciprocal systems and hence salary information for terminated participants covered by reciprocal systems may not be up to date. This situation is not expected to have a material impact on the employer contribution rates since the total present value for all terminated participants represents less than 2% of the present value of benefits for all members.

We are unaware of any other data issues that would have a material effect on the results of this valuation.

It is our opinion that, after the adjustments noted above, the participant data was sufficient and reliable for the purposes of the valuation.

Reconciliation of Participants

For the Fiscal Year Ending June 30, 2010

State Miscellaneous Tier 1

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	151,547	22,201	40,408	149,283	363,439
Retirements	(6,431)	(1,571)	(576)	8,578	-
Industrial Disabilities	(3)	(34)	(2)	39	-
Ordinary Disabilities	(167)	(15)	(70)	252	-
Deaths ²	(229)	(27)	(89)	(4,969)	(5,314)
New Survivors	n/a	n/a	n/a	1,755	1,755
Non-vested Terminations ¹	(2,110)	(135)	2,245	-	-
Vested Terminations	(1,067)	(274)	1,343	(2)	-
Refunds of Contributions	(700)	(209)	(1,074)	(1)	(1,984)
Transfers	(781)	1,195	(389)	(25)	-
Redeposits/Rehires	1,499	(454)	(976)	(69)	-
First Year in Status	10,099	402	674	113	11,288
Moved from Tier 2	289	489	55	3	836
Data Corrections ³	(315)	(405)	(385)	(417)	(1,522)
As of June 30, 2010	151,631	21,163	41,164	154,540	368,498

State Miscellaneous Tier 2

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	8,090	12,434	1,681	4,229	26,436
Retirements	(23)	(90)	(49)	162	-
Industrial Disabilities	-	(1)	-	1	-
Ordinary Disabilities	(7)	(8)	(9)	24	-
Deaths ²	(18)	(21)	(7)	(103)	(149)
New Survivors	n/a	n/a	n/a	58	58
Non-vested Terminations ¹	(18)	(43)	61	-	-
Vested Terminations	(133)	(154)	287	-	-
Refunds of Contributions	(5)	(40)	(15)	(1)	(61)
Transfers	(112)	313	(196)	(5)	-
Redeposits/Rehires	112	(15)	(97)	-	-
First Year in Status	82	26	303	12	423
Moved to Tier 1	(289)	(489)	(55)	(3)	(836)
Data Corrections ³	(5)	(31)	(210)	(12)	(260)
As of June 30, 2010	7,674	11,881	1,694	4,362	25,611

¹ Includes non-vested terminated participants with employee contributions left in the plan.

² Includes both deaths without survivors and deaths with survivors receiving a benefit.

³ May include the combining of data records into a single record.

Reconciliation of Participants (Continued)

For the Fiscal Year Ending June 30, 2010

State Industrial

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	10,823	7,660	2,642	8,470	29,595
Retirements	(393)	(409)	(45)	847	-
Industrial Disabilities	(1)	(8)	(3)	12	-
Ordinary Disabilities	(25)	(11)	(7)	43	-
Deaths ²	(14)	(11)	(5)	(191)	(221)
New Survivors	n/a	n/a	n/a	85	85
Non-vested Terminations ¹	(87)	(14)	101	-	-
Vested Terminations	(77)	(71)	148	-	-
Refunds of Contributions	(48)	(83)	(68)	-	(199)
Transfers	(441)	510	(65)	(4)	-
Redeposits/Rehires	160	(97)	(56)	(7)	-
First Year in Status	1,752	171	60	25	2,008
Data Corrections ³	(12)	(36)	(36)	(5)	(89)
As of June 30, 2010	11,637	7,601	2,666	9,275	31,179

State Safety

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	25,863	4,546	4,323	15,576	50,308
Retirements	(999)	(294)	(76)	1,369	-
Industrial Disabilities	(73)	(10)	(12)	95	-
Ordinary Disabilities	(27)	(6)	(4)	37	-
Deaths ²	(47)	(8)	(9)	(445)	(509)
New Survivors	n/a	n/a	n/a	171	171
Non-vested Terminations ¹	(571)	(31)	602	-	-
Vested Terminations	(185)	(33)	219	(1)	-
Refunds of Contributions	(403)	(22)	(230)	-	(655)
Transfers	(616)	685	(60)	(9)	-
Redeposits/Rehires	214	(79)	(116)	(19)	-
First Year in Status	1,757	88	215	61	2,121
Data Corrections ³	(13)	(49)	(158)	(86)	(306)
As of June 30, 2010	24,900	4,787	4,694	16,749	51,130

¹ Includes non-vested terminated participants with employee contributions left in the plan.² Includes both deaths without survivors and deaths with survivors receiving a benefit.³ May include the combining of data records into a single record.

Reconciliation of Participants (Continued)

For the Fiscal Year Ending June 30, 2010

State Peace Officers and Firefighters

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	46,987	5,583	5,767	22,571	80,908
Retirements	(1,902)	(227)	(93)	2,222	-
Industrial Disabilities	(168)	(11)	(25)	204	-
Ordinary Disabilities	(15)	-	(4)	19	-
Deaths ²	(43)	(7)	(13)	(265)	(328)
New Survivors	n/a	n/a	n/a	173	173
Non-vested Terminations ¹	(546)	(43)	589	-	-
Vested Terminations	(243)	(47)	291	(1)	-
Refunds of Contributions	(227)	(47)	(209)	-	(483)
Transfers	(182)	307	(115)	(10)	-
Redeposits/Rehires	586	(327)	(241)	(18)	-
First Year in Status	1,089	78	163	27	1,357
Data Corrections ³	(318)	(59)	(104)	(121)	(602)
As of June 30, 2010	45,018	5,200	6,006	24,801	81,025

California Highway Patrol

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	7,335	316	350	7,567	15,568
Retirements	(255)	(15)	(17)	287	-
Industrial Disabilities	(27)	-	(1)	28	-
Ordinary Disabilities	-	-	-	-	-
Deaths ²	(11)	-	(2)	(147)	(160)
New Survivors	n/a	n/a	n/a	85	85
Non-vested Terminations ¹	(11)	(2)	13	-	-
Vested Terminations	(18)	(5)	23	-	-
Refunds of Contributions	(9)	-	(14)	-	(23)
Transfers	(6)	19	(9)	(4)	-
Redeposits/Rehires	25	(1)	(23)	(1)	-
First Year in Status	454	9	12	9	484
Data Corrections ³	(1)	-	(4)	(19)	(24)
As of June 30, 2010	7,476	321	328	7,805	15,930

¹ Includes non-vested terminated participants with employee contributions left in the plan.² Includes both deaths without survivors and deaths with survivors receiving a benefit.³ May include the combining of data records into a single record.

Reconciliation of Participants (Continued)

For the Fiscal Year Ending June 30, 2010

Schools

	Active	Transfer	Terminated	Receiving	Total
As of June 30, 2009	299,066	25,843	155,624	174,733	655,266
Retirements	(8,439)	(1,162)	(1,591)	11,192	-
Industrial Disabilities	-	(24)	(32)	56	-
Ordinary Disabilities	(184)	(14)	(123)	321	-
Deaths ²	(406)	(35)	(299)	(6,018)	(6,758)
New Survivors	n/a	n/a	n/a	579	579
Non-vested Terminations ¹	(10,027)	(259)	10,286	-	-
Vested Terminations	(2,571)	(327)	2,899	(1)	-
Refunds of Contributions	(3,316)	(150)	(5,370)	(4)	(8,840)
Transfers	(459)	1,089	(615)	(15)	-
Redeposits/Rehires	2,923	(261)	(2,629)	(33)	-
First Year in Status	15,098	475	3,663	393	19,629
Data Corrections ³	(155)	(2,074)	(2,453)	503	(4,179)
As of June 30, 2010	291,530	23,101	159,360	181,706	655,697

¹ Includes non-vested terminated participants with employee contributions left in the plan.

² Includes both deaths without survivors and deaths with survivors receiving a benefit.

³ May include the combining of data records into a single record.

Active Members

Distribution of Active Members By Age and Service

As of June 30, 2010

State Miscellaneous Tier 1

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	1,520	11	0	0	0	0	1,531	51,307,842
25-29	6,723	1,152	37	0	0	0	7,912	345,180,518
30-34	6,879	4,165	1,083	59	0	0	12,186	636,786,034
35-39	5,884	5,265	3,371	730	62	0	15,312	901,257,110
40-44	5,252	5,667	4,288	2,761	1,270	80	19,318	1,209,282,522
45-49	4,790	5,378	4,728	3,571	4,148	1,710	24,325	1,569,963,528
50-54	4,107	5,025	4,464	3,519	4,697	6,277	28,089	1,841,443,269
55-59	3,181	4,022	3,568	2,983	3,840	6,730	24,324	1,623,932,569
60-64	1,857	2,377	2,105	1,797	2,120	3,383	13,639	926,676,232
65 and Over	737	1,046	893	611	691	1,017	4,995	344,106,075
Total	40,930	34,108	24,537	16,031	16,828	19,197	151,631	\$ 9,449,935,701

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

State Miscellaneous Tier 1

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	33,465	40,049	0	0	0	0	\$33,513
25-29	42,991	47,030	53,292	0	0	0	43,627
30-34	49,403	54,216	61,555	75,816	0	0	52,256
35-39	52,909	58,908	66,770	68,875	71,380	0	58,860
40-44	52,830	60,067	68,747	72,448	71,086	79,085	62,599
45-49	51,914	60,412	67,127	71,104	73,206	71,023	64,541
50-54	51,788	58,819	65,990	71,333	71,863	71,697	65,557
55-59	52,954	59,245	65,614	69,743	73,632	73,150	66,763
60-64	54,169	58,952	65,499	71,549	74,506	77,314	67,943
65 and Over	50,935	57,937	67,554	72,597	81,308	83,678	68,890
Average	\$49,755	\$58,357	\$66,543	\$71,155	\$73,258	\$73,802	\$62,322

Distribution of Active Members By Age and Service

As of June 30, 2010

State Miscellaneous Tier 2

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	6	0	0	0	0	0	6	206,828
25-29	24	4	3	0	0	0	31	1,495,353
30-34	43	49	193	3	0	0	288	14,128,535
35-39	43	79	512	165	5	0	804	42,930,488
40-44	51	92	607	468	127	0	1,345	71,983,179
45-49	45	75	576	474	316	78	1,564	85,591,498
50-54	29	65	495	424	282	234	1,529	82,821,484
55-59	28	59	346	287	224	262	1,206	65,879,265
60-64	14	32	182	161	105	136	630	34,623,067
65 and Over	19	28	76	73	37	38	271	13,596,298
Total	302	483	2,990	2,055	1,096	748	7,674	\$ 413,255,995

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

State Miscellaneous Tier 2

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	34,471	0	0	0	0	0	\$34,471
25-29	48,164	49,981	46,495	0	0	0	48,237
30-34	49,905	43,536	49,823	77,804	0	0	49,057
35-39	47,554	45,474	54,717	54,425	59,558	0	53,396
40-44	45,378	48,467	52,021	56,782	55,588	0	53,519
45-49	45,218	47,585	52,593	56,958	58,163	55,344	54,726
50-54	50,197	37,625	51,696	55,366	56,034	60,060	54,167
55-59	43,746	37,881	52,902	56,322	53,929	60,576	54,626
60-64	42,857	40,214	52,677	53,476	55,280	64,228	54,957
65 and Over	16,870	34,938	53,277	54,600	59,098	54,634	50,171
Average	\$44,714	\$43,270	\$52,565	\$55,971	\$56,213	\$60,231	\$53,851

Distribution of Active Members By Age and Service

As of June 30, 2010

State Industrial

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	364	1	0	0	0	0	365	12,198,622
25-29	909	87	0	0	0	0	996	38,521,166
30-34	826	254	78	1	0	0	1,159	49,483,567
35-39	722	326	213	40	4	0	1,305	62,400,607
40-44	807	385	294	155	48	1	1,690	84,350,440
45-49	774	378	342	223	130	46	1,893	98,388,789
50-54	674	362	372	227	174	89	1,898	101,744,975
55-59	495	250	252	169	124	64	1,354	73,946,916
60-64	246	151	157	84	61	32	731	41,439,827
65 and Over	64	56	67	44	12	3	246	15,179,573
Total	5,881	2,250	1,775	943	553	235	11,637	\$ 577,654,483

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Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

State Industrial

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	33,386	46,200	0	0	0	0	\$33,421
25-29	38,231	43,329	0	0	0	0	38,676
30-34	41,574	43,994	50,045	65,376	0	0	42,695
35-39	45,933	48,986	51,120	54,341	51,276	0	47,817
40-44	47,554	48,871	52,921	56,006	59,738	51,504	49,912
45-49	50,480	49,936	51,267	56,470	57,026	63,099	51,975
50-54	51,743	51,992	52,740	55,946	59,626	60,169	53,606
55-59	56,802	49,867	52,399	53,387	58,859	59,964	54,614
60-64	54,771	54,421	54,115	65,330	63,422	59,251	56,689
65 and Over	58,393	58,476	59,021	72,489	74,241	44,320	61,706
Average	\$46,261	\$49,525	\$52,484	\$57,171	\$59,528	\$60,323	\$49,639

Distribution of Active Members By Age and Service

As of June 30, 2010

State Safety

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	362	4	0	0	0	0	366	17,404,091
25-29	1,306	151	2	0	0	0	1,459	78,553,988
30-34	1,707	446	43	0	0	0	2,196	142,959,373
35-39	1,850	711	214	16	1	0	2,792	207,370,582
40-44	1,751	858	404	113	18	0	3,144	229,736,316
45-49	1,662	1,041	584	261	125	9	3,682	268,013,529
50-54	1,666	1,190	813	394	274	58	4,395	337,442,807
55-59	1,301	979	806	345	208	51	3,690	302,752,601
60-64	709	618	482	245	121	37	2,212	195,820,853
65 and Over	251	261	259	116	60	16	963	99,779,424
Total	12,565	6,259	3,607	1,490	807	171	24,899	\$ 1,879,833,566

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Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

State Safety

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	47,493	52,902	0	0	0	0	\$47,552
25-29	53,718	54,840	58,513	0	0	0	53,841
30-34	66,273	61,407	56,820	0	0	0	65,100
35-39	77,034	68,253	71,458	61,364	55,020	0	74,273
40-44	74,823	68,682	75,224	72,157	69,286	0	73,071
45-49	74,166	70,274	74,889	71,720	68,248	67,680	72,790
50-54	79,529	71,048	80,403	77,119	73,044	79,893	76,779
55-59	85,895	75,019	84,567	84,465	77,469	81,245	82,047
60-64	93,449	80,437	93,213	87,132	85,557	87,206	88,527
65 and Over	102,035	96,470	119,431	98,639	90,829	72,843	103,613
Average	\$74,284	\$71,796	\$83,551	\$80,651	\$76,534	\$80,576	\$75,498

Distribution of Active Members By Age and Service

As of June 30, 2010

State Peace Officers and Firefighters

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	1,242	0	0	0	0	0	1,242	39,334,063
25-29	4,114	608	2	0	0	0	4,724	249,036,759
30-34	3,049	2,604	729	4	0	0	6,386	410,489,937
35-39	2,132	2,211	2,648	601	7	0	7,599	544,296,447
40-44	1,426	1,578	2,414	1,944	664	6	8,032	611,718,854
45-49	974	1,080	1,628	1,673	2,461	747	8,563	695,273,959
50-54	489	604	990	994	1,269	620	4,966	405,911,638
55-59	219	317	512	479	587	287	2,401	195,015,167
60-64	58	129	220	195	199	97	898	73,092,380
65 and Over	15	17	54	50	49	22	207	16,519,302
Total	13,718	9,148	9,197	5,940	5,236	1,779	45,018	\$ 3,240,688,506

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Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

State Peace Officers and Firefighters

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	31,670	0	0	0	0	0	\$31,670
25-29	50,927	64,775	69,725	0	0	0	52,717
30-34	56,373	70,109	76,389	89,750	0	0	64,280
35-39	60,929	72,564	77,393	80,668	76,966	0	71,627
40-44	62,656	73,755	78,461	81,409	87,045	87,254	76,160
45-49	65,260	75,318	78,377	81,396	88,080	93,480	81,195
50-54	68,419	75,494	78,329	81,166	87,058	93,797	81,738
55-59	69,821	77,022	78,185	80,969	85,224	92,221	81,222
60-64	72,864	76,657	79,766	79,381	85,981	91,125	81,395
65 and Over	76,532	71,370	74,254	81,970	82,710	90,774	79,803
Average	\$55,231	\$72,281	\$77,949	\$81,198	\$87,236	\$93,205	\$71,987

Distribution of Active Members By Age and Service

As of June 30, 2010

California Highway Patrol

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	225	0	0	0	0	0	225	17,786,582
25-29	740	109	0	0	0	0	849	70,629,467
30-34	579	589	190	0	0	0	1,358	121,032,229
35-39	276	569	702	224	0	0	1,771	166,213,052
40-44	16	213	461	397	330	5	1,422	141,182,258
45-49	1	0	125	206	549	305	1,186	127,759,499
50-54	1	0	28	44	157	322	552	62,503,953
55-59	1	0	11	7	19	75	113	12,757,429
60-64	0	0	0	0	0	0	0	0
65 and Over	0	0	0	0	0	0	0	0
Total	1,839	1,480	1,517	878	1,055	707	7,476	\$ 719,864,469

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Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

California Highway Patrol

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	79,051	0	0	0	0	0	\$79,051
25-29	81,692	93,369	0	0	0	0	83,191
30-34	82,385	93,684	95,534	0	0	0	89,125
35-39	82,706	93,485	96,601	99,909	0	0	93,853
40-44	87,377	92,988	96,201	99,087	108,442	101,141	99,284
45-49	65,616	0	97,138	100,451	108,034	116,551	107,723
50-54	61,380	0	106,614	104,895	107,216	118,041	113,232
55-59	94,883	0	109,557	112,035	110,755	114,251	112,898
60-64	0	0	0	0	0	0	0
65 and Over	0	0	0	0	0	0	0
Average	\$81,776	\$93,484	\$96,669	\$100,011	\$108,089	\$116,876	\$96,290

