Preparing for **Tomorrow**

Comprehensive Annual Financial Report
Fiscal Year Ended 6.30.**08**

California Public Employees' Retirement System
A Component Unit of the State of California

CalPERS

Preparing for **Tomorrow** ↗

Comprehensive Annual Financial Report
Fiscal Year Ended 6.30.**08**

Prepared by the Fiscal Services Division, the Investment Office, the Actuarial and Employer Services Branch, the Office of Public Affairs, and several additional divisions and branches of the California Public Employees' Retirement System.

Available online at **www.calpers.ca.gov**

California Public Employees' Retirement System
A Component Unit of the State of California

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

California Public Employees' Retirement System

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

Public Pension Coordinating Council

Public Pension Standards Award For Funding and Administration 2008

Presented to

California Public Employees' Retirement System

In recognition of meeting professional standards
for plan design and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council,
a confederation of

National Association of State Retirement Administrators
(NASRA)
National Conference on Public Employee Retirement Systems
(NCPERS)
National Council on Teacher Retirement
(NCTR)

Alan H. Winkle
Program Administrator

Introductory **Section**

Preparing for Tomorrow

As the nation's largest public pension fund, we are committed to ensuring the sustainability of our members' pension and health benefits. We exercise strong global leadership to fulfill our fiduciary responsibilities.

CEO Letter of **Transmittal**

December 17, 2008

Members of the CalPERS Board of Administration:

Kenneth W. Marzion
Interim Chief Executive Officer

I am pleased to present the CalPERS Comprehensive Annual Financial Report (CAFR) and accompanying Operations Summary for the year ended June 30, 2008.

Throughout the year, we took decisive action to prepare for tomorrow and to ensure that CalPERS remains the finest retirement system in the nation. We safeguarded our investment assets, administered retirement benefits, minimized employer contributions, and delivered affordable health care to our members.

This fiscal year presented extraordinary challenges brought on by the economic downturn and the volatile investment climate. We ended the fiscal year with a 5.1 percent negative rate of return on our investments — the first negative return in four years. Our average annual return over the last five years remains strong at 10.7 percent. We ended the year with $237.9 billion in net assets.

While the financial markets continue to change, we foresee no immediate impact to employer contributions to the fund. We amortize investment gains and losses over 15 years, which greatly reduces cost volatility for State and local governments. Our rate-smoothing policy cushions the effect of any future investment losses on employers. While we cannot predict the future, we do know that employers' contributions will not change in the 2008-09 fiscal year due to past investment performance. In the meantime, our investment staff is positioning our assets for a market recovery.

During the year, our investment team initiated strategies to maximize returns despite ongoing market challenges. The Board set an asset allocation that, among other things, expands our diversification by investing in timberland, inflation-linked bonds, commodities, and infrastructure.

Our three-year business plan directs our activities as we prepare for tomorrow. As more "baby boomers" retire, we will see an increasing demand on the System. We are meeting this challenge by increasing the number of ways members can serve themselves and more easily manage their retirement and health benefits.

A component of our forward-looking approach is the development of our integrated Web-based member and employer technology platform — my|CalPERS. Members have been using my|CalPERS since June 2007, and they are enthusiastic about being able to access information about their benefits at their own convenience. Once the system is fully implemented, it will extend my|CalPERS functionality to employers, business partners, and staff, providing a robust method for interacting with CalPERS. As we continue to expand my|CalPERS, we are also expanding our outreach and education programs. We want the transition to the new system to be seamless for members, employers, and employees.

Another way we are enhancing self-service capabilities for members and employers is through the CalPERS Education Center (CEC). This online education management system offers members a series of retirement planning classes that focus on benefits, issues, and services related to their career life cycles. The CEC also provides employers access to online classes that address topics such as contracts, payroll reporting, and membership.

As we conduct more business via the Internet, we have taken steps to reinforce the security of our systems. During the year, our Privacy Protection and Security Task Force evaluated internal security procedures, established new protocols for protecting confidential information, and implemented security awareness programs for employees. Our goal is to cultivate a "Culture of Security," in which we use the most advanced security practices available. We require all our employees to take personal responsibility for protecting confidential information.

Our health program remained a top priority during the year. Premiums for members enrolled in a Basic or Medicare PPO remained the same — and some PPO members saw decreases in their premiums. We set a 2009 health benefits package that increases premiums by 4.3 percent — the lowest overall increase in more than 10 years. Our health benefits program stabilized the PPO premiums in part by using surplus reserves. We continued to address the drivers of health care costs by enacting various initiatives, including educating members about their role in helping to control costs.

Management Responsibility for Financial Reporting

Our system management prepared the CalPERS financial statements included in this CAFR for the 2007-08 fiscal year. Management is responsible for the integrity and fairness of the information presented, including data that, out of necessity, is based on estimates and judgments. The accounting policies used to prepare these financial statements conform to accounting principles generally accepted in the United States. Financial information presented throughout this Annual Report is consistent with these financial statements.

CalPERS maintains a system of internal controls designed to provide reasonable assurance that assets are properly safeguarded, transactions are properly executed, and financial statements are reliable.

In addition, internal audit personnel provide a continuing review of the internal controls and operations of CalPERS, and the Chief of the Office of Audit Services regularly reports to the CalPERS Board of Administration's Finance Committee. The Committee reviews the audit findings and recommendations for improvements in internal control and operational efficiency and the actions of management to implement such recommendations.

Our independent external auditors, Macias Gini & O'Connell, have conducted an audit of the basic financial statements in accordance with auditing standards generally accepted in the United States of America, performing such tests and other procedures as they deem necessary to express an opinion in their report to the Board. The external auditors also have full and unrestricted access to the Board to discuss their audit and related findings as to the integrity of the financial reporting and adequacy of internal control systems.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to CalPERS for our Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007. This was the 12th consecutive year that CalPERS has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe our current comprehensive annual report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Accounting System & Reports

Management is responsible for establishing and maintaining an internal control structure designed to ensure that CalPERS assets are protected from loss, theft, or misuse, and income is equally distributed. Responsibility for the accuracy, completeness, and fair presentation of the information, and all disclosures, rests with CalPERS. The basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The basic financial statements are presented in accordance with pronouncements of the Governmental Accounting Standards Board (GASB), including standards established by GASB Statement No. 25, Financial Reporting for Defined Benefit Plans; GASB Statement No. 34, Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments; GASB Statement No. 43, Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans; and other GASB statements as appropriate. GASB Statement No. 34 requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A).

This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The CalPERS MD&A can be found immediately following the report of the independent auditors.

Investments

Proper funding and healthy long-term investment returns are essential to the financial soundness of CalPERS. The ratio of investment earnings to total revenue during the last 10 years is evidence of the System's continued solid financial management. See the Chief Investment Officer's letter, page 84, for a summary of our investment performance.

Asset Allocation

An integral part of the overall investment policy is the strategic asset allocation policy. This policy is designed to provide an optimal mix of asset class investments which can best meet future pension obligations with the lowest risk possible and the lowest cost to taxpayers, employers, and employees. This approach emphasizes strong diversification among a range of investments, each of which offers the prospect of compelling, long-term returns. These investments include allocations to listed markets (money markets, bonds, global stocks, and commodities) as well as private markets (real estate, private equity, hedge funds, forestland, and infrastructure).

Funding

The bottom line for a retirement system is its level of funding. If the funding level is adequate, the ratio of total accumulated assets to total liabilities will be larger and the need for contributions will be reduced. Also, an adequate funding level gives participants assurance that their pension benefits are secure.

