



NORMAL COST CHART

State and Schools Only

The Normal Cost is determined using the Entry Age Cost method. Some important features of this method are that the costs are dependent upon a member's entry age in the plan and benefit level of the plan. In general the lower the entry age the lower the total normal cost.

Note that future costs may vary as the entry age of the members change.

FAC means Final Average Compensation.

SCHOOLS	TOTAL NORMAL COST	EMPLOYEE CONTRIBUTION ²	Range of Breakpoints ³	Average Effective Member Rate ⁴	Employer Normal Cost
Schools 2% @ 62 - 3 year FAC	11.9%	6%	-	6.0%	5.90%
Schools 2% @ 55 - 1 Year FAC	14.3%	7%	-	7.0%	7.30%

STATE PLANS	TOTAL NORMAL COST	EMPLOYEE CONTRIBUTION ²	Range of Breakpoints ³	Average Effective Member Rate ⁴	Employer Normal Cost
P State Miscellaneous (Including CSU) - 2% @ 62	12.1%	5% - 11%	\$317 - \$513	N/A	N/A
E State Industrial - 2% @ 62	14.4%	5% - 11%	\$317 - \$513	N/A	N/A
P State Safety - 2% @ 57	18.1%	9% - 11%	\$238 - \$317	N/A	N/A
R POFF (90% of current members) - 2.5% @ 57	20.8%	8% - 12%	\$513 - \$863	N/A	N/A
A POFF (10% of current members) - 2.7% @ 57	21.8%	8% - 12%	\$513 - \$863	N/A	N/A
A CHP - 2.7% @ 57	19.4%	11.5%	\$863	N/A	N/A
C State Miscellaneous - 2% @ 60 & 3 Year FAC	13.2%	5% - 11%	\$317 - \$513	7.6%	5.6%
L State Miscellaneous - 2% @ 55 ¹	14.9%	5% - 11%	\$317 - \$513	6.7%	8.2%
A State Industrial - 2% @ 60 & 3 Year FAC	17.5%	5% - 11%	\$317 - \$513	7.0%	10.5%
S State Industrial - 2% @ 55 ¹	18.1%	5% - 11%	\$317 - \$513	7.9%	10.2%
S State Safety - 2% @ 55 & 3 Year FAC	17.1%	9% - 11%	\$238 - \$317	9.7%	7.4%
I State Safety - 2.5% @ 60 & 3 Year FAC	19.8%	9% - 11%	\$238 - \$317	10.5%	9.3%
C State Safety - 2.5% @ 55 ¹	22.5%	9% - 11%	\$238 - \$317	10.1%	12.4%
C State POFF - 2.5% @ 55 & 3 Year FAC	21.1%	8% - 12%	\$513 - \$863	N/A	N/A
State POFF - 3% @ 55 & 3 Year FAC	24.3%	8% - 12%	\$513 - \$863	N/A	N/A
State POFF - 3% @ 50 ¹	25.9%	8% - 12%	\$513 - \$863	10.3%	15.6%
CHP - 3% @ 55 & 3 Year FAC	21.6%	11.5%	\$863	N/A	N/A
CHP - 3% @ 50 ¹	23.2%	11.5%	\$863	10.3%	12.9%
State Miscellaneous - 2nd Tier	9.5%	1.5%	-	1.5%	8.0%

Notes:

1- For State plans, most current employees have benefits based on a final one year compensation period while new hires' benefits are based on a final three compensation period.

2- Employee contribution rates are based on rates in effect during the 2013-14 fiscal year.

3- Employees only make contributions to the pension plan based on salaries earned above the breakpoint.

4- The average effective member rate was calculated based on data as of June 30, 2012 and is reflective of the breakpoint and the different contribution rates paid by members within the same plans. For example, a member earning \$6,000 a month with an 8% contribution rate and a breakpoint of \$513 will pay \$438.96 and have an effective contribution rate of 7.316% of salary. This is calculated as (\$6,000-\$513) * 8% divided by \$6,000.

5- Plans displaying N/A in this column did not have sufficient active data as of June 30, 2012 to calculate an average effective member rate.