Distribution of Active Members By Age and Service

As of June 30, 2010

Schools

Attained Age	Years of Service at Valuation Date						Total	Payroll
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	9,389	74	0	0	0	0	9,463	\$183,887,369
25-29	16,871	3,232	93	0	0	0	20,196	557,877,664
30-34	13,723	7,818	2,121	38	1	0	23,701	800,090,617
35-39	13,177	8,262	4,797	955	48	0	27,239	961,029,958
40-44	15,396	9,589	6,022	2,555	1,134	68	34,764	1,250,842,319
45-49	16,319	12,770	8,268	3,925	3,137	1,333	45,752	1,709,640,220
50-54	13,599	13,558	10,459	5,562	4,142	3,805	51,125	1,997,288,466
55-59	9,330	10,492	9,362	6,115	4,613	4,329	44,241	1,773,682,663
60-64	4,818	5,703	5,415	3,916	3,080	2,604	25,536	1,021,284,586
65 and Over	2,217	2,237	1,845	1,233	988	993	9,513	328,618,961
Total	114,839	73,735	48,382	24,299	17,143	13,132	291,530	\$10,584,242,823

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Distribution of Average Annual Salaries By Age and Service

As of June 30, 2010

Schools

Attained Age	Years of Service at Valuation Date						Average Salary
	0-4	5-9	10-14	15-19	20-24	25+	
15-24	\$19,297	\$36,578	\$0	\$0	\$0	\$0	\$19,432
25-29	25,594	37,623	48,128	0	0	0	27,623
30-34	28,555	39,267	46,536	63,792	112,847	0	33,758
35-39	27,215	39,521	46,716	51,080	63,094	0	35,281
40-44	26,073	38,367	46,582	52,314	55,653	62,171	35,981
45-49	25,553	36,123	45,423	50,293	57,447	58,649	37,368
50-54	25,689	34,953	42,822	48,398	55,136	60,039	39,065
55-59	25,638	34,213	41,577	46,245	52,550	60,308	40,091
60-64	25,296	34,120	41,240	44,878	50,655	57,508	39,994
65 and Over	19,795	30,153	38,335	41,381	45,277	51,153	34,544
Average	\$25,568	\$36,372	\$43,704	\$47,780	\$53,550	\$58,824	\$36,306

Terminated and Transferred Participants

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

State Miscellaneous Tier 1

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	79	0	0	0	0	0	79	48,183
25-29	744	35	0	0	0	0	779	53,029
30-34	1,398	295	10	1	0	0	1,704	60,473
35-39	1,498	494	78	6	0	0	2,076	66,221
40-44	1,537	634	284	106	14	0	2,575	69,420
45-49	1,939	826	453	288	137	29	3,672	73,721
50-54	2,066	918	542	401	211	119	4,257	73,802
55-59	1,732	718	410	257	177	138	3,432	75,826
60-64	1,030	401	203	119	70	57	1,880	76,662
65 and Over	424	134	73	52	18	8	709	77,424
Total	12,447	4,455	2,053	1,230	627	351	21,163	71,281

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

State Miscellaneous Tier 1

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	301	0	0	0	0	0	301	28,008
25-29	2,910	70	0	0	0	0	2,980	31,206
30-34	4,673	436	27	1	0	0	5,137	37,275
35-39	4,401	866	98	17	1	0	5,383	43,366
40-44	4,023	1,183	355	105	10	0	5,676	46,206
45-49	3,878	1,408	587	289	78	18	6,258	46,823
50-54	3,626	1,345	611	283	130	48	6,043	45,036
55-59	3,115	1,071	405	167	64	22	4,844	42,734
60-64	2,143	591	194	73	26	13	3,040	41,704
65 and Over	1,235	181	58	15	7	6	1,502	37,565
Total	30,304	7,151	2,335	950	316	107	41,164	42,367

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

State Miscellaneous Tier 2

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	1	0	0	0	0	0	1	28,728
25-29	22	0	0	0	0	0	22	51,038
30-34	525	60	6	0	0	0	591	58,938
35-39	1,256	385	76	7	0	0	1,724	64,586
40-44	1,310	793	279	31	0	0	2,413	63,974
45-49	1,333	675	481	126	28	0	2,643	63,864
50-54	1,028	491	348	162	118	13	2,160	64,696
55-59	662	297	253	117	105	51	1,485	63,846
60-64	289	136	96	30	36	35	622	64,434
65 and Over	120	45	34	3	6	12	220	67,569
Total	6,546	2,882	1,573	476	293	111	11,881	63,967

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

State Miscellaneous Tier 2

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	1	0	0	0	1	30,229
35-39	0	0	51	7	0	0	58	32,042
40-44	0	0	206	23	3	0	232	33,418
45-49	0	0	286	78	13	2	379	32,962
50-54	0	0	321	99	26	6	452	33,250
55-59	0	0	230	83	29	8	350	32,267
60-64	0	0	126	40	10	7	183	32,589
65 and Over	0	0	24	9	5	1	39	32,800
Total	0	0	1,245	339	86	24	1,694	32,697

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

State Industrial

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	31	0	0	0	0	0	31	39,730
25-29	182	8	0	0	0	0	190	48,077
30-34	402	62	4	0	0	0	468	57,508
35-39	659	147	40	2	0	0	848	59,198
40-44	883	267	77	15	2	0	1,244	61,878
45-49	1,021	351	108	37	7	0	1,524	66,144
50-54	1,021	331	141	49	17	4	1,563	66,586
55-59	738	207	86	47	16	4	1,098	68,885
60-64	338	81	37	12	4	2	474	68,632
65 and Over	107	40	9	4	1	0	161	98,714
Total	5,382	1,494	502	166	47	10	7,601	64,912

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

State Industrial

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	12	0	0	0	0	0	12	28,722
25-29	96	3	0	0	0	0	99	31,447
30-34	191	23	3	0	0	0	217	31,975
35-39	303	58	8	1	0	0	370	35,144
40-44	387	75	27	2	0	0	491	36,420
45-49	309	94	29	10	1	1	444	39,121
50-54	288	64	21	7	7	0	387	37,983
55-59	209	57	6	1	2	0	275	37,225
60-64	149	25	3	2	1	0	180	39,128
65 and Over	168	22	0	1	0	0	191	38,716
Total	2,112	421	97	24	11	1	2,666	36,769

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

State Safety

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	12	0	0	0	0	0	12	47,262
25-29	140	3	0	0	0	0	143	52,743
30-34	319	19	0	0	0	0	338	57,443
35-39	421	50	7	0	0	0	478	62,533
40-44	488	96	26	4	0	0	614	65,816
45-49	687	140	63	19	7	0	916	73,980
50-54	775	168	59	38	17	4	1,061	76,359
55-59	553	114	44	22	8	3	744	73,660
60-64	267	72	24	7	1	0	371	74,368
65 and Over	81	20	7	2	0	0	110	88,736
Total	3,743	682	230	92	33	7	4,787	70,768

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

State Safety

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	57	0	0	0	0	0	57	34,529
25-29	234	1	0	0	0	0	235	42,815
30-34	412	21	0	0	0	0	433	51,162
35-39	545	57	5	1	0	0	608	58,140
40-44	603	72	18	3	0	0	696	59,313
45-49	616	101	26	10	3	0	756	58,228
50-54	644	113	35	6	1	1	800	58,506
55-59	493	58	15	4	0	2	572	59,063
60-64	318	31	8	4	0	0	361	60,942
65 and Over	161	9	4	2	0	0	176	63,667
Total	4,083	463	111	30	4	3	4,694	57,228

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

State Peace Officers and Fire Fighters

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	68	0	0	0	0	0	68	52,919
25-29	486	3	0	0	0	0	489	65,485
30-34	811	43	5	0	0	0	859	76,999
35-39	799	111	10	1	0	0	921	78,503
40-44	759	136	38	5	2	0	940	82,614
45-49	668	163	75	17	8	0	931	82,768
50-54	365	117	56	19	8	2	567	79,631
55-59	179	67	34	11	3	2	296	74,387
60-64	57	30	8	3	3	5	106	78,506
65 and Over	19	4	0	0	0	0	23	81,942
Total	4,211	674	226	56	24	9	5,200	78,107

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

State Peace Officers and Firefighters

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	336	0	0	0	0	0	336	33,992
25-29	942	7	0	0	0	0	949	37,240
30-34	931	68	1	0	0	0	1,000	37,784
35-39	840	109	37	2	0	0	988	39,049
40-44	748	146	53	23	1	1	972	40,518
45-49	588	162	99	49	32	7	937	44,922
50-54	301	93	48	10	6	1	459	39,855
55-59	179	41	12	8	4	0	244	39,815
60-64	72	15	5	2	1	0	95	39,082
65 and Over	22	1	3	0	0	0	26	33,176
Total	4,959	642	258	94	44	9	6,006	39,491

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

California Highway Patrol

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	5	0	0	0	0	0	5	55,980
25-29	10	0	0	0	0	0	10	72,877
30-34	32	7	0	0	0	0	39	73,285
35-39	59	16	7	0	0	0	82	78,778
40-44	40	10	6	3	0	0	59	81,558
45-49	35	15	8	5	0	0	63	77,030
50-54	25	7	8	1	0	0	41	82,001
55-59	9	2	2	1	0	0	14	81,475
60-64	3	1	1	0	0	0	5	76,381
65 and Over	0	1	1	0	1	0	3	113,471
Total	218	59	33	10	1	0	321	78,556

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

California Highway Patrol

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	4	0	0	0	0	0	4	65,855
25-29	7	0	0	0	0	0	7	69,332
30-34	30	10	0	0	0	0	40	66,395
35-39	46	24	12	1	0	0	83	67,584
40-44	43	20	9	5	1	0	78	54,899
45-49	19	23	12	13	2	1	70	64,102
50-54	8	11	5	1	0	0	25	51,189
55-59	10	4	3	0	1	0	18	45,716
60-64	0	2	0	0	0	0	2	33,801
65 and Over	0	1	0	0	0	0	1	40,000
Total	167	95	41	20	4	1	328	60,956

Distributions By Age and Service

Transfers to Other CalPERS Plans

As of June 30, 2010

Schools

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	129	0	0	0	0	0	129	\$39,389
25-29	854	13	0	0	0	0	867	49,346
30-34	1,952	112	0	0	0	0	2,064	55,440
35-39	2,314	233	6	0	0	0	2,553	58,960
40-44	2,350	379	65	1	0	0	2,795	60,445
45-49	2,942	564	147	41	0	0	3,694	60,776
50-54	3,449	681	189	55	21	0	4,395	59,803
55-59	2,962	652	203	68	21	3	3,909	60,010
60-64	1,572	348	104	26	9	3	2,062	58,266
65 and Over	488	102	29	9	3	2	633	51,835
Total	19,012	3,084	743	200	54	8	23,101	\$58,726

Distributions By Age and Service

Terminated Participants With Funds on Deposit

As of June 30, 2010

Schools

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	3,739	0	0	0	0	0	3,739	\$27,374
25-29	14,483	171	0	0	0	0	14,654	29,623
30-34	20,338	675	6	0	0	0	21,019	31,079
35-39	19,090	1,195	25	1	0	0	20,311	31,807
40-44	17,191	1,711	196	6	1	0	19,105	31,833
45-49	18,444	2,344	504	116	9	0	21,417	31,680
50-54	19,180	2,747	611	232	78	2	22,850	31,916
55-59	15,945	2,325	604	163	44	8	19,089	30,954
60-64	9,409	1,299	294	74	27	9	11,112	30,168
65 and Over	5,374	527	107	31	18	7	6,064	27,923
Total	143,193	12,994	2,347	623	177	26	159,360	\$31,044

Retired Members and Beneficiaries

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

State Miscellaneous Tier 1

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	1	0	1	8	5	189	204
30-34	0	10	6	2	2	120	140
35-39	0	37	17	7	3	131	195
40-44	1	159	49	12	6	199	426
45-49	3	529	212	42	11	300	1,097
50-54	1,857	1,299	337	106	9	528	4,136
55-59	11,139	1,898	426	202	3	845	14,513
60-64	22,555	1,998	438	248	9	1,330	26,578
65-69	22,543	1,704	292	264	4	1,828	26,635
70-74	18,262	1,252	216	276	10	2,456	22,472
75-79	15,222	815	135	235	6	3,274	19,687
80-84	12,319	589	65	217	2	4,259	17,451
85 and Over	13,216	565	37	224	7	6,812	20,861
Total	117,118	10,855	2,231	1,843	77	22,271	154,395

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Miscellaneous Tier 1

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$32,911	\$0	\$19	\$84,191	\$345	\$1,345,203	\$1,462,669
30-34	0	54,403	19,265	30,435	103	932,968	1,037,174
35-39	0	201,080	74,612	120,849	25,123	1,217,399	1,639,063
40-44	21,712	1,530,617	127,793	190,370	27,283	2,309,880	4,207,655
45-49	24,656	6,175,466	449,995	663,233	93,737	3,157,526	10,564,613
50-54	21,662,229	17,259,966	909,032	2,209,441	97,238	7,194,511	49,332,417
55-59	290,426,985	27,519,011	1,152,618	4,141,789	27,568	12,148,117	335,416,088
60-64	676,216,551	28,380,769	1,526,909	5,709,508	50,809	23,927,215	735,811,761
65-69	692,583,717	25,783,319	1,202,219	6,327,295	6,253	37,583,257	763,486,060
70-74	547,994,567	18,473,757	873,070	6,707,031	13,966	53,522,262	627,584,653
75-79	435,328,897	10,932,174	499,236	5,729,367	7,429	70,851,739	523,348,842
80-84	330,690,819	7,361,988	136,160	4,903,328	1,164	81,825,133	424,918,592
85 and Over	279,028,808	6,874,197	72,841	5,307,379	53,222	104,406,196	395,742,643
Total	\$3,274,011,852	\$150,546,747	\$7,043,769	\$42,124,216	\$404,240	\$400,421,406	\$3,874,552,230

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

State Miscellaneous Tier 1

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	33,401	1,445	280	345	10	704	36,185
5-9	29,341	2,318	518	313	6	1,722	34,218
10-14	17,489	2,586	442	272	16	2,194	22,999
15-19	15,267	1,719	443	268	7	3,427	21,131
20-24	10,107	1,134	275	231	15	3,999	15,761
25-29	7,594	786	168	259	7	4,830	13,644
30 and Over	4,056	867	105	155	16	5,395	10,594
Total	117,255	10,855	2,231	1,843	77	22,271	154,532

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Miscellaneous Tier 1

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$1,045,306,320	\$20,918,155	\$1,486,245	\$7,556,832	\$65,241	\$12,644,966	\$1,087,977,759
5-9	935,893,067	35,290,855	2,534,021	7,620,770	1,900	38,292,768	1,019,633,381
10-14	473,840,328	37,782,399	1,355,624	6,951,634	229,141	49,929,058	570,088,184
15-19	417,290,915	24,606,028	1,031,319	6,506,667	27,986	86,530,789	535,993,704
20-24	226,771,556	14,196,314	403,895	5,713,973	15,836	85,573,108	332,674,682
25-29	123,874,697	8,461,622	158,328	4,998,101	4,638	74,650,020	212,147,406
30 and Over	52,697,321	9,291,374	74,337	2,776,239	59,498	52,800,697	117,699,466
Total	\$3,275,674,204	\$150,546,747	\$7,043,769	\$42,124,216	\$404,240	\$400,421,406	\$3,876,214,582

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

State Miscellaneous Tier 2

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	0	2	0	30	32
30-34	0	2	0	0	0	12	14
35-39	0	4	3	0	0	14	21
40-44	0	27	7	2	0	19	55
45-49	0	100	8	1	0	30	139
50-54	40	231	15	16	0	48	350
55-59	261	308	10	26	2	78	685
60-64	495	328	14	15	0	87	939
65-69	478	191	4	11	0	87	771
70-74	435	113	2	9	0	82	641
75-79	352	42	1	4	0	60	459
80-84	140	4	1	4	0	35	184
85 and Over	45	1	0	3	0	16	65
Total	2,246	1,351	65	93	2	598	4,355

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Miscellaneous Tier 2

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$0	\$0	\$0	\$8,620	\$0	\$132,268	\$140,888
30-34	0	25,594	0	0	0	84,288	109,882
35-39	0	50,281	71,198	0	0	78,649	200,128
40-44	0	294,068	158,562	7,637	0	114,557	574,824
45-49	0	1,063,904	194,332	7,223	0	319,012	1,584,471
50-54	126,217	2,841,590	248,574	107,960	0	420,733	3,745,074
55-59	914,720	4,180,566	193,032	272,582	44,479	818,359	6,423,738
60-64	2,627,488	4,434,703	262,367	116,653	0	1,035,420	8,476,631
65-69	3,019,383	2,661,185	24,109	97,935	0	838,183	6,640,795
70-74	3,603,940	1,596,847	43,463	91,656	0	816,548	6,152,454
75-79	3,672,559	584,233	22,472	82,615	0	724,780	5,086,659
80-84	1,439,048	70,316	29,653	138,055	0	376,562	2,053,634
85 and Over	498,111	21,345	0	76,785	0	161,669	757,910
Total	\$15,901,466	\$17,824,632	\$1,247,762	\$1,007,721	\$44,479	\$5,921,028	\$41,947,088

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

State Miscellaneous Tier 2

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	570	116	4	33	0	32	755
5-9	436	279	17	22	0	84	838
10-14	835	543	28	17	1	218	1,642
15-19	289	271	11	12	1	158	742
20-24	116	138	5	9	0	101	369
25-29	7	4	0	0	0	5	16
30 and Over	0	0	0	0	0	0	0
Total	2,253	1,351	65	93	2	598	4,362