The historical level of funding for the Public Employees' Retirement Fund (PERF) is good. As of June 30, 2007, the PERF is 87.2 percent funded, using "smoothed" assets, and 101.2 percent funded, using market value of assets. The advantages of a well-funded plan are that participants can see assets that are irrevocably committed to the payment of promised benefits, and employees and taxpayers can minimize their contributions in support of defined benefits. The Required Supplemental Schedules to the Basic Financial Statements and the Actuarial Section contain a summary of CalPERS unfunded actuarial accrued liabilities.

Investment returns are used to generate additional revenues and, ultimately, this allows CalPERS to reduce employer contribution rates, reducing pension costs to employers and taxpayers.

In Closing…

It is clear that we are facing extraordinary conditions in our economy and financial markets. During this time, it is important to remember that CalPERS is meeting its benefit obligations and will continue to do so in the future. We are also engaged in short-term and long-term investment strategies to ensure that our assets are protected and positioned for future growth.

CalPERS has a proven track record, and we are resilient. We opened our doors in the depth of the Great Depression. Our record for the past 25 years includes 21 positive years with an average investment return of 15 percent versus four down years with an average return of negative 5 percent. We are diversified, disciplined, and focused on minimizing employer contributions.

While no one can predict when our markets and economy will recover, you can be assured that we are using our full range of resources and talents to protect the financial interests of our members and employers today and into the future.

Kenneth W. Marzion
Interim Chief Executive Officer

Board of **Administration**

Rob Feckner, President
Employee Member (elected by school members)
Glazing Specialist,
Napa Valley Unified School District
Term Ends: January 15, 2011

George Diehr, Vice President
Employee Member (elected by State members)
Professor, CSU San Marcos
Term Ends: January 15, 2011

Marjorie Berte
Official of Life Insurer[1]
Retired Vice President,
California State Automobile Association
Term Ends: January 15, 2009

John Chiang
State Controller
Ex Officio Member

David Gilb
Director,
Department of Personnel Administration
Ex Officio Member

Henry Jones
Retired Member (elected by retirees)
Retired, Chief Financial Officer,
Los Angeles Unified School District
Term Ends: January 15, 2012

Bill Lockyer
State Treasurer
Ex Officio Member

Priya Mathur
Employee Member (elected by public agency members)
Economist, Bay Area Rapid Transit
Term Ends: January 15, 2011

Louis F. Moret
Public Representative[2]
Term Ends: January 15, 2012

Tony Oliveira
Elected Official of Local Government[1]
Reappointed February 8, 2007
Term Ends: January 15, 2011

Anne Sheehan
State Personnel Board Member (designated by the State Personnel Board)
Term Ends: Serves at the pleasure of the SPB

Kurato Shimada
Employee Member (elected by all members)
Retired, Supervisor of Operations,
Oak Grove School District
Term Ends: January 15, 2010

Charles P. Valdes
Employee Member (elected by all members)
Retired Counsel,
Department of Transportation
Term Ends: January 15, 2010

[1] Governor appointee

[2] Appointed jointly by the Speaker of the Assembly and the Senate Rules Committee

Executive **Staff**

Kenneth W. Marzion
Chief Executive Officer (Interim),
(Fred Buenrostro through May 12, 2008)

Gloria Moore Andrews
Deputy Executive Officer,
Operations
(Retired December 2008)

Jarvio A. Grevious
Deputy Executive Officer,
Benefits Administration
(Retired November 2008)

Teri Bennett
Assistant Executive Officer,
Information Technology Services

Gregory Franklin
Assistant Executive Officer,
Health Benefit Services

John Hiber
Assistant Executive Officer,
Administrative Services

Patricia K. Macht
Assistant Executive Officer,
Public Affairs

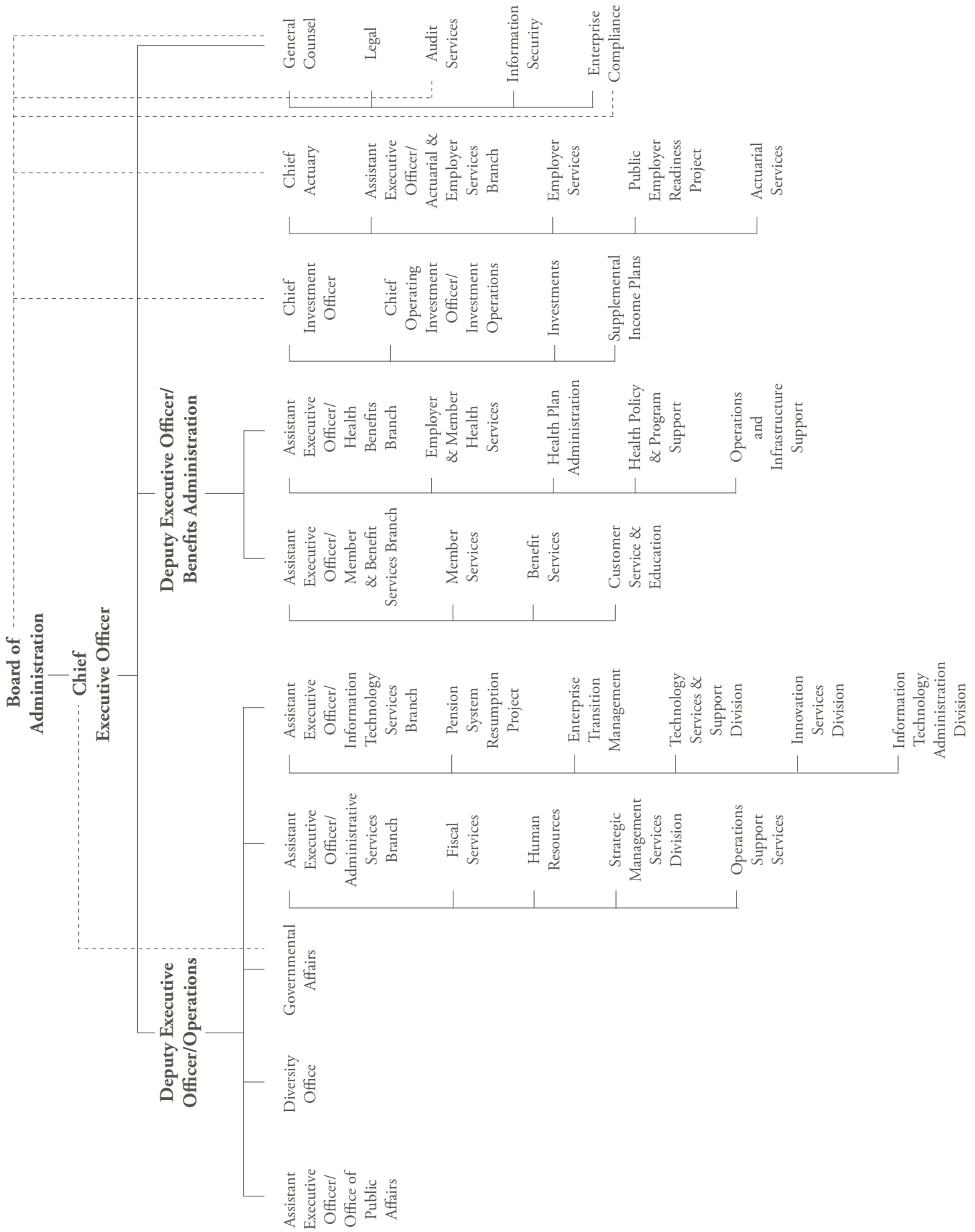
Peter H. Mixon
General Counsel

Ron Seeling
Chief Actuary,
Actuarial & Employer Services

Anne Stausboll
Chief Investment Officer (Interim),
(Russell Read through April 23, 2008)
and
Chief Operating Investment Officer,
Investment Operations

Kathie Vaughn
Assistant Executive Officer,
Member & Benefit Services
(Retired December 2008)

CalPERS **Organizational Chart** (as of June 30, 2008)



Note: Consultants who provided services to CalPERS are listed on page 78 (professional consultants) and page 91 (investment-specific consultants).

Financial **Section** ↗

Managing Risk

We're meeting our obligations today, and will meet them tomorrow. We manage the risk and volatility of assets and liabilities, and ensure sufficient funds are available to pay benefits, as well as minimize and stabilize employer contributions.

MACIAS GINI & O'CONNELL LLP
CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

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San Diego, CA 92101
619.573.1112

Independent Auditor's Report

To the Board of Administration
California Public Employees' Retirement System
Sacramento, California

We have audited the accompanying statement of fiduciary net assets of the fiduciary funds and the statement of net assets of the proprietary funds of the California Public Employees' Retirement System (the System or CalPERS), a component unit of the State of California, as of June 30, 2008, and the related statement of changes in fiduciary net assets of the fiduciary funds, and the statements of revenues, expenses and changes in fund net assets and cash flows of the proprietary funds for the year then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the System's 2007 financial statements on which our report dated November 13, 2007, expressed an unqualified opinion.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net assets of the fiduciary funds and the net assets of proprietary funds of the California Public Employees' Retirement System as of June 30, 2008, and the changes in fiduciary net assets of the fiduciary funds and the changes in net assets and cash flows of the proprietary funds for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

As discussed in Note 2, effective July 1, 2007, the System adopted the provisions of Governmental Accounting Standards Board Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*.

As discussed in Note 5, actuarial data presented for the California Employers' Retirement Benefit Trust Fund was derived from actuarial valuations performed by actuarial firms engaged by participating employers. Actuarial valuations must comply with the CalPERS OPEB Assumption Model, which requires the use of specified actuarial methods and assumptions.

As also discussed in Note 5 to the financial statements, actual contributions made by the State of California to the Judges' Retirement Fund were significantly less than the actuarially determined annual required contribution. State of California contributions were used to fund benefit payments of the current period. As such, the Judges' Retirement Fund does not retain the accumulated contributions of active members. Management and legal counsel believe the State of California is legally required to provide contributions to fund benefits when due.

The global financial markets have experienced significant volatility. As a result, the fair value of the System's investments has declined subsequent to June 30, 2008, as described in Note 11.

The Management's Discussion and Analysis on pages 12 through 32, the Schedules of Funding Progress and the Schedules of Employer Contributions on pages 64 through 66 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Certified Public Accountants

Sacramento, California
November 20, 2008

Management's **Discussion & Analysis**

Introduction

This section presents management's discussion and analysis of the California Public Employees' Retirement System (CalPERS) financial performance during the fiscal year ended June 30, 2008. It is a narrative overview and analysis that we present in conjunction with the Chief Executive Officer's Letter of Transmittal, included in the Introductory Section of this Comprehensive Annual Financial Report. It should also be read in conjunction with the basic financial statements of CalPERS, as presented in this report.

In addition to historical information, the Management's Discussion and Analysis includes certain forward-looking statements which involve certain risks and uncertainties. CalPERS actual results, performance, and achievements may differ materially from the results, performance, and achievements expressed or implied in such forward-looking statements, due to a wide range of factors, including changes in interest rates, changes in the securities markets, general economic conditions, and legislative changes, as well as other factors.

CalPERS is primarily responsible for administering retirement and health benefits, as well as administering supplemental retirement savings plans. CalPERS comprises a total of 16 funds, including five defined benefit pension funds, one other post-employment benefit fund, four defined contribution pension funds, four proprietary funds, and two agency funds. The Public Employees' Retirement Fund (PERF) is the primary fund administered by CalPERS.

Financial Highlights

Public Employees' Retirement Fund (PERF)

- The net assets of the PERF decreased by $13.2 billion, or 5.3 percent. The decrease was primarily due to the overall economic slowdown and lagging global equity markets. CalPERS, as a long-term investor, must view investment performance across a multi-year horizon. On a five-year basis, overall investment returns remain strong at 10.7 percent.
- The PERF net rate of return on investments was negative 5.1 percent on a fair value basis, approximately 12.9 percentage points less than the actuarially assumed 7.75 percent investment return. However, CalPERS earned double-digit gains in the four years leading up to the 2007-08 fiscal year.
- Through CalPERS 15 year smoothing of investment returns, previous positive returns will cushion the impact of the 2007-08 fiscal year investment losses on employer contribution rates. As of June 30, 2007, the asset smoothing method set aside about 14 percent of the CalPERS fund as a "rainy day" fund. The negative 5.1 percent return for fiscal year 2007-08 uses up about 13 percent of the 14 percent "rainy day" fund, leaving about one percent. If this one percent is used evenly over 15 years, then employer contribution rates set by the June 30, 2008 actuarial valuations are estimated to be lower by up to 0.1 percent of payroll. However, given the decline in PERF investments between June 30 and October 31, 2008, it is not certain that the "rainy day" fund will be available beyond the June 30, 2008 actuarial valuations. This analysis also assumes that all other actuarial assumptions are realized in aggregate. It is important to note that in recent years, the demographic experience of most plans translated to increases in employer rates.
- As of June 30, 2007, the date of the most recent actuarial valuation, the PERF is funded at 87.2 percent, based on the actuarial value of assets. A better measure of benefit security is the funded status on a market value of assets basis; on that basis, the funded status rose from 92.6 percent at June 30, 2006, to 101.2 percent at June 30, 2007.
- The PERF paid $10.9 billion in retirement benefits to 468,898 annuitants during 2008, compared to $10.1 billion paid to 455,208 annuitants during the 2007 fiscal year. Benefit payments increased primarily due to an increase in the number of new retirees and cost-of-living adjustments (COLA).
- The total active and inactive membership was 1,126,133 at June 30, 2008. The PERF received $3.5 billion in employee contributions from 836,914 active members and $7.2 billion in employer contributions from 1,572 employers during fiscal year 2008, compared with $3.3 billion and $6.4 billion in employee and employer contributions respectively, in fiscal year 2007.

Additional financial information related to the other pension funds administered by CalPERS is included in the Financial Analysis of CalPERS Funds section of the Management's Discussion and Analysis.

Health, Other Post-Employment Benefits & Long-Term Care Programs

- CalPERS administers the PERSCare, PERS Choice, and PERS Select self-funded health care programs. Financial activity for these programs is accounted for through the Public Employees' System Health Care Fund. The CalPERS self-funded health care program earned $115.4 million from operations, and unrestricted net assets increased by $150.0 million to $598.6 million. This increase can be attributed to an increase in self-insurance premiums and savings from pharmacy initiatives.
- Contributions to the California Employers' Retiree Benefit Trust Fund (CERBTF) were $655.0 million, with investment losses of $21.0 million. The net asset value of the CERBTF at June 30, 2008 was $643.6 million.
- The unrestricted net assets of the CalPERS Long-Term Care Program amounted to a deficit of $134.7 million at June 30, 2008. This amounts to an average deficit of $801 for each of the 168,140 enrollees. The Long-Term Care Program collected $299.5 million in premiums, and the approximate average annual premium per person was $1,781. The deficit of $134.7 million is a decrease of $707.5 million from the deficit of $842.3 million of June 30, 2007. The major source of the deficit decrease is Board-approved rate increases which resulted in a decrease in estimated Long-Term Care Fund liabilities.