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Miscellaneous Tier 2

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$3,157,775	\$1,203,960	\$63,412	\$220,084	\$0	\$220,222	\$4,865,453
5-9	1,795,847	3,078,702	312,333	136,879	0	637,533	5,961,294
10-14	7,106,992	7,215,219	509,803	282,761	30,354	2,081,797	17,226,926
15-19	2,850,801	4,303,940	272,263	255,264	14,125	1,933,845	9,630,238
20-24	980,485	1,962,164	89,951	112,733	0	1,010,106	4,155,439
25-29	46,492	60,647	0	0	0	37,525	144,664
30 and Over	0	0	0	0	0	0	0
Total	\$15,938,392	\$17,824,632	\$1,247,762	\$1,007,721	\$44,479	\$5,921,028	\$41,984,014

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

State Industrial

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	0	2	0	10	12
30-34	0	1	1	0	0	12	14
35-39	0	7	8	0	0	9	24
40-44	0	41	6	0	0	10	57
45-49	0	72	45	4	0	20	141
50-54	253	185	64	7	0	35	544
55-59	1,172	218	84	9	0	63	1,546
60-64	1,713	225	72	10	0	73	2,093
65-69	1,410	148	55	15	2	108	1,738
70-74	903	99	26	13	2	85	1,128
75-79	639	47	21	8	2	112	829
80-84	400	22	8	4	5	120	559
85 and Over	349	19	9	2	5	198	582
Total	6,839	1,084	399	74	16	855	9,267

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Industrial

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$0	\$0	\$0	\$3,409	\$0	\$23,730	\$27,139
30-34	0	3,397	62	0	0	43,090	46,549
35-39	0	27,157	40,768	0	0	28,625	96,550
40-44	0	256,985	55,126	0	0	60,008	372,119
45-49	0	614,428	122,733	24,068	0	39,294	800,523
50-54	1,636,521	1,564,824	325,924	58,085	0	231,730	3,817,084
55-59	12,935,387	1,509,503	403,753	47,818	0	387,948	15,284,409
60-64	20,495,149	1,864,913	407,794	70,360	0	560,793	23,399,009
65-69	18,022,847	1,208,875	314,440	190,335	18,287	780,391	20,535,175
70-74	12,359,732	992,933	191,362	330,844	19,868	778,005	14,672,744
75-79	9,143,244	542,232	165,320	97,499	47,852	1,252,568	11,248,715
80-84	5,969,638	282,883	100,264	95,001	115,101	1,596,137	8,159,024
85 and Over	5,826,651	263,555	254,635	50,805	145,338	2,947,189	9,488,173
Total	\$86,389,169	\$9,131,685	\$2,382,181	\$968,224	\$346,446	\$8,729,508	\$107,947,213

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

State Industrial

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	2,849	193	71	19	0	53	3,185
5-9	1,939	358	138	17	0	123	2,575
10-14	943	271	76	13	1	139	1,443
15-19	530	150	56	19	0	150	905
20-24	298	70	30	2	1	115	516
25-29	227	25	18	4	0	133	407
30 and Over	61	17	10	0	14	142	244
Total	6,847	1,084	399	74	16	855	9,275

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Industrial

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$37,002,348	\$1,665,135	\$522,930	\$304,021	\$0	\$338,529	\$39,832,963
5-9	25,062,871	3,082,836	640,245	196,382	0	1,194,832	30,177,166
10-14	10,188,821	2,245,409	399,904	161,493	69	931,905	13,927,601
15-19	7,004,180	1,092,395	298,038	258,210	0	1,704,469	10,357,292
20-24	3,512,567	589,754	174,551	15,340	1,333	1,543,568	5,837,113
25-29	2,924,556	247,099	101,916	32,778	0	1,599,803	4,906,152
30 and Over	740,471	209,057	244,597	0	345,044	1,416,402	2,955,571
Total	\$86,435,814	\$9,131,685	\$2,382,181	\$968,224	\$346,446	\$8,729,508	\$107,993,858

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

State Safety

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	4	3	2	20	29
30-34	0	1	12	0	0	10	23
35-39	0	2	23	0	1	14	40
40-44	0	10	63	0	2	17	92
45-49	0	21	162	6	0	28	217
50-54	367	71	349	21	7	61	876
55-59	1,531	102	625	38	14	98	2,408
60-64	2,641	134	800	42	9	179	3,805
65-69	2,194	94	571	24	10	230	3,123
70-74	1,467	61	386	32	16	240	2,202
75-79	857	39	286	13	16	334	1,545
80-84	575	22	167	7	18	418	1,207
85 and Over	450	19	119	15	13	545	1,161
Total	10,082	576	3,567	201	108	2,194	16,728

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Safety

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$0	\$0	\$94,622	\$88,187	\$40,881	\$137,231	\$360,921
30-34	0	11,903	281,405	0	0	64,176	357,484
35-39	0	5,445	531,919	0	51,451	118,574	707,390
40-44	0	61,418	1,405,976	0	65,477	134,442	1,667,313
45-49	0	162,534	3,527,600	94,955	0	241,781	4,026,870
50-54	3,122,271	461,226	6,465,192	221,657	40,038	788,442	11,098,827
55-59	26,986,786	862,742	12,689,942	495,625	333,460	1,148,870	42,517,425
60-64	47,046,519	1,296,547	16,394,903	558,041	203,715	2,031,908	67,531,632
65-69	37,676,397	903,577	12,279,757	338,086	175,255	3,148,703	54,521,776
70-74	24,246,212	644,124	8,735,731	521,393	353,392	2,948,168	37,449,021
75-79	12,967,408	444,804	6,490,871	241,487	310,404	4,176,519	24,631,492
80-84	9,303,168	301,839	3,653,613	107,880	316,836	5,309,160	18,992,497
85 and Over	7,844,964	229,376	2,432,875	185,900	230,510	6,162,736	17,086,362
Total	\$169,193,726	\$5,385,536	\$74,984,406	\$2,853,212	\$2,121,420	\$26,410,709	\$280,949,009

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

State Safety

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	4,273	143	496	55	6	83	5,056
5-9	2,969	148	875	56	5	220	4,273
10-14	1,364	144	571	38	11	230	2,358
15-19	606	62	383	18	1	199	1,269
20-24	261	24	253	11	8	183	740
25-29	360	23	545	12	22	526	1,488
30 and Over	249	32	444	11	55	753	1,544
Total	10,082	576	3,567	201	108	2,194	16,728

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Safety

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$87,279,721	\$1,891,183	\$12,043,966	\$565,303	\$103,540	\$872,483	\$102,756,195
5-9	45,359,210	1,419,851	19,937,680	950,634	130,916	3,101,094	70,899,385
10-14	15,909,301	1,117,001	12,468,123	516,539	293,261	2,836,456	33,140,681
15-19	6,741,951	348,820	7,560,079	327,777	13,704	2,283,171	17,275,502
20-24	3,420,804	108,424	4,840,515	130,899	156,287	2,496,919	11,153,849
25-29	6,618,136	258,297	10,636,417	187,884	463,470	7,523,806	25,688,009
30 and Over	3,864,601	241,960	7,497,626	174,177	960,243	7,296,780	20,035,387
Total	\$169,193,726	\$5,385,536	\$74,984,406	\$2,853,212	\$2,121,420	\$26,410,709	\$280,949,009

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

State Peace Officers and Firefighters

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	9	5	9	39	62
30-34	0	1	43	0	1	20	65
35-39	0	9	231	1	3	19	263
40-44	0	16	503	4	13	23	559
45-49	0	63	1,072	14	23	44	1,216
50-54	2,246	78	1,308	26	19	113	3,790
55-59	3,592	73	1,415	35	21	184	5,320
60-64	3,974	80	1,406	53	17	242	5,772
65-69	2,486	47	816	23	15	254	3,641
70-74	1,421	34	371	15	9	227	2,077
75-79	805	18	165	10	4	206	1,208
80-84	395	7	67	4	0	133	606
85 and Over	126	1	12	1	0	51	191
Total	15,045	427	7,418	191	134	1,555	24,770

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Peace Officers and Firefighters

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$0	\$0	\$217,581	\$130,703	\$191,030	\$434,119	\$973,433
30-34	0	365	1,235,186	0	35,619	414,115	1,685,285
35-39	0	116,364	6,679,823	30,542	147,780	344,333	7,318,842
40-44	0	175,828	14,949,377	121,920	523,462	474,709	16,245,296
45-49	0	1,032,396	32,353,713	576,718	834,735	826,056	35,623,618
50-54	139,901,991	1,410,365	42,382,440	854,598	664,105	2,935,193	188,148,692
55-59	202,799,755	1,556,809	51,326,520	1,305,285	701,917	5,708,333	263,398,619
60-64	204,251,980	1,754,583	53,495,538	1,960,758	551,713	7,510,430	269,525,002
65-69	113,426,618	1,011,694	29,725,084	802,989	514,336	8,029,130	153,509,851
70-74	58,333,005	1,014,004	13,172,370	484,232	305,358	7,500,849	80,809,818
75-79	30,413,934	362,460	5,505,202	306,100	166,068	6,322,597	43,076,361
80-84	13,389,329	157,156	2,103,072	106,241	0	3,754,825	19,510,623
85 and Over	3,881,780	8,933	407,704	58,154	0	1,234,374	5,590,945
Total	\$766,398,392	\$8,600,957	\$253,553,610	\$6,738,240	\$4,636,123	\$45,489,063	\$1,085,416,385

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

State Peace Officers and Firefighters

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	7,415	96	1,287	57	21	87	8,963
5-9	3,863	123	2,250	49	36	270	6,591
10-14	1,861	121	1,623	48	32	286	3,971
15-19	1,087	53	1,302	27	11	338	2,818
20-24	663	32	880	7	27	429	2,038
25-29	184	1	76	3	7	143	414
30 and Over	0	1	0	0	0	2	3
Total	15,073	427	7,418	191	134	1,555	24,798

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

State Peace Officers and Firefighters

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$431,309,419	\$2,708,496	\$56,558,617	\$2,136,797	\$932,598	\$3,160,428	\$496,806,355
5-9	188,314,260	2,227,038	80,332,040	1,749,423	1,187,071	8,553,958	282,363,790
10-14	72,491,858	2,096,276	51,727,550	1,652,668	1,100,004	7,970,651	137,039,007
15-19	45,161,701	928,310	40,929,168	892,570	382,180	10,575,205	98,869,134
20-24	23,780,980	613,124	22,230,026	178,077	883,526	11,573,869	59,259,602
25-29	5,856,688	27,015	1,776,209	128,705	150,744	3,641,915	11,581,276
30 and Over	0	698	0	0	0	13,037	13,735
Total	\$766,914,906	\$8,600,957	\$253,553,610	\$6,738,240	\$4,636,123	\$45,489,063	\$1,085,932,899

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

California Highway Patrol

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	1	0	10	8	19
30-34	0	0	3	0	2	4	9
35-39	0	1	28	0	5	4	38
40-44	0	1	61	1	9	3	75
45-49	0	1	172	0	17	10	200
50-54	518	7	311	4	13	21	874
55-59	508	5	390	7	7	40	957
60-64	521	6	632	6	21	96	1,282
65-69	614	6	873	5	15	141	1,654
70-74	327	8	588	2	20	180	1,125
75-79	178	4	348	1	10	162	703
80-84	139	3	167	1	7	169	486
85 and Over	97	0	66	1	8	201	373
Total	2,902	42	3,640	28	144	1,039	7,795

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

California Highway Patrol

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$0	\$0	\$11,048	\$0	\$279,904	\$53,243	\$344,195
30-34	0	0	121,548	0	101,752	45,318	268,618
35-39	0	6,553	1,147,858	0	263,999	15,984	1,434,394
40-44	0	7,808	2,140,546	31,933	602,299	28,194	2,810,780
45-49	0	20,652	5,569,439	0	951,292	329,342	6,870,725
50-54	44,884,193	101,369	14,146,801	236,559	800,094	730,468	60,899,484
55-59	39,015,031	78,487	21,953,246	439,526	254,000	1,037,050	62,777,340
60-64	31,855,398	315,998	34,877,795	322,123	527,488	2,710,159	70,608,961
65-69	29,907,205	170,275	38,268,065	196,110	406,564	3,928,403	72,876,622
70-74	13,069,799	93,772	21,576,143	67,080	498,991	4,542,846	39,848,631
75-79	6,824,981	105,564	12,539,100	5,982	231,654	3,904,642	23,611,923
80-84	4,449,356	74,006	5,629,903	29,771	168,118	3,363,152	13,714,306
85 and Over	3,449,040	0	2,041,317	27,020	195,501	3,706,930	9,419,808
Total	\$173,455,003	\$974,484	\$160,022,809	\$1,356,104	\$5,281,656	\$24,395,731	\$365,485,787

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

California Highway Patrol

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	1,114	3	359	5	19	8	1,508
5-9	579	6	669	7	14	42	1,317
10-14	537	11	550	7	16	74	1,195
15-19	271	4	619	3	12	101	1,010
20-24	165	7	534	2	10	127	845
25-29	129	4	436	2	16	232	819
30 and Over	117	7	473	2	57	455	1,111
Total	2,912	42	3,640	28	144	1,039	7,805

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

California Highway Patrol

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$90,098,846	\$255,952	\$26,484,841	\$266,207	\$1,141,114	\$441,772	\$118,688,732
5-9	33,721,708	204,187	44,093,241	526,283	740,852	1,999,569	81,285,840
10-14	25,114,202	196,737	26,273,255	308,233	672,732	2,503,382	55,068,541
15-19	10,593,272	37,621	24,055,930	118,574	478,682	3,442,394	38,726,473
20-24	6,182,280	149,847	17,341,407	67,080	436,107	3,625,438	27,802,159
25-29	4,112,629	61,759	10,758,360	12,936	448,520	5,058,667	20,452,871
30 and Over	3,862,155	68,381	11,015,775	56,791	1,363,649	7,324,509	23,691,260
Total	\$173,685,092	\$974,484	\$160,022,809	\$1,356,104	\$5,281,656	\$24,395,731	\$365,715,876

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Schools

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	0	6	0	180	186
30-34	1	6	1	0	0	84	92
35-39	1	31	11	3	0	122	168
40-44	0	109	31	5	0	199	344
45-49	0	470	56	8	3	332	869
50-54	1,756	1,210	91	39	3	504	3,603
55-59	11,306	1,948	164	99	1	836	14,354
60-64	26,298	2,187	171	134	2	1,329	30,121
65-69	30,059	2,069	102	114	1	1,790	34,135
70-74	24,982	1,547	54	81	4	2,459	29,127
75-79	20,584	1,028	22	64	2	3,236	24,936
80-84	15,870	728	14	38	1	4,003	20,654
85 and Over	16,160	646	4	35	0	6,233	23,078
Total	147,017	11,979	721	626	17	21,307	181,667

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for

Retirees and Beneficiaries

By Age and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

Schools

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	\$0	\$0	\$0	\$41,725	\$0	\$749,373	\$791,098
30-34	3,698	27,982	337	0	0	512,550	544,567
35-39	3,698	207,289	2,954	13,064	0	742,706	969,711
40-44	0	955,435	18,720	35,092	0	1,173,543	2,182,790
45-49	0	4,466,839	57,373	78,317	1,020	2,340,559	6,944,108
50-54	13,999,515	12,416,222	93,404	389,261	3,039	4,001,511	30,902,952
55-59	166,750,809	21,154,944	266,276	634,010	19	7,140,587	195,946,645
60-64	446,574,674	22,956,299	369,446	980,525	1,087	12,521,734	483,403,765
65-69	489,421,724	20,730,160	161,485	820,989	3,082	16,878,688	528,016,128
70-74	355,374,758	14,251,368	95,738	488,243	2,171	23,089,518	393,301,796
75-79	253,815,305	8,514,527	127,886	374,045	118	27,422,528	290,254,409
80-84	171,906,726	5,660,533	8,258	241,756	248	31,408,563	209,226,084
85 and Over	148,484,237	4,435,877	767	245,093	0	39,236,251	192,402,225
Total	\$2,046,335,144	\$115,777,475	\$1,202,644	\$4,342,120	\$10,784	\$167,218,111	\$2,334,886,278

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Number of Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Schools

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	42,874	1,566	133	238	1	966	45,778
5-9	35,744	2,675	227	176	2	1,968	40,792
10-14	23,911	2,903	115	80	1	2,759	29,769
15-19	18,744	2,152	108	52	1	3,595	24,652
20-24	12,791	1,120	58	41	5	3,806	17,821
25-29	8,497	708	50	15	5	4,297	13,572
30 and Over	4,479	855	30	24	2	3,916	9,306
Total	147,040	11,979	721	626	17	21,307	181,690

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Annual Allowance Amounts for Retirees and Beneficiaries

By Years Retired and Retirement Type

As of June 30, 2010

Annual Amounts not Including PPPA Payments

Schools

Years Retired	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 5 Yrs	\$744,049,441	\$17,779,360	\$294,104	\$1,942,318	\$98	\$10,757,780	\$774,823,101
5-9	584,152,947	30,503,098	566,966	1,095,969	671	21,461,923	637,781,574
10-14	290,295,597	27,694,170	100,943	502,034	3,082	23,826,247	342,422,073
15-19	217,930,357	20,491,512	160,408	312,878	486	32,819,208	271,714,849
20-24	118,336,224	9,084,151	58,827	251,985	4,324	31,114,823	158,850,334
25-29	63,664,817	4,616,864	15,651	41,428	1,804	29,066,393	97,406,957
30 and Over	28,056,850	5,608,320	5,745	195,508	319	18,171,737	52,038,479
Total	\$2,046,486,233	\$115,777,475	\$1,202,644	\$4,342,120	\$10,784	\$167,218,111	\$2,335,037,367

Counts of members do not include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