Critical Accounting Policies

CalPERS basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). CalPERS significant accounting policies are presented in Note 2 to the Basic Financial Statements, which are included in this Comprehensive Annual Financial Report. CalPERS follows accounting policies to comply with various applicable laws and regulations and the guidelines as established by the Governmental Accounting Standards Board (GASB).

CalPERS most significant management accounting policies relate to the following:

Investments

In accordance with GASB Statements 25 and 31, CalPERS investments are reported at fair value. Many factors are considered in arriving at fair value. The fair value of investments in publicly held securities are generally based on actual market prices and quotations from major investment firms. In general, corporate bonds that do not have a published market price are valued based on yields currently available on comparable securities of issuers with similar credit ratings. The CalPERS Investment Office securities analysts or outside experts determine the criteria to identify comparable securities based on the size, industry, and profitability of the company offering the securities and the term, rate, and dollar amount of the security.

Mortgages are valued on the basis of the timing of future principal payments and the amount of interest payments discounted at prevailing interest rates for similar instruments. The prevailing interest rates for mortgages are generally based on the 30-year Treasury note rate, which can be found in financial publications. Market interest rate changes impact the likelihood of refinancing activity, which impacts the value of the mortgage investments. Declining interest rates will cause the value of mortgage investments to increase, but at a slower rate than non-callable similar duration securities.

The fair value of real estate investments is estimated based on independent appraisals performed by CalPERS-approved appraisers who meet specific professional qualifications. Core and non-core real estate assets are appraised as required by the Board's policy for Equity Real Estate Appraisal and Valuation. Independent real estate appraisal firms provide an unbiased and neutral opinion of asset value. All appraisals are completed in compliance with NCREIF's Real Estate Investment Standards and the Appraisal Institute's Uniform Standards of Professional Appraisal Practice.

In accordance with GAAP, real estate construction development projects are accounted for and reported at cost until project completion, which approximates fair

value. However, due to recent events in the real estate markets, CalPERS investments in single-family housing construction projects were appraised as of March 31, 2008, to establish the fair value of that sector of the CalPERS real estate portfolio. All housing assets will be appraised annually going forward.

Short-term investments are reported at fair value, when available, or at cost plus accrued interest, when quoted market values are not available.

Alternative investments consist of investments in a variety of markets and industries through partnerships, corporate entities, co-investments, direct investments, and other investment vehicles. Publicly traded alternative investments are valued based on quoted market prices. For alternative investments made through a structure where an investment manager is responsible for the valuation, management generally utilizes the manager's valuation, assuming a clean audit opinion under GAAP has been obtained. For direct investments where no readily ascertainable market value exists, management, in consultation with investment advisors, will determine the fair value. In making all fair value determinations, management will take into consideration the financial performance of the entity, cash flow analysis, recent sales prices, market comparable transactions, new round of financings, changes in economic conditions, and other pertinent information. These fair value estimates are, by their nature, subjective and based on judgment. Hedge funds are valued at fair value.

CalPERS holds investments in futures and options and enters into forward foreign currency exchange contracts. The fair value of futures, options, and forward foreign currency exchange contracts are determined based upon quoted market values.

CalPERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contract. CalPERS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. Investment performance rates of return for asset classes and total funds are prepared using asset data by Wilshire Associates. The returns are based solely on Wilshire Associates' compilation and analysis of the data as provided by the master custodian, State Street Bank.

Actuarial Valuation

Actuarial valuations are used to determine the cost of pension benefits payable to the members of CalPERS who participate in the PERF, the Legislators' Retirement Fund (LRF), the Judges' Retirement Fund (JRF), and the Judges' Retirement Fund II (JRF II) as well as the related required contribution rates. The actuarial valuations include a number of significant assumptions, including the actuarial valuation method used, the asset valuation method, the rate of return on the investment portfolio, rate of inflation, projected salary increases, post-retirement benefits, and the life expectancy of members and beneficiaries. Significant actuarial assumptions used in the valuations are included in the Notes to the financial statements.

Estimated Liabilities

The Public Employees' Health Care Fund (HCF) establishes claim liabilities based on estimates of the ultimate costs of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported (IBNR). The estimated claims liability was calculated by the HCF's third-party administrator, using a variety of actuarial and statistical techniques, and adjusted for actual experience to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claims liabilities are charged or credited to an expense in the periods in which they are made. The estimated claims liability is carried at its face amount, and no interest discount is assumed. The IBNR portion represents an estimate for claims that have been incurred prior to the fiscal year end, but have not been reported to the HCF.

The Public Employees' Long-Term Care Fund (LTCF) estimates the required funding level to provide for the payment of future claim benefits. This estimate is predicated upon participation levels that are expected to be achieved by the program. The LTCF establishes the current liability for future benefits based on the present value of such future benefits and expenses, less the present value of expected future premiums.

An actuarial valuation establishes the liability for future policy benefits based on the present value of future benefits and expenses less the present value of future premiums.

The liability for future policy benefits was calculated by using a variety of actuarial and statistical techniques.

The actuarial valuations for the CERBTF are conducted by outside actuarial firms that must base their valuations on the CalPERS OPEB Assumption Model. This model requires the use of actuarial methods and assumptions similar to those employed for the PERF. An additional assumption used for the CERBTF is the health care cost trend rate. The actuarial valuation estimates the cost of future health and other post-employment benefit insurance premiums for current and retired participating employees.

Overview of the Financial Statements

The Management's Discussion and Analysis provides an introduction to and overview of the CalPERS basic financial statements, which comprise the following components: Fund Financial Statements; Notes to the Basic Financial Statements; Required Supplementary Information; and Other Supplementary Schedules. Collectively, this information presents the combined net assets held in trust for pension benefits, other post-employment benefits, and the combined unrestricted net assets for each of the other funds administered by CalPERS as of June 30, 2008. It also summarizes the combined changes in net assets held in trust for pension and other post-employment benefits, the combined changes in unrestricted net assets, and the cash flows of the proprietary funds for the year then ended, along with an actuarial view on the funding status of the defined benefit plans. The information available in each of these sections is briefly summarized as follows.

Fund Financial Statements

At June 30, 2008, financial statements are presented for the two types of funds administered by CalPERS: fiduciary funds and proprietary funds.

Fiduciary Funds — include pension trust funds, one other post-employment defined benefit fund, and agency funds. The defined benefit plans administered by CalPERS include the PERF, LRF, JRF, JRF II, and the CERBTF. The defined contribution plans administered by CalPERS include the State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF), the Public Agency Deferred Compensation Program (IRC 457), the Replacement Benefit Fund (RBF), and the Supplemental Contributions Program Fund (SCPF). The remaining fiduciary funds are the Old Age & Survivors' Insurance Revolving Fund (OASI), and the Contingency Reserve Agency Fund (CRF). The Volunteer Firefighters' Length of Service Award Fund (VFF), a fiduciary fund, was administered by CalPERS during the 2007-08 fiscal year until February 29, 2008. The fiduciary funds are used to account for resources held for the benefit of CalPERS participants. A statement of fiduciary net assets and a statement of changes in fiduciary net assets are presented for the fiduciary funds as of and for the year ended June 30, 2008, along with comparative total information as of and for the year ended June 30, 2007. These financial statements reflect the resources available to pay benefits to retirees and other beneficiaries as of year end, as well as the changes in those resources during the year.

Proprietary Funds — include the following enterprise funds: the Public Employees' Health Care Fund (HCF), the Public Employees' Contingency Reserve Fund (CRF), the Public Employees' Long-Term Care Fund (LTCF), and the Public Employees' Deferred Compensation Fund (DCF). Proprietary funds are used to account for CalPERS business-type activities, where fees are charged to cover the costs of certain services, including long-term care, health care, and other benefits. A statement of net assets, a statement of revenues, expenses, and changes in fund net assets, and a statement of cash flows are presented for the proprietary funds as of June 30, 2008, and for the year then ended, along with comparative total information as of and for the year ended June 30, 2007. These financial statements reflect the net assets of, changes in net assets of, and cash flows from CalPERS business-type activities.

Notes to the Basic Financial Statements

The financial statement notes provide additional information that is essential to a full understanding of the information provided in the fund financial statements. Information available in the notes to the financial statements is described below.

Note 1 — provides a general description of CalPERS, as well as a concise description of each of the funds administered by CalPERS. Information regarding employer and member participation in the pension plans administered by CalPERS is also provided.

Note 2 — provides a summary of significant accounting policies, including the basis of accounting for each of the fund types, investment accounting policies, management's use of estimates, information regarding the implementation of new accounting pronouncements, and other significant accounting policies.

Note 3 — provides information on cash and cash equivalents.

Note 4 — describes investments, including investing authority, investment risk categorizations, and additional information about cash, securities lending, and derivatives.

Note 5 — provides information about employer contributions to the pension and other post-employment benefit funds administered by CalPERS.

Note 6 — provides information on commitments.

Note 7 — provides information on potential contingencies of CalPERS.

Note 8 — provides detailed information on the estimated claims liability of the HCF.

Note 9 — provides information regarding the LTCF June 30, 2008 actuarial valuation.

Note 10 — provides information regarding the funded status and actuarial assumptions for the PERF, LRF, JRF, JRF II, and CERBTF.

Note 11 — provides information regarding subsequent events.

Required Supplementary Information

Because of the long-term nature of a public defined benefit pension plan and other post-employment benefit plans, financial statements for the past year alone cannot provide sufficient information to properly reflect the funded position of the plans. Therefore, in addition to the basic financial statements, two required schedules of historical trend information related to the defined benefit and other post-employment benefit plans are presented as part of the Required Supplementary Information (RSI) section of the basic financial statements. These two schedules are the Required Supplemental Schedule of Funding Progress and the Required Supplemental Schedule of Employer Contributions. These two schedules are based on the actuarial valuations for the pension plans performed by CalPERS actuaries and the other post-employment benefits sponsoring employer actuaries, and provide additional actuarial information that contributes to the understanding of the changes in the actuarial funding and the funded status of these defined benefit and other post-employment benefit plans over the past six years. The actuarial information is based upon assumptions made about future events at the time the valuations were performed, and, therefore, the amounts presented are management's estimates. Also included as part of the RSI is the Required Supplemental Schedule of Claims Development Information for the HCF.

Other Supplementary Schedules

Other schedules include detailed information on administrative expenses incurred by CalPERS-administered funds, as well as investment and other professional services expenses incurred.

Financial Analysis of CalPERS Funds

Public Employees' Retirement Fund (PERF)

Plan Net Assets

The PERF provides retirement benefits to State of California and other California public agency employees. PERF benefits are funded by member and employer contributions and by earnings on investments. The PERF net assets held in trust for benefits at June 30, 2008 were $237.9 billion, a decrease of $13.2 billion (5.3 percent) from $251.1 billion at June 30, 2007.

Additions to PERF net assets held in trust for benefits include employer and member contributions, offset by investment losses. For the 2008 fiscal year, employer and member contributions totaled $10.8 billion, an increase of $1.1 billion (11.3 percent) from the 2007 fiscal year. The increase in required contributions was due primarily to an increase in employer contributions. The PERF recognized a net investment loss of $12.5 billion for the 2008 fiscal year, compared with a net investment income of $40.7 billion for the 2007 fiscal year. Investment losses were due to the overall economic slowdown and lagging global equity markets.

Deductions from PERF net assets held in trust for benefits consist primarily of retirement, death, and survivor benefits, refunds, and administrative expenses. For the 2008 fiscal year, retirement, death, and survivor benefits totaled $10.9 billion, an increase of $0.8 billion (7.9 percent) from the 2007 fiscal year. The increase in benefit payments was primarily a result of an increase in the number of beneficiaries from 455,208 to 468,898 and COLA increases. For the 2008 fiscal year, the costs of administering the PERF benefits amounted to $402.3 million, an increase of approximately $123.9 million (44.5 percent) from the 2007 fiscal year due to the continuation of information technology projects and increased operating costs.

On a per member and beneficiary basis, the cost of administering PERF benefits during the 2008 fiscal year was approximately $252 per individual, an increase of approximately $71 per individual from the 2007 fiscal year.

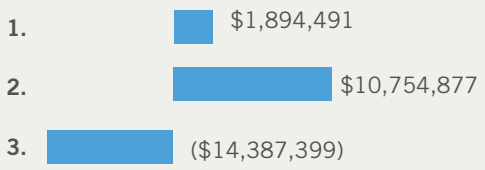
Net Assets — PERF (Dollars in Thousands)

	2008	2007	Total Percentage Change
Assets			
Cash, Cash Equivalents & Total Receivables	$3,961,007	$5,862,421	(32.4%)
Investments	237,129,465	251,396,742	(5.7)
Securities Lending Collateral	35,177,731	46,337,538	(24.1)
Capital Assets & Other	389,962	397,813	(2.0)
Total Assets	**$276,658,165**	**$303,994,514**	**(9.0%)**
Liabilities			
Retirement Benefits in Process of Payment, Investment Settlement & Other	$3,564,955	$6,534,294	(45.4%)
Securities Lending Obligations	35,177,731	46,337,538	(24.1)
Total Liabilities	**$38,742,686**	**$52,871,832**	**(26.7%)**
Total Net Assets	**$237,915,479**	**$251,122,682**	**(5.3%)**

Changes in Net Assets — PERF (Dollars in Thousands)

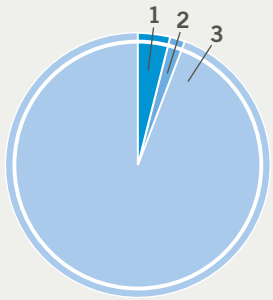
	2008	2007	Total Percentage Change
Additions			
Member Contributions	$3,512,075	$3,262,699	7.6%
Employer Contributions	7,242,802	6,442,384	12.4
Investment (Losses) Income	(12,499,110)	40,748,261	(130.7)
Other	6,202	9,119	(32.0)
Total Additions	**($1,738,031)**	**$50,462,463**	**(103.4%)**
Deductions			
Retirement Benefits	$10,884,417	$10,070,555	8.1%
Refund of Contributions	182,415	181,574	0.5
Administrative Expenses	402,340	278,453	44.5
Other Expenses	—	—	—
Total Deductions	**$11,469,172**	**$10,530,582**	**8.9%**
(Decrease) Increase in Net Assets	**($13,207,203)**	**$39,931,881**	**(133.1%)**
Net Assets Beginning of Year	**$251,122,682**	**$211,190,801**	**18.9%**
Net Assets End of Year	**$237,915,479**	**$251,122,682**	**(5.3%)**

Additions — PERF (Dollars in Thousands)



1. Investment and Other Income Excluding Net Depreciation
2. Retirement Contributions
3. Net Depreciation in Fair Value of Investments

Deductions — PERF (Dollars in Thousands)



1. Administrative Expenses - $402,340
2. Contribution Refunds - $182,415
3. Retirement Benefits - $10,884,417

An actuarial valuation of PERF assets and benefit obligations is performed annually. At June 30, 2007, the date of the most recent actuarial valuation, the funded status of the PERF was 87.2 percent, which was unchanged from the funded status at June 30, 2006. The amount by which PERF actuarial benefit liabilities exceeded actuarial assets was $31.7 billion at June 30, 2007, compared with a $29.1 billion funding deficit at June 30, 2006. This increase relates primarily to the recognition of actuarial losses from prior fiscal years when the PERF incurred negative investment returns. Current year losses will affect future years' funded status and contribution rates using the CalPERS policy of actuarial asset smoothing.