State Miscellaneous Tier 1

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	3,157 ¹	93,552,189	29,633
2009	8,232	269,792,017	32,774
2008	6,961	218,975,379	31,457
2007	6,709	195,768,944	29,180
2006	6,495	173,136,124	26,657
2005	7,348	210,672,162	28,671
2004	8,681	262,936,064	30,289
2003	6,114	167,839,285	27,452
2002	6,044	171,421,479	28,362
2001	6,187	196,041,337	31,686
2000	8,307	264,362,440	31,824
1999	3,084	62,392,050	20,231
1998	4,524	105,949,212	23,419
1997	4,596	109,431,990	23,810
1996	4,369	106,773,447	24,439
1995	4,049	100,047,825	24,709
1994	4,109	100,232,010	24,393
1993	3,158	61,836,788	19,581
1992	5,031	133,613,255	26,558
1991	5,732	174,830,558	30,501
1990	3,191	72,590,521	22,749
1989	2,974	60,586,716	20,372
1988	3,310	74,042,818	22,369
1987	3,643	78,100,513	21,439
1986	2,996	58,816,312	19,632
1985	3,026	52,235,945	17,262
1984	2,599	42,306,830	16,278
1983	3,428	60,585,861	17,674
1982	2,434	37,403,589	15,367
1981	2,238	26,344,575	11,771
1980	2,310	28,187,093	12,202
1979 and Earlier	9,504	105,463,128	11,097
Totals	154,540	3,876,268,456	25,083

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

State Miscellaneous Tier 2

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	78 ¹	516,418	6,621
2009	181	1,058,022	5,845
2008	149	1,076,660	7,226
2007	135	959,769	7,109
2006	129	765,975	5,938
2005	145	966,555	6,666
2004	125	845,629	6,765
2003	137	1,081,837	7,897
2002	170	1,240,150	7,295
2001	220	1,395,208	6,342
2000	269	2,114,058	7,859
1999	298	2,695,639	9,046
1998	383	3,834,408	10,012
1997	362	4,083,036	11,279
1996	300	3,457,827	11,526
1995	243	3,158,716	12,999
1994	168	2,297,556	13,676
1993	154	1,983,511	12,880
1992	142	1,669,388	11,756
1991	152	2,034,795	13,387
1990	81	985,930	12,172
1989	103	1,242,470	12,063
1988	94	1,068,228	11,364
1987	62	643,667	10,382
1986	50	508,548	10,171
1985	32	300,014	9,375
1984	0	0	0
1983	0	0	0
1982	0	0	0
1981	0	0	0
1980	0	0	0
1979 and Earlier	0	0	0
Totals	4,362	41,984,014	9,625

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

State Industrial

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	344 ¹	5,027,109	14,614
2009	777	10,072,558	12,963
2008	618	7,465,858	12,081
2007	518	6,152,569	11,878
2006	571	6,274,527	10,989
2005	555	6,958,042	12,537
2004	670	8,006,415	11,950
2003	472	5,153,908	10,919
2002	458	5,111,777	11,161
2001	448	5,720,913	12,770
2000	581	7,173,811	12,347
1999	205	1,765,339	8,611
1998	312	2,690,754	8,624
1997	292	2,747,459	9,409
1996	236	2,091,086	8,861
1995	227	2,214,748	9,757
1994	191	1,874,374	9,813
1993	160	1,565,835	9,786
1992	208	2,764,863	13,293
1991	198	2,847,172	14,380
1990	123	1,128,115	9,172
1989	136	1,272,626	9,358
1988	92	1,036,247	11,264
1987	120	1,585,467	13,212
1986	72	1,002,542	13,924
1985	91	1,162,611	12,776
1984	68	705,585	10,376
1983	99	1,222,793	12,351
1982	75	1,017,024	13,560
1981	62	687,416	11,087
1980	70	773,580	11,051
1979 and Earlier	226	2,720,735	12,039
Totals	9,275	107,993,858	11,644

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

State Safety

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	615 ¹	15,640,734	25,432
2009	1,326	29,279,785	22,081
2008	1,037	21,716,036	20,941
2007	969	18,168,459	18,750
2006	958	15,087,196	15,749
2005	1,020	17,044,184	16,710
2004	1,051	17,916,871	17,047
2003	797	13,319,779	16,712
2002	751	12,105,664	16,119
2001	709	11,640,700	16,418
2000	849	13,890,957	16,362
1999	393	4,944,524	12,581
1998	435	5,372,656	12,351
1997	394	5,428,227	13,777
1996	339	4,589,584	13,539
1995	281	3,411,889	12,142
1994	294	3,625,902	12,333
1993	197	2,855,349	14,494
1992	275	4,412,162	16,044
1991	258	3,543,370	13,734
1990	165	2,387,302	14,468
1989	183	2,687,543	14,686
1988	127	1,786,853	14,070
1987	150	2,416,965	16,113
1986	114	1,771,223	15,537
1985	172	2,569,086	14,937
1984	225	3,770,998	16,762
1983	380	7,108,117	18,706
1982	323	5,921,594	18,331
1981	363	5,952,594	16,398
1980	329	5,621,570	17,087
1979 and Earlier	1,249	20,865,900	16,706
Totals	16,728	286,852,287	17,148

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

State Peace Officers and Firefighters

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	828 ¹	42,579,720	51,425
2009	2,087	118,862,314	56,954
2008	1,525	86,184,437	56,514
2007	1,723	99,135,203	57,536
2006	1,978	108,934,934	55,073
2005	1,241	57,691,344	46,488
2004	1,429	61,849,749	43,282
2003	1,219	50,924,887	41,776
2002	1,357	57,830,666	42,617
2001	1,266	52,960,252	41,833
2000	1,685	75,830,421	45,003
1999	628	18,415,030	29,323
1998	735	22,195,618	30,198
1997	763	25,160,625	32,976
1996	703	24,983,437	35,538
1995	616	21,957,084	35,645
1994	552	17,916,824	32,458
1993	518	17,208,687	33,221
1992	661	23,806,692	36,016
1991	646	25,070,864	38,809
1990	356	10,295,140	28,919
1989	395	11,437,990	28,957
1988	401	11,840,601	29,528
1987	495	15,103,032	30,511
1986	406	11,203,214	27,594
1985	319	8,775,232	27,509
1984	265	7,790,966	29,400
1983	0	0	0
1982	0	0	0
1981	1	72	72
1980	1	75	75
1979 and Earlier	2	13,660	6,830
Totals	24,801	1,085,958,770	43,787

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

California Highway Patrol

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	199 ¹	18,080,450	90,857
2009	296	25,977,067	87,760
2008	241	19,321,450	80,172
2007	242	17,553,510	72,535
2006	285	19,522,011	68,498
2005	319	23,210,109	72,759
2004	257	16,343,208	63,592
2003	181	10,064,921	55,607
2002	262	16,130,276	61,566
2001	304	19,127,542	62,920
2000	432	24,854,505	57,534
1999	147	6,340,312	43,131
1998	194	8,501,287	43,821
1997	242	10,568,641	43,672
1996	270	12,936,590	47,913
1995	239	10,414,043	43,573
1994	190	7,423,812	39,073
1993	246	9,710,752	39,475
1992	190	6,720,255	35,370
1991	213	8,228,555	38,632
1990	143	4,886,547	34,172
1989	181	6,029,879	33,314
1988	190	6,689,509	35,208
1987	150	4,915,405	32,769
1986	177	5,373,334	30,358
1985	141	4,182,668	29,664
1984	143	4,109,806	28,740
1983	174	4,476,583	25,727
1982	188	4,538,585	24,141
1981	177	4,022,864	22,728
1980	139	2,968,116	21,353
1979 and Earlier	1,053	22,493,284	21,361
Totals	7,805	365,715,876	46,857

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

Retirees and Beneficiaries

Number Counts and Benefits

By Year of Retirement

As of June 30, 2010

Schools

Years Retired	Total Retirement	Total Benefits	Average Benefits
2010	4,282 ¹	64,767,003	15,125
2009	10,514	191,183,643	18,184
2008	8,682	152,213,712	17,532
2007	8,340	139,973,508	16,783
2006	8,707	137,269,553	15,765
2005	8,882	136,631,589	15,383
2004	9,226	142,156,222	15,408
2003	9,687	159,540,035	16,469
2002	7,580	121,805,257	16,069
2001	6,737	105,074,249	15,597
2000	8,591	127,907,505	14,889
1999	4,968	54,524,094	10,975
1998	5,911	67,012,147	11,337
1997	5,546	59,728,660	10,770
1996	5,410	57,860,112	10,695
1995	5,584	60,115,349	10,766
1994	5,173	56,570,565	10,936
1993	5,208	59,765,091	11,476
1992	5,015	56,281,106	11,223
1991	4,703	51,713,258	10,996
1990	4,113	41,217,658	10,021
1989	3,990	38,439,276	9,634
1988	3,753	34,908,236	9,301
1987	3,441	30,202,251	8,777
1986	3,209	26,307,164	8,198
1985	2,896	20,912,044	7,221
1984	2,313	15,105,512	6,531
1983	4,261	37,397,249	8,777
1982	2,290	16,313,704	7,124
1981	2,229	12,681,015	5,689
1980	2,025	12,097,782	5,974
1979 and Earlier	8,440	47,486,335	5,626
Totals	181,706	2,335,160,884	12,851

Counts of members include alternate payees receiving benefits while the member is still working. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

1 – The numbers for 2010 are for the first 6 months of the calendar year only.

APPENDIX A

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Actuarial Methods

FUNDING METHOD

The actuarial funding method used for this report is the Individual Entry Age Normal Cost Method. Under this method, projected benefits are determined for all members and the associated liabilities are spread in a manner that produces level annual cost as a percent of pay in each year from the age of hire (entry age) to the assumed retirement age. The cost allocated to the current fiscal year is called the normal cost.

The actuarial accrued liability for active members is then calculated as the portion of the total cost of the plan allocated to prior years. The actuarial accrued liability for members currently receiving benefits, for active members beyond the assumed retirement age, and for members entitled to deferred benefits, is equal to the present value of the benefits expected to be paid. No normal costs are applicable for these participants.

The excess of the total actuarial accrued liability over the actuarial value of plan assets is called the unfunded actuarial accrued liability. Funding requirements are determined by adding the normal cost and an amortization of the unfunded liability as a level percentage of assumed future payroll. Beginning July 1, 2000, all State and Schools plans became subject to the amortization methods prescribed in Actuarial Policy ACT-96-05E, described below.

Actuarial Policy ACT-96-05E specifies that all changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methodology are amortized separately over a 20-year period. In addition, all gains or losses are tracked and the net unamortized gain or loss is amortized as a rolling 30-year amortization with the exception of gains and losses in fiscal years 2008-2009, 2009-2010 and 2010-2011 in which each year's gains or losses will be isolated and amortized over fixed and declining 30 year periods (as opposed to the current rolling 30 year amortization). Also, if a plan's accrued liability exceeds the actuarial value of assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30-year amortization of the unfunded liability. Finally, all plans are subject to a minimum employer contribution rate equal to the employer normal cost plus a 30-year amortization of surplus, if any.

In addition, in February 2010 the CalPERS Board adopted a resolution requiring additional contributions for any State plans or the Schools pool if their cash flows hampered adequate funding progress by preventing the expected funded status on a market value of assets basis of the plan to either:

- Increase by at least 15% by June 30, 2042; or
- Reach a level of 75% funded by June 30, 2042

The necessary additional contribution will be obtained by changing the amortization period of the gains and losses prior to 2009 to a period which will suffice the above criteria. CalPERS actuaries will reassess the criteria above when performing each future valuation to determine whether or not the additional contributions are necessary for each plan.

An exception to the funding rules above is used whenever the application of such rules results in inconsistencies. In these cases a "fresh start" approach is used. This simply means that the current total

unfunded actuarial liability/surplus is projected and amortized over a set number of years. This fresh start approach generally occurs when a total negative rate would result or a positive payment would be required on a negative unfunded actuarial liability (or conversely a negative payment on a positive unfunded actuarial liability). When the fresh start is being used to avoid a negative total rate and the surplus is sufficient to offset at least 30 years of normal cost payments, the amortization period equals the number of years that the rate is projected to be zero. In addition, a fresh start may be used whenever the Chief Actuary feels that it would be better achieve the intent of the Board's funding policy.

By State statute for California Highway Patrol only, a portion of the assets in excess of the Entry Age Normal accrued liability can be applied as a direct offset to required employer and employee contributions.

The 1959 Survivor Program valuation is not provided in this report. A separate report for that program is available.

The Term Insurance Method is used for the State Group Term Life Insurance Program. The required contribution for the coming fiscal year is the difference between the reserves for that benefit and one and one-half times the expected benefit payments, but not less than zero.

DATA EXTRACT

The June 30, 2009 actuarial valuation used the same data extract programs as used in the prior year.

PURCHASING POWER PROTECTION ACT (PPPA) METHOD

PPPA benefits are cost-of-living adjustments intended to maintain the individual's current retirement benefit at 75% of the original benefit at retirement adjusted for inflation since retirement. The PPPA benefit is paid, if necessary, in addition to any other cost-of-living adjustment provided under the terms of the plan. Prior to January 1, 2001, there was a single PPPA pool covering all CalPERS employers. However, commencing January 1, 2001, separate PPPA pools were established. A pool was set up for all State plans and a separate pool for School employers. The public agencies were removed entirely from PPPA pooling resulting in each public agency plan paying for its own PPPA benefits. The creation of separate pools effectively eliminates the cross subsidization between the State, Schools and public agencies. Because there is a single PPPA pool for all State plans, cross subsidization between State plans still occurs.

For the State and Schools plans, the total annual outlay for PPPA benefits is limited by State statute to earnings of up to 1.1% of accumulated member contributions. If this annual outlay is insufficient to provide the PPPA benefits in a given fiscal year, the 75% maintenance target would be proportionately reduced. Since the inception of the PPPA benefit program, 1.1% has proved more than sufficient to provide the 75% maintenance. Under the inflation assumption of 3% compounded annually, the 1.1% appears to remain more than sufficient in the foreseeable future.

The actuarial model mimics the PPPA administrative procedure by deriving the employer contribution rate for the plan as the lesser of two separate actuarially computed rates:

- 1) The rate that results if a full 1.1% investment return on the actuarial value of each future year's employee assets in the plan is used for that plan's PPPA payments; or

2) The rate that results if the plan pays the full 75% purchasing power for itself.

In this way, those plans for which future PPPA costs equal or exceed a 1.1% return on current and future employee assets are charged an employer rate that replaces the 1.1% return on employee assets. Those plans that require less than the 1.1% return on current and future employee assets to maintain 75% purchasing power are charged the rate necessary to maintain the 75% purchasing power. It must be noted that nothing is charged in the rates for any cross-subsidization. That is, the model assumes that cross subsidization for PPPA for State plans will remain so small that it can be ignored.

INTERNAL REVENUE CODE SECTION 415

The limitations on benefits imposed by Internal Revenue Code Section 415 were taken into account in this valuation.

ASSET VALUATION METHOD

In order to dampen the effect of short-term market value fluctuations on employer contribution rates, the following asset smoothing technique is used. First an Expected Value of Assets would be computed by bringing forward the prior year's Actuarial Value of Assets and the contributions received and benefits paid during the year at the assumed actuarial rate of return. The Actuarial Value of Assets would then be computed as the Expected Value of Assets plus one-fifteenth of the difference between the actual Market Value of Assets and the Expected Value of Assets as of the valuation date. Finally, the Actuarial Value of Assets is restricted to no less than 80% and no more than 120% of the Market Value of Assets.

In December 2009, the CalPERS Board adopted changes to the asset smoothing method in order to phase in over a three year period the impact of the -24% investment loss experienced by CalPERS in fiscal year 2008-2009. The following changes were adopted for the State and School plans:

- For the June 30, 2009 valuation increase the corridor limits for the actuarial value of assets from 80%-120% of market value to 60%-140% of the market value of assets
- For the June 30, 2010 valuation reduce the corridor limits for the actuarial value of assets to 70%-130% of the market value of assets
- And in the June 30, 2011 valuation and thereafter return to the 80%-120% of market value corridor limits for the actuarial value of assets

ACCOUNTS RECEIVABLE

In preparing valuations and setting employer contribution rates, the asset figures used include accounts receivable. The CalPERS Actuarial Office assumes that all assets are accruing interest at the actuarially-assumed rate. Therefore, the rates depicted assume that all payments have been made and are accruing interest.

Actuarial Assumptions Applicable to All Plans

ECONOMIC ASSUMPTIONS:

Investment Return

- 7.75% compounded annually (net of administrative expenses).

Salary Growth

- Annual increases vary by entry age and service. See sample rates in table below.

Duration of Service	Annual Percentage Increase					
	State Miscellaneous Tier 1 & Tier 2			Industrial		
	Entry Age			Entry Age		
	20	30	40	20	30	40
0	13.35%	10.95%	8.25%	9.55%	8.85%	8.25%
3	8.95%	8.05%	6.55%	8.15%	7.75%	7.35%
5	7.25%	6.75%	5.85%	7.35%	7.15%	6.95%
10	4.95%	4.85%	4.45%	6.05%	5.85%	5.75%
15	4.25%	4.15%	3.95%	5.15%	5.05%	4.95%
20	3.85%	3.85%	3.75%	4.55%	4.45%	4.35%
25	3.75%	3.75%	3.65%	3.85%	3.85%	3.85%
30	3.75%	3.75%	3.65%	3.85%	3.85%	3.85%

Duration of Service	Safety			POFF		
	Entry Age			Entry Age		
	20	30	40	20	30	40
0	7.55%	7.35%	7.15%	19.95%	18.55%	16.85%
3	6.15%	5.65%	4.85%	9.05%	8.85%	8.25%
5	5.55%	5.05%	4.05%	6.85%	6.65%	6.05%
10	4.85%	4.35%	3.55%	4.65%	4.55%	4.35%
15	4.35%	4.05%	3.45%	4.15%	4.05%	4.05%
20	3.95%	3.75%	3.45%	3.85%	3.75%	3.75%
25	3.85%	3.75%	3.45%	3.65%	3.65%	3.65%
30	3.85%	3.75%	3.45%	3.65%	3.65%	3.65%

Duration of Service	CHP			Schools		
	Entry Age			Entry Age		
	20	30	40	20	30	40
0	9.05%	9.05%	9.05%	11.05%	9.85%	8.45%
3	6.25%	6.25%	6.25%	7.75%	7.25%	6.45%
5	5.15%	5.15%	5.15%	6.55%	6.25%	5.55%
10	3.95%	3.95%	3.95%	4.75%	4.65%	4.35%
15	3.75%	3.75%	3.75%	4.15%	4.05%	3.75%
20	3.65%	3.65%	3.65%	3.85%	3.75%	3.45%
25	3.65%	3.65%	3.65%	3.65%	3.65%	3.45%
30	3.65%	3.65%	3.65%	3.65%	3.65%	3.45%

Overall Payroll Growth

- 3.25% compounded annually (used in projecting the payroll over which the unfunded liability is amortized). For the State Miscellaneous plan, the payroll of the Second Tier members is assumed to decrease in accordance with actuarial assumptions based on the assumption that all new entrants will elect the State Miscellaneous First Tier. The payroll of the First Tier members is assumed to grow at the rate necessary for the overall payroll of the State Miscellaneous plan to grow annually at a rate of 3.25%.

Inflation

- 3% compounded annually.

DEMOGRAPHIC ASSUMPTIONS:

Marital Status

- For active members, a percentage married upon Retirement is assumed according to the following table.

Plan	Percent Married
State Miscellaneous, Tier 1	85%
State Miscellaneous, Tier 2	85%
State Industrial	85%
State Safety	90%
State Police Officers/Firefighters	90%
California Highway Patrol	90%
Schools	85%

Age of Spouse

- It is assumed that female spouses are 3 years younger than male spouses.

Service Retirement Assumption for Separated Vested Members

- It is assumed that separated vested members will follow the same service retirement pattern as the active members but with a load to reflect the expected higher rates of retirement, especially at lower ages. The following table shows the load factors that are applied to the service retirement assumption for active members to obtain the service retirement pattern for separated vested members:

Age	Load Factor
50	450%
51	250%
52 through 56	200%
57 through 60	150%
61 through 64	125%
65 and above	100% (no change)

MISCELLANEOUS LOADING FACTORS:

Credit for Unused Sick Leave

- Final Average Salary is increased by 1% for all groups providing credit for unused sick leave.

Norris Decision (Best Factors)

- Employees hired prior to July 1, 1982 have projected benefit amounts increased in order to reflect the use of “Best Factors” for these employees in the calculation of optional benefit forms. This is due to a 1983 Supreme Court decision, known as the Norris decision, which required males and females to be treated equally in the determination of benefit amounts. Consequently, anyone already employed at that time is given the best possible conversion factor when optional benefits are determined. A unisex conversion table was developed for

employees hired after July 1, 1982, which was a weighted average of the male and female tables. Therefore, no loading is necessary in this case.

MISCELLANEOUS ASSUMPTIONS:

Tier 2 Members electing Tier 1 benefits

- Tier 2 members of both the State Miscellaneous and State Industrial plans have the right to convert their Tier 2 service to Tier 1 service provided that they make up the shortfall in their accumulated contributions with interest. In this valuation, we have assumed that all Tier 2 members will elect to convert their Tier 2 service to Tier 1 service.

Plan Specific Actuarial Assumptions

STATE MISCELLANEOUS TIER 1

Service Retirement

- Rates vary by age and service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.004	0.011	0.016	0.019	0.023	0.027	0.032
52	0.004	0.012	0.016	0.020	0.025	0.029	0.033
54	0.008	0.022	0.030	0.037	0.046	0.054	0.062
56	0.014	0.038	0.054	0.066	0.081	0.095	0.109
58	0.019	0.050	0.071	0.087	0.106	0.124	0.144
60	0.026	0.070	0.098	0.121	0.148	0.173	0.200
62	0.047	0.125	0.176	0.217	0.266	0.311	0.359
65	0.054	0.145	0.204	0.250	0.307	0.359	0.415
70	0.050	0.134	0.188	0.231	0.284	0.331	0.383
75	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Termination with Refund

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
0	0.1401	0.1340	0.1280	0.1220	0.1160
1	0.1249	0.1189	0.1128	0.1068	0.1009
2	0.1097	0.1037	0.0978	0.0917	0.0857
3	0.0945	0.0886	0.0826	0.0766	0.0705
4	0.0794	0.0734	0.0674	0.0614	0.0553
5	0.0104	0.0094	0.0084	0.0075	0.0065
10	0.0059	0.0051	0.0042	0.0034	0.0026
15	0.0040	0.0033	0.0025	0.0018	0.0011
20	0.0025	0.0019	0.0013	0.0007	0.0001
25	0.0013	0.0008	0.0003	0.0001	0.0001
30	0.0005	0.0001	0.0001	0.0001	0.0001

STATE MISCELLANEOUS TIER 1 (CONTINUED)

Terminations with Vested Deferred Benefits

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
5	0.0556	0.0504	0.0452	0.0400	0.0349
6	0.0526	0.0472	0.0420	0.0368	0.0316
7	0.0495	0.0441	0.0389	0.0335	0.0280
8	0.0463	0.0409	0.0356	0.0299	0.0245
9	0.0430	0.0374	0.0321	0.0264	0.0209
10	0.0395	0.0340	0.0283	0.0226	-
14	0.0349	0.0289	0.0229	-	-
15	0.0335	0.0275	0.0216	-	-
19	0.0277	0.0213	-	-	-
20	0.0262	0.0198	-	-	-
24	0.0196	0.0130	-	-	-
25	0.0179	-	-	-	-
29	0.0103	-	-	-	-
30	-	-	-	-	-

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Non-Industrial Disability

- Rates vary by age and gender. See sample rates in table below.

Attained Age	Male		Female	
	Non-Industrial Death	Non-Industrial Disability	Non-Industrial Death	Non-Industrial Disability
20	0.00047	0.0001	0.00016	0.0001
25	0.00050	0.0002	0.00026	0.0001
30	0.00053	0.0003	0.00036	0.0005
35	0.00067	0.0005	0.00046	0.0013
40	0.00087	0.0012	0.00065	0.0023
45	0.00120	0.0022	0.00093	0.0040
50	0.00176	0.0038	0.00126	0.0055
55	0.00260	0.0040	0.00176	0.0050
60	0.00395	0.0026	0.00266	0.0031

STATE MISCELLANEOUS TIER 1 (CONTINUED)

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

Age	Healthy Recipients		Non-Industrially Disabled (Not Job-Related)		Industrially Disabled (Job-Related)	
	Male	Female	Male	Female	Male	Female
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

STATE MISCELLANEOUS TIER 2

Service Retirement

- Rates vary by age and Service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.004	0.011	0.016	0.019	0.023	0.027	0.032
52	0.004	0.012	0.016	0.020	0.025	0.029	0.033
54	0.008	0.022	0.003	0.037	0.046	0.054	0.062
56	0.014	0.038	0.054	0.066	0.081	0.095	0.109
58	0.019	0.050	0.071	0.087	0.106	0.124	0.144
60	0.026	0.070	0.098	0.121	0.148	0.173	0.200
62	0.047	0.125	0.176	0.217	0.266	0.311	0.359
65	0.054	0.145	0.204	0.250	0.307	0.359	0.415
70	0.050	0.134	0.188	0.231	0.284	0.331	0.383
75	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Non-vested Termination

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
0	0.1496	0.1433	0.1370	0.1307	0.1244
1	0.1365	0.1302	0.1239	0.1176	0.1113
2	0.1234	0.1172	0.1109	0.1046	0.0983
3	0.1104	0.1041	0.0978	0.0915	0.0852
4	0.0973	0.0910	0.0848	0.0785	0.0722
5	0.0843	0.0780	0.0717	0.0654	0.0591
6	0.0792	0.0729	0.0666	0.0603	0.0540
7	0.0741	0.0678	0.0615	0.0553	0.0490
8	0.0691	0.0628	0.0565	0.0502	0.0439
9	0.0640	0.0577	0.0514	0.0451	0.0388

STATE MISCELLANEOUS TIER 2 (Continued)

Terminations with Vested Deferred Benefits

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
10	0.0589	0.0526	0.0463	0.0400	-
14	0.0480	0.0417	0.0354	0.0291	-
15	0.0453	0.0390	0.0327	-	-
19	0.0344	0.0281	0.0218	-	-
20	0.0317	0.0254	-	-	-
24	0.0208	0.0145	-	-	-
25	0.0180	-	-	-	-
29	0.0071	-	-	-	-
30	-	-	-	-	-

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Non-Industrial Disability

- Rates vary by age and gender. See sample rates in table below.

Attained Age	Male		Female	
	Non-Industrial Death	Non-Industrial Disability	Non-Industrial Death	Non-Industrial Disability
20	0.00047	0.0001	0.00016	0.0001
25	0.00050	0.0002	0.00026	0.0004
30	0.00053	0.0003	0.00036	0.0006
35	0.00067	0.0003	0.00046	0.0017
40	0.00087	0.0023	0.00065	0.0041
45	0.00120	0.0042	0.00093	0.0068
50	0.00176	0.0058	0.00126	0.0099
55	0.00260	0.0073	0.00176	0.0123
60	0.00395	0.0081	0.00266	0.0134

STATE MISCELLANEOUS TIER 2 (Continued)

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

Age	Healthy Recipients		Non-Industrially Disabled (Not Job-Related)		Industrially Disabled (Job-Related)	
	Male	Female	Male	Female	Male	Female
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

STATE INDUSTRIAL TIER 1

Service Retirement

- Rates vary by age and service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.006	0.011	0.018	0.026	0.031	0.033	0.039
52	0.006	0.011	0.018	0.026	0.031	0.033	0.039
54	0.016	0.029	0.045	0.067	0.079	0.084	0.100
56	0.020	0.037	0.057	0.085	0.100	0.106	0.126
58	0.025	0.046	0.071	0.106	0.125	0.132	0.157
60	0.038	0.070	0.109	0.162	0.191	0.202	0.240
62	0.076	0.139	0.217	0.321	0.378	0.402	0.476
65	0.083	0.153	0.238	0.353	0.416	0.442	0.523
70	0.089	0.163	0.254	0.376	0.444	0.472	0.559
75	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Termination with Refund

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
0	0.0829	0.0794	0.0758	0.0723	0.0687
1	0.0740	0.0704	0.0669	0.0633	0.0598
2	0.0650	0.0615	0.0579	0.0544	0.0507
3	0.0560	0.0524	0.0489	0.0453	0.0418
4	0.0470	0.0435	0.0399	0.0364	0.0328
5	0.0095	0.0086	0.0077	0.0068	0.0059
10	0.0054	0.0046	0.0039	0.0031	0.0024
15	0.0036	0.0030	0.0023	0.0017	0.0010
20	0.0023	0.0017	0.0011	0.0006	0.0002
25	0.0011	0.0007	0.0003	0.0002	0.0002
30	0.0005	0.0002	0.0002	0.0002	0.0002

STATE INDUSTRIAL TIER 1 (Continued)

Terminations with Vested Deferred Benefits

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
5	0.0496	0.0449	0.0405	0.0356	0.0311
6	0.0470	0.0421	0.0377	0.0328	0.0281
7	0.0442	0.0393	0.0346	0.0297	0.0250
8	0.0414	0.0365	0.0316	0.0267	0.0220
9	0.0384	0.0335	0.0285	0.0234	0.0187
10	0.0353	0.0302	0.0253	0.0201	-
14	0.0349	0.0289	0.0229	0.0171	-
15	0.0302	0.0246	0.0194	-	-
19	0.0277	0.0213	0.0150	-	-
20	0.0232	0.0176	-	-	-
24	0.0196	0.0130	-	-	-
25	0.0159	-	-	-	-
29	0.0103	-	-	-	-
30	-	-	-	-	-

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Industrial Disability, Non-Industrial Disability & Industrial Death

- Rates vary by age. See sample rates in table below.

Attained Age	Non-Industrial Death		Non-Industrial Disability	Industrial Disability	Industrial Death
	Male	Female	Male and Female	Male and Female	Male and Female
			Female	Female	Female
20	0.00047	0.00016	0.00043	0.00015	0.00003
25	0.00050	0.00026	0.00085	0.00015	0.00007
30	0.00053	0.00036	0.00136	0.00015	0.00010
35	0.00067	0.00046	0.00204	0.00029	0.00012
40	0.00087	0.00065	0.00315	0.00029	0.00013
45	0.00120	0.00093	0.00468	0.00044	0.00014
50	0.00176	0.00126	0.00621	0.00044	0.00015
55	0.00260	0.00176	0.00791	0.00058	0.00016
60	0.00395	0.00266	0.00918	0.00058	0.00017

STATE INDUSTRIAL TIER 1 (Continued)

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

Age	Healthy Recipients		Non-Industrially Disabled (Not Job-Related)		Industrially Disabled (Job-Related)	
	Male	Female	Male	Female	Male	Female
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

STATE INDUSTRIAL TIER 2

Service Retirement

➤ Rates vary by age and service . See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.006	0.011	0.018	0.026	0.031	0.033	0.039
52	0.006	0.011	0.018	0.026	0.031	0.033	0.039
54	0.016	0.029	0.045	0.067	0.079	0.084	0.100
56	0.020	0.037	0.057	0.085	0.100	0.106	0.126
58	0.025	0.046	0.071	0.106	0.125	0.132	0.157
60	0.038	0.070	0.109	0.162	0.191	0.202	0.240
62	0.076	0.139	0.217	0.321	0.378	0.402	0.476
65	0.083	0.153	0.238	0.353	0.416	0.442	0.523
70	0.089	0.163	0.254	0.376	0.444	0.472	0.559
75	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Termination with Refund

➤ Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
0	0.0829	0.0794	0.0758	0.0723	0.0687
1	0.0740	0.0704	0.0669	0.0633	0.0598
2	0.0650	0.0615	0.0579	0.0544	0.0507
3	0.0560	0.0524	0.0489	0.0453	0.0418
4	0.0470	0.0435	0.0399	0.0364	0.0328
5	0.0095	0.0086	0.0077	0.0068	0.0059
10	0.0054	0.0046	0.0039	0.0031	0.0024
15	0.0036	0.0030	0.0023	0.0017	0.0010
20	0.0023	0.0017	0.0011	0.0006	0.0002
25	0.0011	0.0007	0.0003	0.0002	0.0002
30	0.0005	0.0002	0.0002	0.0002	0.0002

STATE INDUSTRIAL TIER 2 (Continued)

Terminations with Vested Deferred Benefits

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
5	0.0496	0.0449	0.0405	0.0356	0.0311
6	0.0470	0.0421	0.0377	0.0328	0.0281
7	0.0442	0.0393	0.0346	0.0297	0.0250
8	0.0414	0.0365	0.0316	0.0267	0.0220
9	0.0384	0.0335	0.0285	0.0234	0.0187
10	0.0353	0.0302	0.0253	0.0201	-
14	0.0349	0.0289	0.0229	0.0171	-
15	0.0302	0.0246	0.0194	-	-
19	0.0277	0.0213	0.0150	-	-
20	0.0232	0.0176	-	-	-
24	0.0196	0.0130	-	-	-
25	0.0159	-	-	-	-
29	0.0103	-	-	-	-
30	-	-	-	-	-

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Non-Industrial Disability

- Rates vary by age. See sample rates in table below.

Industrial Disability

- Rates vary by age. See sample rates in table below.

Industrial Death

- Rates vary by age. See sample rates in table below.

Attained Age	Non-Industrial Death		Non-Industrial Disability	Industrial Disability	Industrial Death
	Male	Female	Male and Female	Male and Female	Male and Female
			Male and Female	Male and Female	Male and Female
20	0.00047	0.00016	0.00043	0.00015	0.00003
25	0.00050	0.00026	0.00085	0.00015	0.00007
30	0.00053	0.00036	0.00136	0.00015	0.00010
35	0.00067	0.00046	0.00204	0.00029	0.00012
40	0.00087	0.00065	0.00315	0.00029	0.00013
45	0.00120	0.00093	0.00468	0.00044	0.00014
50	0.00176	0.00126	0.00621	0.00044	0.00015
55	0.00260	0.00176	0.00791	0.00058	0.00016
60	0.00395	0.00266	0.00918	0.00058	0.00017

STATE INDUSTRIAL TIER 2 (Continued)

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

Age	Healthy Recipients		Non-Industrially Disabled (Not Job-Related)		Industrially Disabled (Job-Related)	
	Male	Female	Male	Female	Male	Female
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

STATE SAFETY

Service Retirement

- Rates vary by age and service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.012	0.021	0.028	0.033	0.037	0.048	0.057
52	0.008	0.014	0.019	0.023	0.025	0.033	0.039
54	0.024	0.041	0.055	0.064	0.072	0.093	0.111
56	0.038	0.064	0.086	0.101	0.113	0.146	0.174
58	0.040	0.068	0.092	0.107	0.120	0.155	0.184
60	0.043	0.072	0.098	0.115	0.128	0.166	0.197
62	0.070	0.117	0.159	0.186	0.208	0.270	0.320
65	0.095	0.160	0.217	0.254	0.284	0.369	0.437
70	0.086	0.144	0.195	0.229	0.255	0.331	0.393
75	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Termination with Refund

- Rates vary by service. See sample rates in table below.

Duration of Service										
0	1	2	3	4	5	10	15	20	25	30
0.1313	0.0967	0.0622	0.0461	0.0374	0.0080	0.0058	0.0039	0.0025	0.0013	0.0009

Terminations with Vested Deferred Benefits

- Rates vary by service. See sample rates in table below.

Duration of Service										
5	6	7	8	9	10	15	20	25	30	35
0.0369	0.0363	0.0357	0.0349	0.0341	0.0333	0.0286	0.0226	0.0159	0.0131	0.000

STATE SAFETY (Continued)

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Industrial Disability, Non-Industrial Disability & Industrial Death

- Rates vary by age. See sample rates in table below.