Investments

PERF investments, excluding securities lending collateral, totaled $237.1 billion at June 30, 2008, which was $14.3 billion (5.7 percent) less than the $251.4 billion in total PERF investments at June 30, 2007.

At June 30, 2008, the PERF held $122.4 billion in domestic and international equity securities, a decrease of $27.3 billion from $149.7 billion at fiscal year end 2007. The decrease was mainly due to a significant drag on domestic and international equities from the downturn in global equity markets. Domestic equity and international equity securities earned returns of approximately a negative 12.3 percent and a negative 7.8 percent, respectively, for the 2008 fiscal year, compared to 20.6 percent and 29.8 percent, respectively, for fiscal year 2007.

CalPERS benchmark returns for domestic and international equity securities for fiscal year 2008 were a negative 12.0 percent and a negative 6.6 percent, respectively. CalPERS uses a Custom Wilshire 2500 Index to provide a benchmark for the domestic equity investment returns, and the FTSE All-World ex US Index for international equity investment returns. These benchmarks are representative of the returns that could be expected in a similar investing environment, and reflect the overall market conditions.

At June 30, 2008, the PERF held $59.9 billion in domestic and international debt securities, a decrease of $1.3 billion from $61.2 billion at fiscal year end 2007. Domestic debt securities returned approximately 6.5 percent, and international debt securities returned approximately 17.6 percent for the 2008 fiscal year, compared to 7.3 percent and 2.2 percent, respectively for fiscal year 2007. CalPERS benchmark returns were 7.8 percent and 17.5 percent, respectively. CalPERS uses the Lehman Long Liability Index and the Lehman International Fixed Income Index to provide a benchmark for fixed income investment returns. These benchmarks are representative of the returns that could be expected in a similar investing environment.

At June 30, 2008, the PERF held $40.9 billion in real estate investments on a gross basis. The gross value of real estate investments equates to $21.8 billion in real estate value net of $19.1 billion in real estate related debt. The real estate debt amounts to 46.6 percent of the total gross real estate fair value. On a gross basis, real estate investments increased

$4.0 billion from the $37.0 billion gross real estate investments at the 2007 fiscal year end.

In addition, the Investment Policy for Equity Real Estate Leverage provides for the use of Credit Accommodations. These accommodations generally refer to a guarantee executed by CalPERS, whereby CalPERS agrees to pay the debt obligation of a real estate partnership entity in the event the entity fails to pay the debt obligation.

Real estate investments returned approximately negative 12.6 percent for the 2008 fiscal year, compared to 15.9 percent for fiscal year 2007. The negative returns in real estate investments were primarily due to the downturn in the residential real estate market.

CalPERS benchmark for real estate return for fiscal year 2008 was 9.2 percent. CalPERS uses the NCREIF property Index to provide a benchmark for real estate investment returns. The NCREIF is a property-level performance benchmark for institutionally owned real estate held in a fiduciary environment.

Real estate investments are classified as investments in accordance with GASB Statement 25. Certain real estate investments are leveraged whereby partnerships have been established to purchase properties through a combination of contributions from CalPERS and other investors and through the acquisition of debt.

The $19.1 billion in real estate debt is made up of $13.9 billion in long-term mortgages payable and $5.2 billion in other short-term liabilities.

For the Alternative Investments Management (AIM) program, CalPERS has private equity unfunded commitments of $26.4 billion that are not displayed on the Statement of Fiduciary Net Assets. In addition, CalPERS has real estate unfunded commitments of $17.1 billion that are not displayed on the Statement of Fiduciary Net Assets.

The CalPERS Board of Administration approved a new asset allocation, effective January 2008, which increased allocations to both real estate and private equity, and established a new Inflation Linked Asset Class (ILAC). The ILAC is Board-approved to include commodities, inflation-linked bonds, infrastructure, and forestland.

At June 30, 2008, the ILAC held $1.6 billion in inflation-linked bonds, $0.1 billion in infrastructure, $1.6 billion in forestland, and $1.4 billion in commodities exposure. ILAC has not been held for a full year, therefore, an annual rate of return is not available.

At June 30, 2008, the PERF held $24.0 billion in alternative investments, an increase of $7.2 billion from $16.8 billion at the 2007 fiscal year end. Alternative investments yielded a return of approximately 5.8 percent for the 2008 fiscal year, compared to 27.1 percent for fiscal year 2007. CalPERS uses the Custom Wilshire 2500 Index +300 basis points as the long-term benchmark for the AIM program.

At June 30, 2008, the PERF held $4.3 billion in short-term investments, an increase of $0.7 billion from the $3.6 billion at the 2007 fiscal year end. Short-term investments returned approximately 4.3 percent for the 2008 fiscal year, compared to 5.5 percent for fiscal year 2007. CalPERS uses the SSGA Custom STIF as a benchmark for short-term investments.

The PERF earned other investment income of $155.6 million for the 2008 fiscal year. Included in other investment income was income earned from securities litigation, sale of fractional shares, and other miscellaneous income.

The PERF earns additional investment income by lending investment securities. Borrowers pay a fee for the right to borrow securities, and then provide collateral to the PERF for 102 percent to 105 percent of the values of the securities borrowed. The over collateralization ensures the PERF is made whole in the event the borrower fails to return the security. The PERF pays the borrower a rate for holding collateral, called a rebate. The PERF invests the cash collateral in short-term securities, and any spread above the rebate rate is additional income for the PERF. For the 2008 fiscal year, net securities lending losses amounted to $158.5 million, compared to the $154.7 million in net securities lending income during the 2007 fiscal year. The $158.5 million in securities lending unrealized losses resulted mainly from short-term income markets' volatility, resulting in a lack of liquidity throughout the short-term market.

CalPERS participates in Directed Brokerage/ Commission Recapture arrangements. The CalPERS Directed Brokerage Program had a balance of $1.3 million at July 1, 2007. For fiscal year 2008, brokerage commissions that were rebated totaled $2.3 million. Expenses in the amount of $1.1 million were incurred to purchase analytical tools, advisory, and other research materials. The Directed Brokerage Program had a balance of approximately $2.4 million at June 30, 2008. These amounts are recorded in the accompanying financial statements as of June 30, 2008.