<u>Attained Age</u>	<u>Non-Industrial Death</u>		<u>Non-Industrial Disability</u>	<u>Industrial Disability</u>	<u>Industrial Death</u>
	<u>Male</u>	<u>Female</u>	<u>Male and Female</u>	<u>Male and Female</u>	<u>Male and Female</u>
20	0.00047	0.00016	0.00036	0.00024	0.00003
25	0.00050	0.00026	0.00054	0.00108	0.00007
30	0.00053	0.00036	0.00063	0.00216	0.00010
35	0.00067	0.00046	0.00072	0.00324	0.00012
40	0.00087	0.00065	0.00072	0.00432	0.00013
45	0.00120	0.00093	0.00108	0.00528	0.00014
50	0.00176	0.00126	0.00216	0.00636	0.00015
55	0.00260	0.00176	0.00306	0.00960	0.00016
60	0.00395	0.00266	0.00387	0.00960	0.00017

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients and for non-industrially disabled (disability not job related) retirees. Rates vary by age for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

<u>Age</u>	<u>Healthy Recipients</u>		<u>Non-Industrially Disabled (Not Job-Related)</u>		<u>Industrially Disabled (Job-Related)</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

STATE PEACE OFFICERS AND FIREFIGHTERS

Service Retirement

- Rates vary by age and service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.006	0.020	0.027	0.031	0.052	0.082	0.095
52	0.008	0.026	0.035	0.041	0.067	0.106	0.123
54	0.016	0.054	0.073	0.084	0.139	0.219	0.254
56	0.021	0.070	0.094	0.109	0.181	0.284	0.330
58	0.020	0.066	0.089	0.103	0.170	0.267	0.310
60	0.020	0.067	0.091	0.105	0.174	0.273	0.317
62	0.035	0.116	0.157	0.181	0.301	0.472	0.549
65	0.039	0.132	0.178	0.206	0.341	0.536	0.623
70	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Termination with Refund

- Rates vary by service. See sample rates in table below.

Duration of Service										
0	1	2	3	4	5	10	15	20	25	30
0.1217	0.0779	0.0431	0.0353	0.0275	0.0056	0.0039	0.0025	0.0015	0.0006	0.0003

Terminations with Vested Deferred Benefits

- Rates vary by service. See sample rates in table below.

Duration of Service										
5	6	7	8	9	10	15	20	25	30	35
0.0173	0.0168	0.0164	0.0159	0.0155	0.0149	0.0120	0.0086	0.0046	0.0030	0.0000

STATE PEACE OFFICERS AND FIREFIGHTERS (Continued)

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Industrial Disability, Non-Industrial Disability & Industrial Death

- Rates vary by age. See sample rates in table below.

<u>Attained Age</u>	<u>Non-Industrial Death</u>		<u>Non-Industrial Disability</u>	<u>Industrial Disability</u>	<u>Industrial Death</u>
	<u>Male</u>	<u>Female</u>	<u>Male and Female</u>	<u>Male and Female</u>	<u>Male and Female</u>
20	0.00047	0.00016	0.00010	0.00030	0.00003
25	0.00050	0.00026	0.00010	0.00150	0.00007
30	0.00053	0.00036	0.00010	0.00300	0.00010
35	0.00067	0.00046	0.00020	0.00450	0.00012
40	0.00087	0.00065	0.00040	0.00600	0.00013
45	0.00120	0.00093	0.00060	0.00750	0.00014
50	0.00176	0.00126	0.00098	0.00900	0.00015
55	0.00260	0.00176	0.00143	0.02080	0.00016
60	0.00395	0.00266	0.00188	0.02080	0.00017

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

<u>Age</u>	<u>Healthy Recipients</u>		<u>Non-Industrially Disabled (Not Job-Related)</u>		<u>Industrially Disabled (Job-Related)</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

CALIFORNIA HIGHWAY PATROL

Service Retirement

- Rates vary by age and service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.0044	0.0044	0.0044	0.0044	0.0132	0.0250	0.0288
52	0.0145	0.0145	0.0145	0.0145	0.0435	0.0825	0.0950
54	0.0303	0.0303	0.0303	0.0303	0.0909	0.1725	0.1988
56	0.0271	0.0271	0.0271	0.0271	0.0813	0.1542	0.1777
58	0.0229	0.0229	0.0229	0.0229	0.0686	0.1301	0.1499
60	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Termination with Refund

- Rates vary by service. See sample rates in table below.

Duration of Service										
0	1	2	3	4	5	10	15	20	25	30
0.0129	0.0124	0.0121	0.0116	0.0113	0.0040	0.0029	0.0019	0.0011	0.0006	0.0003

Terminations with Vested Deferred Benefits

- Rates vary by service. See sample rates in table below.

Duration of Service										
5	6	7	8	9	10	15	20	25	30	35
0.0093	0.0091	0.0090	0.0087	0.0085	0.0082	0.0070	0.0053	0.0033	0.0026	0.0000

CALIFORNIA HIGHWAY PATROL (Continued)

Non-Industrial Death & Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Industrial Disability & Non-Industrial Disability

- Rates vary by age. See sample rates in table below.

<u>Attained Age</u>	<u>Non-Industrial Death</u>		<u>Non-Industrial Disability</u>	<u>Industrial Disability</u>	<u>Industrial Death</u>
	<u>Male</u>	<u>Female</u>	<u>Male and Female</u>	<u>Male and Female</u>	<u>Male and Female</u>
20	0.00047	0.00016	0.00014	0.00104	0.00003
25	0.00050	0.00026	0.00014	0.00196	0.00007
30	0.00053	0.00036	0.00014	0.00288	0.00010
35	0.00067	0.00046	0.00014	0.00380	0.00012
40	0.00087	0.00065	0.00014	0.00483	0.00013
45	0.00120	0.00093	0.00028	0.00575	0.00014
50	0.00176	0.00126	0.00028	0.00667	0.00015
55	0.00260	0.00176	0.00028	0.11890	0.00016
60	0.00395	0.00266	0.00028	0.11890	0.00017

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

<u>Age</u>	<u>Healthy Recipients</u>		<u>Non-Industrially Disabled (Not Job-Related)</u>		<u>Industrially Disabled (Job-Related)</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

SCHOOLS

Service Retirement

- Rates vary by age and service. See sample rates in table below.

Attained Age	Years of Service						
	5	10	15	20	25	30	35
50	0.005	0.009	0.013	0.015	0.016	0.018	0.022
52	0.006	0.012	0.017	0.020	0.022	0.025	0.029
54	0.012	0.024	0.033	0.039	0.044	0.049	0.057
56	0.020	0.039	0.055	0.065	0.072	0.081	0.095
58	0.025	0.050	0.070	0.083	0.092	0.103	0.121
60	0.037	0.073	0.102	0.121	0.134	0.150	0.176
62	0.076	0.151	0.212	0.250	0.278	0.311	0.366
65	0.091	0.180	0.251	0.297	0.331	0.370	0.435
70	0.066	0.131	0.183	0.216	0.241	0.270	0.316
75	0.055	0.108	0.151	0.179	0.199	0.223	0.262

Termination with Refund

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
0	0.1730	0.1627	0.1525	0.1422	0.1319
1	0.1585	0.1482	0.1379	0.1277	0.1174
2	0.1440	0.1336	0.1234	0.1131	0.1028
3	0.1295	0.1192	0.1089	0.0987	0.0884
4	0.1149	0.1046	0.0944	0.0841	0.0738
5	0.0278	0.0249	0.0221	0.0192	0.0164
10	0.0172	0.0147	0.0122	0.0098	0.0074
15	0.0115	0.0094	0.0074	0.0053	0.0032
20	0.0073	0.0055	0.0038	0.0020	0.0002
25	0.0037	0.0023	0.0010	0.0002	0.0002
30	0.0015	0.0003	0.0002	0.0002	0.0002

SCHOOLS (Continued)

Termination with Vested Deferred Benefits

- Rates vary by entry age and service. See sample rates in table below.

Duration of Service	Entry Age				
	20	25	30	35	40
5	0.0816	0.0733	0.0649	0.0566	0.0482
6	0.0782	0.0697	0.0613	0.0527	0.0443
7	0.0745	0.0660	0.0573	0.0487	0.0400
8	0.0708	0.0621	0.0534	0.0446	0.0359
9	0.0671	0.0582	0.0493	0.0404	0.0316
10	0.0629	0.0540	0.0450	0.0359	-
14	0.0558	0.0462	0.0367	0.0272	-
15	0.0537	0.0440	0.0344	-	-
19	0.0443	0.0344	0.0243	-	-
20	0.0420	0.0317	-	-	-
24	0.0319	0.0211	-	-	-
25	0.0291	-	-	-	-
29	0.0170	-	-	-	-
30	-	-	-	-	-

Non-Industrial Death

- Rates vary by age and gender. See sample rates in table below.

Non-Industrial Disability

- Rates vary by age and gender. See sample rates in table below.

Attained Age	Male		Female	
	Non-Industrial Death	Non-Industrial Disability	Non-Industrial Death	Non-Industrial Disability
20	0.00047	0.00010	0.00016	0.00010
25	0.00050	0.00010	0.00026	0.00010
30	0.00053	0.00018	0.00036	0.00010
35	0.00067	0.00064	0.00046	0.00068
40	0.00087	0.00136	0.00065	0.00094
45	0.00120	0.00283	0.00093	0.00171
50	0.00176	0.00439	0.00126	0.00299
55	0.00260	0.00489	0.00176	0.00335
60	0.00395	0.00425	0.00266	0.00239

SCHOOLS (Continued)

Postretirement Mortality

- Rates vary by age and gender for healthy benefit recipients, for non-industrially disabled (disability not job related) retirees and for retirees who are industrially disabled (disability is job-related). See sample rates in table below.

Age	Healthy Recipients		Non-Industrially Disabled (Not Job-Related)		Industrially Disabled (Job-Related)	
	Male	Female	Male	Female	Male	Female
50	0.00239	0.00125	0.01632	0.01245	0.00443	0.00356
55	0.00474	0.00243	0.01936	0.01580	0.00563	0.00546
60	0.00720	0.00431	0.02293	0.01628	0.00777	0.00798
65	0.01069	0.00775	0.03174	0.01969	0.01388	0.01184
70	0.01675	0.01244	0.03870	0.03019	0.02236	0.01716
75	0.03080	0.02071	0.06001	0.03915	0.03585	0.02665
80	0.05270	0.03749	0.08388	0.05555	0.06926	0.04528
85	0.09775	0.07005	0.14035	0.09577	0.11799	0.08017
90	0.16747	0.12404	0.21554	0.14949	0.16575	0.13775
95	0.25659	0.21556	0.31025	0.23055	0.26108	0.23331
100	0.34551	0.31876	0.45905	0.37662	0.40918	0.35165

APPENDIX B

SUMMARY OF PRINCIPAL PLAN PROVISIONS

STATE MISCELLANEOUS TIER 1	B-1
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Summary of Principal Plan Provisions

STATE MISCELLANEOUS TIER 1

The following is a summary of the major plan provisions for the most representative group used in calculating the liabilities of this plan. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees comes from the **2% at 55** benefit factor table. All new members hired on or after January 15, 2011 are subject to the **2% at 60** benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

Retirement	2% at 55	Retirement	2% at 60
<u>Age</u>	<u>Factor</u>	<u>Age</u>	<u>Factor</u>
50	1.100%	50	1.092%
51	1.280%	51	1.156%
52	1.460%	52	1.224%
53	1.640%	53	1.296%
54	1.820%	54	1.376%
55	2.000%	55	1.460%
56	2.064%	56	1.552%
57	2.126%	57	1.650%
58	2.188%	58	1.758%
59	2.250%	59	1.874%
60	2.314%	60	2.000%
61	2.376%	61	2.134%
62	2.438%	62	2.272%
63 & Up	2.500%	63 & Up	2.418%

- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance. Any unused sick leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.
- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). For some new members hired after July 1, 2006 and for all new members hired on or after January 15, 2011, final compensation is based on the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay. Employees may or may not be covered by Social Security. For employees covered by Social Security, the final compensation is offset by \$133.33 (or by one third if the final compensation is less than \$400).
- The Service Retirement benefit is not capped.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, **and** has earned at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes *disabled* and has at least 5 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. *Disabled* means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to

be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Post-Retirement Death Benefit

Lump Sum Payment

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 25% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance. This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 25% of the allowance, the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 75% of the retirement allowance, which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of the member's accumulated contributions, where interest is currently credited at 7.75% per year. In addition, a lump sum in the amount of six months' salary shall be paid only if the member is eligible for service retirement or eligible for the Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit

Eligibility

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Optional Settlement 2 Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit

Eligibility

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving

spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance that has been reduced so that it will continue to be paid after his or her death to a surviving beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%. However, the cumulative adjustment may not be greater than the cumulative change in the Consumer Price Index since the date of retirement.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

Employee Contributions

Each employee contributes toward his or her retirement based upon one of the following schedules. The employer may choose to "pick-up" these contributions for the employees.

For employees covered by Social Security, the monthly compensation breakpoint is \$513 and the contribution schedule is as follows:

Approximately 28% of the active population is subject to the following schedule:

- The percent contributed below the monthly compensation breakpoint is 0%.
- The percent contributed above the monthly compensation breakpoint is 5%.

Approximately 63% of the active population is subject to the following schedule:

- The percent contributed below the monthly compensation breakpoint is 0%.
- The percent contributed above the monthly compensation breakpoint is 8%.

Approximately 2% of the active population is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.
The percent contributed above the monthly compensation breakpoint is 9%.

Approximately 7% of the active population is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.
The percent contributed above the monthly compensation breakpoint is 10%.

There are a small number of employees not covered by Social Security in this plan. For those employees, the monthly compensation breakpoint is \$317 and contributions are as follows:

The percent contributed below the monthly compensation breakpoint is 0%.
The percent contributed above the monthly compensation breakpoint is 1% greater than those covered by Social Security.

Refund of Employee Contributions

If the member's service with the employer ends, and if the member does not satisfy the eligibility conditions for any of the retirement benefits above, the member may elect to receive a refund of his or her employee contributions, which are credited annually with 6% interest.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report.

STATE MISCELLANEOUS TIER 2

The following is a summary of the major plan provisions applicable to State Miscellaneous Tier 2 members. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Tier 2 Members electing Tier 1 benefits

State Miscellaneous Tier 2 members have the right to convert their Tier 2 service to Tier 1 service provided that they make up the shortfall in their accumulated contributions with interest. In this valuation, we have assumed that all State Miscellaneous Tier 2 members will elect to convert their Tier 2 service to Tier 1 service.

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 55 with at least 10 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation, where

- The benefit factor for this group of employees comes from the 1.25% at 65 Tier 2 benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

<u>Retirement Age</u>	1.25% at 65 Tier 2 Factor	<u>Retirement Age</u>	1.25% at 65 Tier 2 Factor
50	0.5000%	58	0.9000%
51	0.5500%	59	0.9500%
52	0.6000%	60	1.0000%
53	0.6500%	61	1.0500%
54	0.7000%	62	1.1000%
55	0.7500%	63	1.1500%
56	0.8000%	64	1.2000%
57	0.8500%	65 & Up	1.2500%

- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's

contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance. Any unused sick leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.

- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). For some new members hired after July 1, 2006 and for all new members hired on or after January 15, 2011, final compensation is based on the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay. Employees may or may not be covered by Social Security. The final compensation is not offset by a dollar amount.
- The Service Retirement benefit is not capped.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, and has earned at least 10 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 55. Members with 5 years of service before January 1, 1985, are eligible at age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes disabled and has at least 10 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. Disabled means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit. Members with 5 years of service before January 1, 1985 are also eligible.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.125% of final compensation, multiplied by service, which is determined as follows:

- service is CalPERS credited service, for members with less than 10 years of service or greater than 29.628 years of service; or
- service is CalPERS credited service plus the additional number of years that the member would have worked until age 65, for members with at least 10 years but not more than 29.628 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Post-Retirement Death Benefit**Lump Sum Payment**

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 25% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, without a reduction in the retiree's allowance. This additional benefit is often referred to as post retirement survivor allowance (PRSA) or simply as survivor continuance.

In other words, 25% of the allowance, the continuance portion, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 75% of the retirement allowance, which may be referred to as the option portion of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this option portion to be paid to any designated beneficiary after the retiree's

death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of six months' salary which shall be paid only if the member is eligible for service retirement or eligible for the Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit

Eligibility

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit**Eligibility**

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Optional Settlement 2 Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit**Eligibility**

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed and has attained retirement eligibility. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance

that has been reduced so that it will continue to be paid after his or her death to a surviving beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report.

STATE INDUSTRIAL TIER 1

The following is a summary of the major plan provisions for the most representative group used in calculating the liabilities of the plan. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM**Service Retirement****Eligibility**

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees comes from the **2% at 55** benefit factor table. All new members hired on or after January 15, 2011 are subject to the **2% at 60** benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

Retirement Age	2% at 55 Factor	Retirement Age	2% at 60 Factor
50	1.100%	50	1.092%
51	1.280%	51	1.156%
52	1.460%	52	1.224%
53	1.640%	53	1.296%
54	1.820%	54	1.376%
55	2.000%	55	1.460%
56	2.064%	56	1.552%
57	2.126%	57	1.650%
58	2.188%	58	1.758%
59	2.250%	59	1.874%
60	2.314%	60	2.000%
61	2.376%	61	2.134%
62	2.438%	62	2.272%
63 & Up	2.500%	63 & Up	2.418%

- The years of service is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each

employer's contract, and then added together for the total allowance. Any unused sick leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.

- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). For some new members hired after July 1, 2006 and for all new members hired on or after January 15, 2011, final compensation is based on the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay. Employees may or may not be covered by Social Security. For employees covered by Social Security, the final compensation is offset by \$133.33 (or by one third if the final compensation is less than \$400).
- The Service Retirement benefit is not capped.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, and has earned at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes disabled and has at least 5 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. Disabled means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Industrial (Job-Related) Disability Retirement**Eligibility**

An employee is eligible for Industrial Disability Retirement if he or she becomes *disabled* while working, where *disabled* means the member is unable to perform the duties of the job because of a work-related illness or injury which is expected to be permanent or to last indefinitely. A CalPERS member who has left active employment within this group is not eligible for this benefit, except to the extent described in the next paragraph.

Benefit

The Industrial Disability Retirement benefit is a monthly allowance equal to 50% of final compensation. However, if a member is eligible for Service Retirement and if the Service Retirement benefit is more than the Industrial Disability Retirement benefit, the member may choose to receive the larger benefit. For a CalPERS member not actively employed in this group who became disabled while employed by some other CalPERS employer, the benefit is a return or annuitization of the accumulated member contributions with respect to employment in this group.

Post-Retirement Death Benefit**Lump Sum Payment**

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger

the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 25% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance. This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 25% of the allowance, the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 75% of the retirement allowance, which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of the member's accumulated contributions, where interest is currently credited at 7.75% per year. In addition, a lump sum in the amount of six months' salary shall be paid only if the member is eligible for service retirement or eligible for the Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Special Death Benefit**Eligibility**

An employee's *eligible survivor(s)* may receive the Special Death benefit if the member dies while actively employed and the death is job-related. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married prior to the onset of the injury or illness that resulted in death. If there is no eligible spouse, an eligible survivor means the member's unmarried children under age 22. An eligible survivor who chooses to receive this benefit will not receive any other death benefit.

Benefit

The Special Death benefit is a monthly allowance equal to 50% of final compensation, and will be increased whenever the compensation paid to active employees is increased but ceasing to increase when the member would have attained age 50. The allowance is payable to the surviving spouse until death, at which time the allowance is continued to any unmarried children under age 22. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

If the member's death is the result of an accident or injury caused by external violence or physical force incurred in the performance of the member's duty, and there are *eligible* surviving children (*eligible* means unmarried children under age 22) in addition to an eligible spouse, then an **additional monthly allowance** is paid equal to the following:

- if 1 eligible child: 12.5% of final compensation
- if 2 eligible children: 20.0% of final compensation
- if 3 or more eligible children: 25.0% of final compensation

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit**Eligibility**

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit**Eligibility**

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Special Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit**Eligibility**

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance

that has been reduced so that it will continue to be paid after his or her death to a surviving beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%. However, the cumulative adjustment may not be greater than the cumulative change in the Consumer Price Index since the date of retirement.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

Employee Contributions

Each employee contributes toward his or her retirement based upon one of the following schedules. The employer may choose to “pick-up” these contributions for the employees.

For employees covered by Social Security, the monthly compensation breakpoint is \$513 and the contribution schedule is as follows:

Approximately 97% of the active population is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.
The percent contributed above the monthly compensation breakpoint is 8%.

Approximately 1% of the active population is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.
The percent contributed above the monthly compensation breakpoint is 9%.

Approximately 2% of the active population is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.
The percent contributed above the monthly compensation breakpoint is 10%.

There are a small number of employees not covered by Social Security in this plan. For those employees, the monthly compensation breakpoint is \$317 and contributions are as follows:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 1% greater than those covered by Social Security.

Refund of Employee Contributions

If the member's service with the employer ends, and if the member does not satisfy the eligibility conditions for any of the retirement benefits above, the member may elect to receive a refund of his or her employee contributions, which are credited annually with 6% interest.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report

STATE INDUSTRIAL TIER 2

The following is a summary of the major plan provisions applicable to State Industrial Tier 2 Members. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Tier 2 Members electing Tier 1 benefits

State Industrial Tier 2 members have the right to convert their Tier 2 service to Tier 1 service provided that they make up the shortfall in their accumulated contributions with interest. In this valuation, we have assumed that all State Industrial Tier 2 members will elect to convert their Tier 2 service to Tier 1 service.

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 55 with at least 10 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements). Members with 5 years of service before January 1, 1985 are also eligible.

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees comes from the **1.25% at 65 Tier 2** benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

1.25% at 65		1.25% at 65	
Retirement	Tier 2	Retirement	Tier 2
<u>Age</u>	<u>Factor</u>	<u>Age</u>	<u>Factor</u>
50	0.5000%	58	0.9000%
51	0.5500%	59	0.9500%
52	0.6000%	60	1.0000%
53	0.6500%	61	1.0500%
54	0.7000%	62	1.1000%
55	0.7500%	63	1.1500%
56	0.8000%	64	1.2000%
57	0.8500%	65 & Up	1.2500%

- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's

contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance. Any unused sick leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.

- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). For some new members hired after July 1, 2006 and for all new members hired on or after January 15, 2011, final compensation is based on the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay. The employees in this group may or may not be covered by Social Security. The final compensation is not offset by a dollar amount.
- The Service Retirement benefit is not capped.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, **and** has earned at least 10 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements). Members with 5 years of service before January 1, 1985 are also eligible.

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 55.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes *disabled* and has at least 10 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. *Disabled* means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit. Members with 5 years of service before January 1, 1985 are also eligible.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.125% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 29.628 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 65, for members with at least 10 years but not more than 29.628 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Industrial (Job-Related) Disability Retirement**Eligibility**

An employee is eligible for Industrial Disability Retirement if he or she becomes *disabled* while working, where *disabled* means the member is unable to perform the duties of the job because of a work-related illness or injury which is expected to be permanent or to last indefinitely. A CalPERS member who has left active employment within this group is not eligible for this benefit, except to the extent described in the next paragraph.

Benefit

The Industrial Disability Retirement benefit is a monthly allowance equal to 50% of final compensation. However, if a member is eligible for Service Retirement and if the Service Retirement benefit is more than the Industrial Disability Retirement benefit, the member may choose to receive the larger benefit. For a CalPERS member not actively employed in this group who became disabled while employed by some other CalPERS employer, the benefit is a return or annuitization of the accumulated member contributions with respect to employment in this group.

Post-Retirement Death Benefit**Lump Sum Payment**

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger

the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 25% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance. This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 25% of the allowance, the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 75% of the retirement allowance, which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of six months' salary which shall be paid only if the member is eligible for service retirement or eligible for the Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Special Death Benefit**Eligibility**

An employee's *eligible survivor(s)* may receive the Special Death benefit if the member dies while actively employed and the death is job-related. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married prior to the onset of the injury or illness that resulted in death. If there is no eligible spouse, an eligible survivor means the member's unmarried children under age 22. An eligible survivor who chooses to receive this benefit will not receive any other death benefit.

Benefit

The Special Death benefit is a monthly allowance equal to 50% of final compensation, and will be increased whenever the compensation paid to active employees is increased but ceasing to increase when the member would have attained age 50. The allowance is payable to the surviving spouse until death, at which time the allowance is continued to any unmarried children under age 22. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

If the member's death is the result of an accident or injury caused by external violence or physical force incurred in the performance of the member's duty, and there are *eligible* surviving children (*eligible* means unmarried children under age 22) in addition to an eligible spouse, then an **additional monthly allowance** is paid equal to the following:

- if 1 eligible child: 12.5% of final compensation
- if 2 eligible children: 20.0% of final compensation
- if 3 or more eligible children: 25.0% of final compensation

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit**Eligibility**

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit**Eligibility**

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Special Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit**Eligibility**

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed and has attained retirement eligibility. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance that has been reduced so that it will continue to be paid after his or her death to a surviving

beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report

STATE SAFETY

The following is a summary of the major plan provisions for the most representative group used in calculating the liabilities of the plan. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees comes from the **2.5% at 55 Safety** benefit factor table. All new members hired on or after January 15, 2011 are subject to either the **2% at 55 Safety** or the **2.5% at 60 Safety** benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

Retirement Age	2.5% at 55 Safety Factor	Retirement Age	2% at 55 Safety Factor	Retirement Age	2.5% at 60 Safety Factor
50	1.700%	50	1.426%	50	1.426%
51	1.800%	51	1.522%	51	1.522%
52	1.900%	52	1.628%	52	1.628%
53	2.000%	53	1.742%	53	1.742%
54	2.250%	54	1.866%	54	1.866%
55 & Up	2.500%	55 & Up	2.000%	55	2.000%
				56	2.100%
				57	2.200%
				58	2.300%
				59	2.400%
				60 & Up	2.500%

- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance. Any unused sick

leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.

- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). For some new members hired after July 1, 2006 and for all new members hired on or after January 15, 2011, final compensation is based on the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay. The employees in this group are not covered by Social Security. The final compensation is not offset by a dollar amount.
- The Service Retirement benefit is capped at 80% of final compensation.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, **and** has earned at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes *disabled* and has at least 5 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. *Disabled* means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Industrial (Job-Related) Disability Retirement

Eligibility

An employee is eligible for Industrial Disability Retirement if he or she becomes *disabled* while working, where *disabled* means the member is unable to perform the duties of the job because of a work-related illness or injury which is expected to be permanent or to last indefinitely. A CalPERS member who has left active employment within this group is not eligible for this benefit, except to the extent described in the next paragraph.

Benefit

The Industrial Disability Retirement benefit is a monthly allowance equal to 50% of final compensation. However, if a member is eligible for Service Retirement and if the Service Retirement benefit is more than the Industrial Disability Retirement benefit, the member may choose to receive the larger benefit. For a CalPERS member not actively employed in this group who became disabled while employed by some other CalPERS employer, the benefit is a return or annuitization of the accumulated member contributions with respect to employment in this group.

Post-Retirement Death Benefit

Lump Sum Payment

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 50% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance. This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 50% of the allowance, the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 50% of the retirement allowance, which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of the member's accumulated contributions, where interest is currently credited at 7.75% per year. In addition, a lump sum in the amount of six months' salary shall be paid only if the member is eligible for service retirement or eligible for the

Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Special Death Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the Special Death benefit if the member dies while actively employed and the death is job-related. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married prior to the onset of the injury or illness that resulted in death. If there is no eligible spouse, an eligible survivor means the member's unmarried children under age 22. An eligible survivor who chooses to receive this benefit will not receive any other death benefit.

Benefit

The Special Death benefit is a monthly allowance equal to 50% of final compensation, and will be increased whenever the compensation paid to active employees is increased but ceasing to increase when the member would have attained age 50. The allowance is payable to the surviving spouse until death, at which time the allowance is continued to any unmarried children under age 22. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

If the member's death is the result of an accident or injury caused by external violence or physical force incurred in the performance of the member's duty, and there are *eligible* surviving children (*eligible* means unmarried children under age 22) in addition to an eligible spouse, then an **additional monthly allowance** is paid equal to the following:

- if 1 eligible child: 12.5% of final compensation
- if 2 eligible children: 20.0% of final compensation
- if 3 or more eligible children: 25.0% of final compensation

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit

Eligibility

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid

to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Special Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit

Eligibility

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance that has been reduced so that it will continue to be paid after his or her death to a surviving beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%. However, the cumulative adjustment may not be greater than the cumulative change in the Consumer Price Index since the date of retirement.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

Employee Contributions

Each employee contributes toward his or her retirement based upon the following schedule. The employer may choose to “pick-up” these contributions for the employees. For all active members, the monthly compensation breakpoint is \$317.

Approximately 57% of the active population is subject to the following schedule:

- The percent contributed below the monthly compensation breakpoint is 0%.
- The percent contributed above the monthly compensation breakpoint is 9%.

Less than 1% of the active population is subject to the following schedule:

- The percent contributed below the monthly compensation breakpoint is 0%.
- The percent contributed above the monthly compensation breakpoint is 10%.

Approximately 42% of the active population is subject to the following schedule:

- The percent contributed below the monthly compensation breakpoint is 0%.
- The percent contributed above the monthly compensation breakpoint is 11%.

Refund of Employee Contributions

If the member's service with the employer ends, and if the member does not satisfy the eligibility conditions for any of the retirement benefits above, the member may elect to receive a refund of his or her employee contributions, which are credited annually with 6% interest.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report

STATE PEACE OFFICERS AND FIREFIGHTERS

The following is a summary of the major plan provisions for the most representative group used in calculating the liabilities of this plan. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees comes from either the **3% at 55** or the **3% at 50** benefit factor table. All new members, except firefighters, hired on or after January 15, 2011 are subject to the **2.5% at 55 Safety** benefit factor table. All new firefighters hired on or after October 31, 2010 are subject to the **3% at 55** benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

<u>Retirement Age</u>	<u>3% at 55 Factor</u>	<u>Retirement Age</u>	<u>3% at 50 Factor</u>	<u>Retirement Age</u>	<u>2.5% at 55 Factor</u>
50	2.400%	50 & Up	3.000%	50	2.000%
51	2.520%			51	2.100%
52	2.640%			52	2.200%
53	2.760%			53	2.300%
54	2.880%			54	2.400%
55 & Up	3.000%			55 & Up	2.500%

- As of June 30, 2010, about 99.8% of its active members are subject to the **3% at 50** benefit factor. The rest of its active members (about 0.2%) are subject to the **3% at 55** benefit factor.
- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance. Any unused sick

leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.

- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). For some new members hired after January 1, 2007 and for all new members hired on or after January 15, 2011, final compensation is based on the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay. The employees in this group are not covered by Social Security. The final compensation is not offset by a dollar amount.
- The Service Retirement benefit is capped at 90% of final compensation.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, **and** has earned at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes *disabled* and has at least 5 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. *Disabled* means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Industrial (Job-Related) Disability Retirement

Eligibility

An employee is eligible for Industrial Disability Retirement if he or she becomes *disabled* while working, where *disabled* means the member is unable to perform the duties of the job because of a work-related illness or injury which is expected to be permanent or to last indefinitely. A CalPERS member who has left active employment within this group is not eligible for this benefit, except to the extent described in the next paragraph.

Benefit

The Industrial Disability Retirement benefit is a monthly allowance equal to 50% of final compensation. However, if a member is eligible for Service Retirement and if the Service Retirement benefit is more than the Industrial Disability Retirement benefit, the member may choose to receive the larger benefit. For a CalPERS member not actively employed in this group who became disabled while employed by some other CalPERS employer, the benefit is a return or annuitization of the accumulated member contributions with respect to employment in this group.

Post-Retirement Death Benefit

Lump Sum Payment

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 50% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance. This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 50% of the allowance, the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 50% of the retirement allowance, which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of the member's accumulated contributions, where interest is currently credited at 7.75% per year. In addition, a lump sum in the amount of six months' salary shall be paid only if the member is eligible for service retirement or eligible for the

Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Special Death Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the Special Death benefit if the member dies while actively employed and the death is job-related. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married prior to the onset of the injury or illness that resulted in death. If there is no eligible spouse, an eligible survivor means the member's unmarried children under age 22. An eligible survivor who chooses to receive this benefit will not receive any other death benefit.

Benefit

The Special Death benefit is a monthly allowance equal to 50% of final compensation, and will be increased whenever the compensation paid to active employees is increased but ceasing to increase when the member would have attained age 50. The allowance is payable to the surviving spouse until death, at which time the allowance is continued to any unmarried children under age 22. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

If the member's death is the result of an accident or injury caused by external violence or physical force incurred in the performance of the member's duty, and there are *eligible* surviving children (*eligible* means unmarried children under age 22) in addition to an eligible spouse, then an **additional monthly allowance** is paid equal to the following:

- if 1 eligible child: 12.5% of final compensation
- if 2 eligible children: 20.0% of final compensation
- if 3 or more eligible children: 25.0% of final compensation

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit

Eligibility

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid

to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Special Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit

Eligibility

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance that has been reduced so that it will continue to be paid after his or her death to a surviving beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%. However, the cumulative adjustment may not be greater than the cumulative change in the Consumer Price Index since the date of retirement.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

Employee Contributions

Each employee contributes toward his or her retirement based upon one of the following schedules. The employer may choose to “pick-up” these contributions for the employees.

Approximately 80% of the active population has a monthly compensation breakpoint of \$863 and is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 11%.

Approximately 14% of the active population has a monthly compensation breakpoint of \$238 and is subject to the following schedule:

Approximately one third of the 14% is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 8%.

Approximately two thirds of the 14% is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 10%.

Approximately 6% of the active population has a monthly compensation breakpoint of \$513 and is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 10%.

Refund of Employee Contributions

If the member's service with the employer ends, and if the member does not satisfy the eligibility conditions for any of the retirement benefits above, the member may elect to receive a refund of his or her employee contributions, which are credited annually with 6% interest.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report

CALIFORNIA HIGHWAY PATROL

The following is a summary of the major plan provisions used in calculating the liabilities of the plan. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees is **3% at all ages**, it does not depend on the member's age at retirement. All new members hired on or after October 31, 2010 are subject to the **3% at 55** benefit factor table.

<u>Retirement Age</u>	<u>3% at 55 Factor</u>
50	2.400%
51	2.520%
52	2.640%
53	2.760%
54	2.880%
55	3.000%

- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's contract with CalPERS including service at the CHP Academy for graduating members). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance. Any unused sick leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.
- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). In addition, the final compensation used for calculating retirement benefits will be increased according to the following schedule:

- 8% for members who retire or die on or after July 1, 2004, and prior to July 1, 2008
- 6% for members who retire or die on or after July 1, 2008, and prior to July 1, 2009
- 4% for members who retire or die on or after July 1, 2009, and prior to July 1, 2010
- 2% for members who retire or die on or after July 1, 2010, and prior to July 1, 2011
- No increase for members who retire or die on or after July 1, 2011

The *final compensation* for an employee hired on or after October 31, 2010 is the monthly average of the member's highest 36 consecutive months' full-time equivalent monthly pay.

- The employees in this group are not covered by Social Security. The final compensation is not offset by a dollar amount.
- The Service Retirement benefit is capped at 90% of final compensation.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, **and** has earned at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes *disabled* and has at least 5 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. *Disabled* means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Industrial (Job-Related) Disability Retirement**Eligibility**

An employee is eligible for Industrial Disability Retirement if he or she becomes *disabled* while working, where *disabled* means the member is unable to perform the duties of the job because of a work-related illness or injury which is expected to be permanent or to last indefinitely. A CalPERS member who has left active employment within this group is not eligible for this benefit, except to the extent described in the next paragraph.