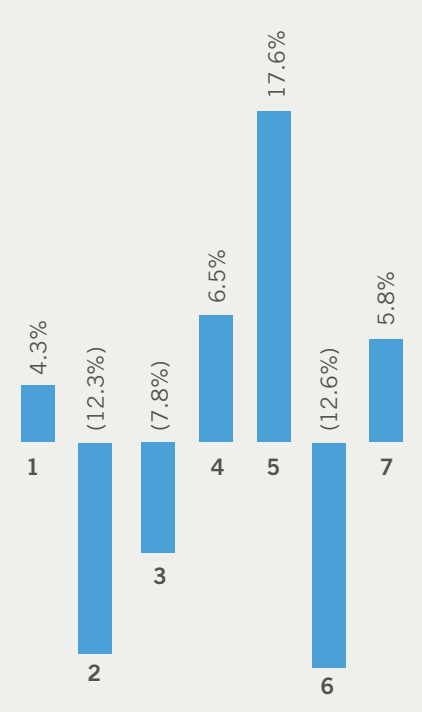
CalPERS participates in asset-based lending, in which secured debt is loaned to non-investment grade

Investments — PERF (Dollars in Billions)

Investment Class	Amount	Percent of Investments	Current Year Return	Prior Year Return	Benchmark Return
Short-Term Investments	$4.3	1.8%	4.3%	5.5%	4.2%[1]
Domestic Equity	73.9	31.2	(12.3)	20.6	(12.0)
International Equity	48.5	20.4	(7.8)	29.8	(6.6)
Domestic Debt Securities	55.7	23.5	6.5	7.3	7.8
International Debt Securities	4.2	1.8	17.6	2.2	17.5
Inflation Linked	4.7	2.0	N/A	N/A	N/A
Real Estate	21.8	9.2	(12.6)	15.9	9.2
Alternative Investments	24.0	10.1	5.8	27.1	(6.7)
Total	**$237.1**	**100.0%**	**—%**	**—%**	**—%**
Total Fund Return	**$ —**	**—%**	**(5.1)%**	**19.1%**	**(2.3)[2]**

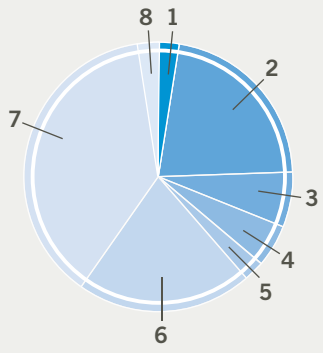
Notes:
[1] Benchmark reflects State Street Bank's Short-term Investment Fund for cash investments.
[2] CalPERS Policy Index

Investment Returns — PERF



1. Short-Term Investments
2. Domestic Equity
3. International Equity
4. Domestic Debt Securities
5. International Debt Securities
6. Real Estate
7. Alternative Investments

Investment Portfolio — PERF at Market Value
(Dollars in Billions)



1. International Debt Securities - $4.2
2. Domestic Debt Securities - $55.7
3. Alternative Investments - $24.0
4. Real Estate - $21.8
5. Short-Term Investments - $4.3
6. International Equity - $48.5
7. Domestic Equity - $73.9
8. Inflation Linked - $4.7

Note: Excludes $35.2 billion in securities lending collateral.

borrowers, primarily for working capital, acquisitions, turnarounds, growth financing, debtor-in-possession financing, exit financing, and corporate recapitalization/reorganizations. In exchange for these loan amounts, CalPERS receives interest and fees from the borrowers. Interest and fee income earned was $22.3 million for the 2008 fiscal year, and outstanding commitments totaled $1.0 billion at June 30, 2008.

Other Defined Benefit Pension Plans

Legislators' Retirement Fund (LRF)

Plan Net Assets

The LRF provides retirement benefits to California Legislators elected to office before November 7, 1990, and to all Constitutional and Statutory Officers. The number of LRF members is declining as eligible incumbent Legislators leave office and are replaced by those ineligible to participate in the LRF.

The LRF net assets held in trust for benefits at June 30, 2008 totaled $134.1 million, a decrease of $8.1 million (5.7 percent) from June 30, 2007.

Additions to LRF net assets held in trust for benefits were from investment income and contributions to repurchase military and prior year service credit. There were no actuarially determined annual required employer and member contributions for 2008. Net investment income decreased $16.3 million (98.7 percent) to a net investment gain of $0.2 million for the 2008 fiscal year, from a net investment gain of $16.5 million for the 2007 fiscal year, due primarily to poorly performing domestic and international equity markets during 2008.

Deductions in LRF net assets held in trust for benefits are primarily composed of retirement, death, and survivor benefits. For the 2008 fiscal year, these benefits decreased $0.1 million (1.3 percent) to $7.6 million from $7.7 million in 2007. On a per member and beneficiary basis, the cost of administering LRF benefits during the 2008 fiscal year was approximately $1,315 per individual, an increase of approximately $290 per individual from the 2007 fiscal year due to increased direct expenses and an accrual of the State's OPEB costs.

An actuarial valuation of LRF assets and benefit obligations is performed annually using the aggregate cost method, which does not identify unfunded actuarial liabilities. Based on the most recent actuarial valuation, performed as of June 30, 2007, the active member contribution rate for the 2008 fiscal year remains at zero percent.

Investments

The LRF invests mainly in domestic and international equity securities, as well as domestic debt securities. LRF investments totaled $134.0 million at June 30, 2008, which was $7.8 million (5.5 percent) less than the $141.8 million in total LRF investments at June 30, 2007, due to a significant drag on domestic and international equities from the downturn in the global equity markets.

At June 30, 2008, the LRF held $51.2 million in domestic and international equity securities, a decrease of $6.1 million from $57.3 million at fiscal year end 2007. Domestic and international equity securities yielded returns of approximately negative 13.4 percent and negative 8.5 percent for fiscal year 2008 respectively, compared to the 20.6 percent and 27.8 percent for fiscal year 2007. CalPERS benchmark returns for the fiscal year 2008 were negative 13.3 percent

Investments — LRF (Dollars in Millions)

Investment Class	Amount	Percent of Investments	Current Year Return	Prior Year Return	Benchmark Return
Domestic Equity	$38.3	28.6%	(13.4%)	20.6%	(13.3%)
International Equity	12.9	9.6	(8.5)	27.8	(8.6)
Domestic Debt Securities	82.8	61.8	7.0	6.8	7.8
Total or Overall Return	**$134.0**	**100.0%**	**0.0%**	**12.6%**	**0.2%**

and negative 8.6 percent. CalPERS uses the Custom S&P 500 Index and FTSE Developed World ex US & Tobacco Index (net of dividends), to provide a benchmark for the domestic and international equity investment returns, respectively. These benchmarks are representative of the returns that could be expected in a similar investing environment and reflect the overall market conditions.

At June 30, 2008, the LRF held $82.8 million in domestic debt securities, a decrease of $1.7 million from $84.5 million at fiscal year end 2007. Domestic debt securities returned 7.0 percent for fiscal year 2008, compared to 6.8 percent for fiscal year 2007. CalPERS benchmark return for fiscal year 2008 was 7.8 percent. CalPERS uses the Lehman Long Liability Index to provide

Net Assets — Other Defined Benefit Pension Plan Funds (Dollars in Thousands)

	LRF		JRF		JRF II		VFF	
	2008	2007	2008	2007	2008	2007	2008	2007
Assets								
Cash, Cash Equivalents & Receivables	$799	$668	$3,095	$2,018	$4,817	$2,485	$ —	$470
Investments	134,029	141,811	17,137	10,024	321,074	288,491	—	3,540
Total Assets	**$134,828**	**$142,479**	**$20,232**	**$12,042**	**$325,891**	**$290,976**	**$ —**	**$4,010**
Total Liabilities	**$709**	**$270**	**$986**	**$369**	**$469**	**$244**	**$ —**	**$14**
Total Net Assets	**$134,119**	**$142,209**	**$19,246**	**$11,673**	**$325,422**	**$290,732**	**$ —**	**$3,996**

Changes in Net Assets — Other Defined Benefit Pension Plan Funds (Dollars in Thousands)