Benefit

The Industrial Disability Retirement benefit is a monthly allowance equal to 50% of final compensation. For members who, as a result of a single event, incur serious bodily injury, the benefit provided is equal to the greater of 50% of final compensation, or, three percent of final compensation multiplied by the number of years of service credited to the member, plus an annuity purchased with the accumulated additional contributions, if any. However, if a member is eligible for Service Retirement and if the Service Retirement benefit is more than the Industrial Disability Retirement benefit, the member may choose to receive the larger benefit, plus an annuity purchased with the accumulated additional contributions, if any. For a CalPERS member not actively employed in this group who became disabled while employed by some other CalPERS employer, the benefit is a return or annuitization of the accumulated member contributions with respect to employment in this group.

Post-Retirement Death Benefit**Lump Sum Payment**

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 50% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance. This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 50% of the allowance, the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 50% of the retirement allowance, which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Group Term Life Insurance

Eligibility

An employee's beneficiary (or estate) will receive the Group Term Life Insurance benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. This benefit is in addition to other pre-retirement death benefits.

Benefit

The benefit is a lump sum payment of \$5,000 plus an additional amount equal to 50% of the annual compensation earned by the deceased member during the 12 months immediately preceding the member's death. The additional amount shall not be paid if the member is eligible for service retirement or the Alternate Death Benefit.

For members with less than 20 years of service credit and not age-eligible to retire:

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of the member's accumulated contributions, where interest is currently credited at 7.75% per year. In addition, a lump sum in the amount of six months' salary shall be paid only if the member is eligible for service retirement or eligible for the Alternate Death Benefit. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Special Death Benefit**Eligibility**

An employee's *eligible survivor(s)* may receive the Special Death benefit if the member dies while actively employed and the death is job-related. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married prior to the onset of the injury or illness that resulted in death. If there is no eligible spouse, an eligible survivor means the member's unmarried children under age 22. An eligible survivor who chooses to receive this benefit will not receive any other death benefit.

Benefit

The Special Death benefit is a monthly allowance equal to 50% of final compensation, and will be increased whenever the compensation paid to active employees is increased but ceasing to increase when the member would have attained age 50. The allowance is payable to the surviving spouse until death, at which time the allowance is continued to any unmarried children under age 22. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

If the member's death is the result of an accident or injury caused by external violence or physical force incurred in the performance of the member's duty, and there are *eligible* surviving children (*eligible* means unmarried children under age 22) in addition to an eligible spouse, then an **additional monthly allowance** is paid equal to the following:

- if 1 eligible child: 12.5% of final compensation
- if 2 eligible children: 20.0% of final compensation
- if 3 or more eligible children: 25.0% of final compensation

For members with more than 20 years of service credit and not age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

Alternate Death Benefit

Eligibility

This benefit may be received in lieu of the lump sum Basic Death Benefit if there is a surviving spouse or minor child of the member. The member must have died before reaching the minimum retirement age and must have been credited with at least 20 years of state service.

Benefit

The Alternate Death Benefit is calculated as though the member were the minimum retirement age and elected an optional form of benefit that provided 100% continuance to the member's spouse. If the member did not have a spouse at the time of death, one-half of the formula benefit would be paid to the surviving child. If the benefit is payable to a surviving child, the benefit will be discontinued upon death or the attainment of age 18.

For members who are age-eligible to retire:

In addition to the above pre-retirement death benefits, members are eligible for:

1957 Survivor Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Special Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Optional Settlement 2 Death Benefit

Eligibility

An employee's *eligible survivor* may receive the Optional Settlement 2 Death benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving

spouse to whom the member was married at least one year before death. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the 1957 Survivor benefit.

Benefit

The Optional Settlement 2 Death benefit is a monthly allowance equal to the Service Retirement benefit that the member would have received had the member retired on the date of his or her death and elected Optional Settlement 2. (A retiree who elects Optional Settlement 2 receives an allowance that has been reduced so that it will continue to be paid after his or her death to a surviving beneficiary.) The allowance is payable as long as the surviving spouse lives. Upon the death of the surviving spouse, the benefit shall be continued to minor children. There is a guarantee that the total amount paid will at least equal the Basic Death Benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%. However, the cumulative adjustment may not be greater than the cumulative change in the Consumer Price Index since the date of retirement.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

Employee Contributions

Each employee contributes toward his or her retirement based upon the following schedule. The employer may choose to "pick-up" these contributions for the employees.

Approximately 85% of the active population has a monthly compensation breakpoint of \$863 and is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 10%.

Approximately 15% of the active population has a monthly compensation breakpoint of \$513 and is subject to the following schedule:

The percent contributed below the monthly compensation breakpoint is 0%.

The percent contributed above the monthly compensation breakpoint is 10%.

Refund of Employee Contributions

If the member's service with the employer ends, and if the member does not satisfy the eligibility conditions for any of the retirement benefits above, the member may elect to receive a refund of his or her employee contributions, which are credited annually with 6% interest.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report

SCHOOLS

The following is a summary of the major plan provisions for the most representative group used in calculating the liabilities of this plan. Many of the statements in this summary are general in nature, and are intended to provide an easily understood summary of the complex Public Employees' Retirement Law. The law itself governs in all situations.

RETIREMENT PROGRAM

Service Retirement

Eligibility

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Benefit

The Service Retirement benefit calculated for service earned by this group of employees is a monthly allowance equal to the product of the *benefit factor*, *years of service*, and *final compensation*, where

- The *benefit factor* for this group of employees comes from the **2% at 55** benefit factor table. The factor depends on the member's age at retirement. Listed below are the factors for retirement at whole year ages:

Retirement Age	2% at 55 Factor
50	1.100%
51	1.280%
52	1.460%
53	1.640%
54	1.820%
55	2.000%
56	2.064%
57	2.126%
58	2.188%
59	2.250%
60	2.314%
61	2.376%
62	2.438%
63 & Up	2.500%

- The *years of service* is the amount credited by CalPERS to a member while he or she is employed in this group (or for other periods that are recognized under the employer's contract with CalPERS). For a member who has earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each

employer's contract, and then added together for the total allowance. Any unused sick leave accumulated at the time of retirement will be converted to credited service at the rate of 0.004 years of service for each day of sick leave.

- The *final compensation* is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay (no matter which CalPERS employer paid this compensation). The employees in this plan may or may not be covered by Social Security. For employees with service prior to January 1, 2001 covered by Social Security, the final compensation is offset by \$133.33 (or by one-third if the final compensation is less than \$400).
- The Service Retirement benefit is not capped.

Vested Deferred Retirement

Eligibility for Deferred Status

A CalPERS member becomes eligible for a deferred vested retirement benefit when he or she leaves employment, keeps his or her contribution account balance on deposit with CalPERS, **and** has earned at least 5 years of credited service (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements).

Eligibility to Start Receiving Benefits

The CalPERS member becomes eligible to receive the deferred retirement benefit upon satisfying the eligibility requirements for Deferred Status and upon attainment of age 50.

Benefit

The vested deferred retirement benefit is the same as the Service Retirement benefit, where the benefit factor is based on the member's age at allowance commencement. For members who have earned service with multiple CalPERS employers, the benefit from each employer is calculated separately according to each employer's contract, and then added together for the total allowance.

Non-Industrial (Non-Job Related) Disability Retirement

Eligibility

A CalPERS member is eligible for Non-Industrial Disability Retirement if he or she becomes *disabled* and has at least 5 years of credited service (total service across all PERS employers, and with certain other Retirement Systems with which PERS has reciprocity agreements). There is no special age requirement. *Disabled* means the member is unable to perform his or her job because of an illness or injury which is expected to be permanent or to last indefinitely. The illness or injury does not have to be job related. A CalPERS member must be actively working with any CalPERS employer at the time of disability in order to be eligible for this benefit.

Benefit

The Non-Industrial Disability Retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. The maximum benefit in this case is 33 1/3% of Final Compensation.

Members who are eligible for a larger service retirement benefit may choose to receive that benefit in lieu of a disability benefit. Members eligible to retire, and who have attained the normal retirement age determined by their service retirement benefit formula, will receive the same dollar amount for disability retirement as that payable for service retirement. For members who have earned service with multiple CalPERS employers, the benefit attributed to each employer is the total disability allowance multiplied by the ratio of service with a particular employer to the total CalPERS service.

Post-Retirement Death Benefit

Lump Sum Payment

Upon the death of a retiree, a one-time lump sum payment of \$2,000 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Form of Payment for Retirement Allowance

Generally, the retirement allowance is paid to the retiree in the form of an annuity for as long as he or she is alive. The retiree may choose to provide for a portion of his or her allowance to be paid to any designated beneficiary after the retiree's death. CalPERS provides for a variety of such benefit options, which the retiree pays for by taking a reduction in his or her retirement allowance. The larger the amount to be provided to the beneficiary is, and the younger the beneficiary is, the greater the reduction to the retiree's allowance.

For retirement allowances with respect to service earned by employment in this group, 25% of the retirement allowance will automatically be continued to certain statutory beneficiaries upon the death of the retiree, *without* a reduction in the retiree's allowance (50% for service not covered by Social Security). This additional benefit is often referred to as *post retirement survivor allowance* (PRSA) or simply as *survivor continuance*.

In other words, 25% of the allowance (or 50% for service not covered by Social Security), the *continuance portion*, is paid to the retiree for as long as he or she is alive, and that same amount is continued to the retiree's spouse (or if no eligible spouse, to unmarried children until they attain age 18; or, if no eligible children, to a qualifying dependent parent) for the rest of his or her lifetime.

The remaining 75% of the retirement allowance (or 50% for service not covered by Social Security), which may be referred to as the *option portion* of the benefit, is paid to the retiree as an annuity for as long as he or she is alive. Or, the retiree may choose to provide for some of this *option portion* to be paid to **any** designated beneficiary after the retiree's death. CalPERS offers a variety of such benefit options, which the retiree pays for by taking a reduction to the option portion of his or her retirement allowance.

Pre-Retirement Death Benefits

Basic Death Benefit

Eligibility

An employee's beneficiary (or estate) may receive the Basic Death benefit if the member dies while actively employed. A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit described below may choose to receive that death benefit instead of this Basic Death benefit.

Benefit

The Basic Death Benefit is a lump sum in the amount of the member's accumulated contributions, where interest is currently credited at 7.75% per year. In addition, a lump sum in the amount of six months' salary is paid. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

1957 Survivor Benefit

Eligibility

An employee's *eligible survivor(s)* may receive the 1957 Survivor benefit if the member dies while actively employed, has attained at least age 50, and has at least 5 years of credited service (total service across all CalPERS employers and with certain other Retirement Systems with which CalPERS has reciprocity agreements). A CalPERS member who is no longer actively employed with **any** CalPERS employer is not eligible for this benefit. An *eligible survivor* means the surviving spouse to whom the member was married at least one year before death or, if there is no eligible spouse, to the member's unmarried children under age 18. A member's survivor may choose this benefit in lieu of the Basic Death benefit or the Special Death benefit.

Benefit

The 1957 Survivor benefit is a monthly allowance equal to one-half of the unmodified Service Retirement benefit that the member would have been entitled to receive if the member had retired on the date of his or her death. If the benefit is payable to the spouse, the benefit is discontinued upon the death of the spouse. If the benefit is payable to a dependent child, the benefit will be discontinued upon death or attainment of age 18, unless the child is disabled. There is a guarantee that the total amount paid will at least equal the Basic Death benefit.

Cost-of-Living Adjustments

Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%. However, the cumulative adjustment may not be greater than the cumulative change in the Consumer Price Index since the date of retirement.

Purchasing Power Protection Allowance (PPPA)

Retirement and survivor allowances are protected against inflation by PPPA. PPPA benefits are cost-of-living adjustments that are intended to maintain an individual's allowance at 75% of the initial allowance at retirement adjusted for inflation since retirement. The PPPA benefit will be coordinated with other cost-of-living adjustments provided under the plan. The total annual outlay for PPPA is limited to 1.1% of accumulated member contributions. If this amount of member contributions were insufficient to provide for PPPA payments, the 75% target would be proportionately reduced.

Employee Contributions

Each employee contributes toward his or her retirement based upon one of the following schedules. The employer may choose to “pick-up” these contributions for the employees.

The contribution schedule is as follows:

The percent contributed below the monthly compensation breakpoint is 0%.

The monthly compensation breakpoint is \$0.

The percent contributed above the monthly compensation breakpoint is 7%.

Refund of Employee Contributions

If the member's service with the employer ends, and if the member does not satisfy the eligibility conditions for any of the retirement benefits above, the member may elect to receive a refund of his or her employee contributions, which are credited annually with 6% interest.

1959 SURVIVOR BENEFITS PROGRAM

For these benefits, please refer to the 1959 Survivor Report

APPENDIX C

INVESTMENT RETURN SENSITIVITY ANALYSIS

C-1

Investment Return Sensitivity Analysis

As part of this report, a sensitivity analysis was performed to determine the effects of various investment returns during fiscal years 2011-2012, 2012-2013 and 2013-2014 on the 2013-2014, 2014-2015 and 2015-2016 employer rates. The projected rate increases assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Five different investment return scenarios were selected.

- The first scenario is what one would expect if the markets were to give us a 5th percentile return from July 1, 2011 through June 30, 2014. The 5th percentile return corresponds to a -3.64% return for each of the 2011-2012, 2012-2013 and 2013-2014 fiscal years.
- The second scenario is what one would expect if the markets were to give us a 25th percentile return from July 1, 2011 through June 30, 2014. The 25th percentile return corresponds to a 2.93% return for each of the 2011-2012, 2012-2013 and 2013-2014 fiscal years.
- The third scenario assumed the return for 2011-2012, 2012-2013, and 2013-2014 would be our assumed 7.75% investment return which represents about a 49th percentile event.
- The fourth scenario is what one would expect if the markets were to give us a 75th percentile return from July 1, 2011 through June 30, 2014. The 75th percentile return corresponds to a 12.25% return for each of the 2011-2012, 2012-2013 and 2013-2014 fiscal years.
- Finally, the last scenario is what one would expect if the markets were to give us a 95th percentile return from July 1, 2011 through June 30, 2014. The 95th percentile return corresponds to a 19.02% return for each of the 2011-2012, 2012-2013 and 2013-2014 fiscal years.

The tables below show the projected contribution rates for 2013-2014 through 2015-2016 for the various State Plans under the five different scenarios.

Estimated: 2013 - 2014	Investment Scenario				
	5th percentile	25th percentile		75th percentile	95th percentile
	-3.64%	2.93%	7.75%	12.25%	19.02%
State Miscellaneous Tier 1	21.2%	19.0%	18.9%	18.8%	18.6%
State Miscellaneous Tier 2	20.0%	17.8%	17.7%	17.6%	17.5%
State Industrial	16.4%	15.4%	15.3%	15.2%	15.1%
State Safety	17.1%	16.7%	16.6%	16.6%	16.5%
POFF	30.0%	28.0%	27.9%	27.8%	27.6%
CHP	34.7%	32.2%	32.1%	32.0%	31.8%
Schools	12.9%	11.5%	11.4%	11.3%	11.2%

Estimated: 2014 - 2015	Investment Scenario				
	5th percentile	25th percentile		75th percentile	95th percentile
	-3.64%	2.93%	7.75%	12.25%	19.02%
State Miscellaneous Tier 1	25.3%	20.7%	19.2%	18.9%	18.4%
State Miscellaneous Tier 2	24.2%	19.5%	18.0%	17.7%	17.3%
State Industrial	19.1%	15.9%	15.5%	15.3%	15.0%
State Safety	19.1%	16.9%	16.7%	16.6%	16.3%
POFF	34.4%	29.1%	28.1%	27.8%	27.3%
CHP	40.0%	33.9%	32.5%	32.1%	31.6%
Schools	16.0%	12.5%	11.6%	11.4%	11.0%

Estimated: 2015 - 2016	Investment Scenario				
	5th percentile	25th percentile		75th percentile	95th percentile
	-3.64%	2.93%	7.75%	12.25%	19.02%
State Miscellaneous Tier 1	28.9%	22.6%	19.5%	18.9%	18.0%
State Miscellaneous Tier 2	27.8%	21.5%	18.3%	17.8%	16.8%
State Industrial	21.5%	17.1%	15.6%	15.2%	14.6%
State Safety	21.0%	17.4%	16.8%	16.5%	16.0%
POFF	38.5%	31.0%	28.3%	27.6%	26.6%
CHP	44.7%	36.3%	32.9%	32.1%	30.9%
Schools	18.7%	13.9%	11.8%	11.4%	10.7%

APPENDIX D

HYPOTHETICAL RATES FOR CALIFORNIA STATE UNIVERSITY

D-1

Hypothetical Rates for California State University

A request was made for separate rates to be calculated for California State University (CSU) employees. CSU employees participate in both the State Miscellaneous Plan and the POFF plan. There is no mandate requiring the separate rates for these groups of employees, and the rates adopted by the CalPERS Board are common for both groups. However, separate rates have been calculated for informational purposes and are displayed in the table below.

	Expected Employer Contribution	Employer Rate
State Miscellaneous Tier 1 (Non-CSU)	\$ 1,345,996,416	17.381%
State Miscellaneous Tier 1 (CSU)	483,693,798	20.248%
State Miscellaneous Tier 2	65,054,003	17.025% ¹
State Peace Officers and Firefighters (Non-CSU)	935,912,808	27.330%
State Peace Officers and Firefighters (CSU)	8,991,590	29.717%

¹ Note that even though State Miscellaneous Tier 2 members do not have member contributions, the employer contribution rate still needs to be adjusted to account for the fact that State Miscellaneous and State Industrial Tier 2 members have the right to convert their Tier 2 service to Tier 1 any time prior to retirement.