	LRF		JRF		JRF II		VFF	
	2008	2007	2008	2007	2008	2007	2008	2007
Additions								
Member Contributions	$14	$129	$9,569	$10,398	$13,808	$11,694	$ —	$ —
Employer Contributions	—	—	163,206	131,372	36,761	27,062	—	328
Investment Income (Losses)	223	16,530	384	1,186	(12,184)	35,427	(127)	470
Other Income	—	—	3,827	2,591	—	—	—	—
Total Additions	**$237**	**$16,659**	**$176,986**	**$145,547**	**$38,385**	**$74,183**	**($127)**	**$798**
Deductions								
Retirement Benefits	$7,621	$7,666	$168,304	$151,059	$964	$1,005	$98	$120
Refund of Contributions	309	92	136	—	2,134	981	—	—
Administrative Expenses	397	323	973	701	597	451	101	116
Other Expenses	—	—	—	—	—	—	—	—
Operating Transfer Out	—	—	—	—	—	—	3,601	—
Total Deductions	**$8,327**	**$8,081**	**$169,413**	**$151,760**	**$3,695**	**$2,437**	**$3,800**	**$236**
Increase (Decrease) in Net Assets	**($8,090)**	**$8,578**	**$7,573**	**($6,213)**	**$34,690**	**$71,746**	**($3,927)**	**$562**
Prior Period Adjustment	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**($69)**	**$ —**
Net Assets								
Beginning of Year	**$142,209**	**$133,631**	**$11,673**	**$17,886**	**$290,732**	**$218,986**	**$3,996**	**$3,434**
End of Year	**$134,119**	**$142,209**	**$19,246**	**$11,673**	**$325,422**	**$290,732**	**$ —**	**$3,996**

a benchmark for our fixed income investment returns. This benchmark is representative of the returns that could be expected in a similar investing environment, and reflects the overall market characteristics.

Judges' Retirement Fund (JRF)

Plan Net Assets

The JRF provides retirement benefits to California Supreme and Appellate Court Justices and Superior Court Judges. The JRF net assets held in trust for benefits at June 30, 2008, totaled $19.2 million, an increase of $7.5 million from June 30, 2007.

Additions to JRF net assets held in trust for benefits include employer, State of California, and member contributions, as well as investment income. For the 2008 fiscal year, employer, State, and member contributions increased $31.0 million (21.9 percent) to $172.8 million, from $141.8 million for the 2007 fiscal year, primarily as a result of an increase in the State's contribution. For the 2008 fiscal year, net investment income decreased $0.8 million (67.6 percent) from the 2007 fiscal year due mainly to lower average asset balances throughout the year.

Deductions in JRF net assets held in trust for benefits are primarily composed of retirement, death, and survivor benefits. For the 2008 fiscal year, these benefits amounted to $168.3 million, an increase of $17.2 million (11.4 percent) from the 2007 fiscal year. The increase in benefit payments was mainly a result of a COLA and an increase in the number of JRF retirees and beneficiaries to 1,735 in the 2008 fiscal year from 1,702 in the 2007 fiscal year.

On a per member and beneficiary basis, the cost of administering JRF benefits during 2008 was approximately $402 per individual, an increase of approximately $117 per individual from fiscal year 2007. The increase is due primarily to increased direct costs in the 2008 fiscal year.

The JRF is funded on a "pay-as-you-go" basis, where short-term investments, contributions received during the year, and a State General Fund augmentation are used to provide funding for benefit payments. This funding method is generally more expensive in the long term, as the fund does not have investment returns generated by a funded plan. Without the State General Fund augmentation, the JRF will not be able to pay the accumulated benefit payments due in 2009.

Investments

The JRF invests only in short-term securities. Total JRF investments were $17.1 million at June 30, 2008, which was $7.1 million more than the $10.0 million in total JRF investments at June 30, 2007. The increase in short-term investments is due to a rise in benefit payments from a growing retired member population and the resulting necessity for a larger General Fund augmentation to cover benefit payments. The increase in the General Fund augmentation results in a higher cash flow and larger balance in short-term investments. Short-term investments returned approximately 3.3 percent for fiscal year 2008, compared with the 5.3 percent for fiscal year 2007.

Judges' Retirement Fund II (JRF II)

Plan Net Assets

The JRF II provides retirement benefits to California Supreme and Appellate Court Justices, Superior Court Judges, and Municipal Court Judges first appointed or elected after November 9, 1994. The JRF II net assets held in trust for benefits at June 30, 2008 were $325.4 million, an increase of $34.7 million (11.9 percent) from June 30, 2007.

Additions to JRF II net assets held in trust for benefits include employer and member contributions, as well as investment income. Employer and member contributions increased $11.8 million (30.4 percent), to $50.6 million for the 2008 fiscal year, from $38.8 million for the 2007 fiscal year, primarily as a result of a 7.2 percent increase in active membership from 2007 to 2008. For the 2008 fiscal year, the JRF II incurred a net investment loss of $12.2 million, a decrease in income of approximately $47.6 million (134.5 percent) from the 2007 fiscal year net investment income of $35.4 million, primarily due to negative returns in equity and real estate investments.

Deductions in JRF II net assets held in trust for benefits are primarily composed of retirement, death, survivor benefits, and refunds of contributions. For the 2008 fiscal year, these benefits remained stable at $1.0 million. However, contribution refunds increased $1.1 million

Investments — JRF II (Dollars in Millions)

Investment Class	Amount	Percent of Investments	Current Year Return	Prior Year Return	Benchmark Return
Short-Term Investments	$12.9	4.0%	4.0%	5.2%	N/A%
Domestic Equity	101.0	31.5	(13.4)	20.5	(13.3)
International Equity	61.5	19.2	(8.5)	28.0	(8.6)
Domestic Debt Securities	117.8	36.6	7.0	6.5	7.8
Real Estate	27.8	8.7	(13.4)	11.9	(15.4)
Total or Overall Return	**$321.0**	**100.0%**	**(4.7%)**	**15.8%**	**(2.2%)**

from $1.0 million in the 2007 fiscal year to $2.1 million in the 2008 fiscal year (117.5 percent), due to increasing numbers of judges placing their accumulated contributions with private investment companies.

On a per member and beneficiary basis, the cost of administering JRF II benefits during fiscal year 2008 was approximately $601 per individual, an increase of approximately $114 per individual from fiscal year 2007, due to increased membership and direct costs.

An actuarial valuation of the JRF II assets and benefit obligations is performed annually. At June 30, 2007, the date of the most recent actuarial valuation, the funded status of JRF II decreased to 90.7 percent from 96.7 percent at June 30, 2006. At June 30, 2007, the JRF II actuarial benefit obligations exceeded its actuarial assets by approximately $27.4 million, while the amount by which the JRF II actuarial benefit obligations exceeded its actuarial assets at June 30, 2006, was approximately $7.2 million.

Investments

The JRF II invests mainly in short-term investments, domestic and international equity securities, domestic debt securities, and real estate equities. Total JRF II investments amounted to $321.0 million at June 30, 2008, which was $32.5 million (11.3 percent) more than the $288.5 million at June 30, 2007. The increase in total JRF II investments was primarily due to the increase in contributions and membership during the 2008 fiscal year.

At June 30, 2008, the JRF II held $162.5 million in domestic and international equity securities, an increase of $21.4 million from $141.1 million at fiscal year end 2007. Domestic and international equity securities yielded negative returns of approximately 13.4 percent and 8.5 percent, respectively, for fiscal year 2008, compared to the 20.5 percent and 28.0 percent, respectively, for fiscal year 2007. CalPERS benchmark returns for fiscal year 2008 were a negative 13.3 percent and a negative 8.6 percent, respectively. CalPERS uses the Custom S&P 500 Index and FTSE Developed World ex US & Tobacco Index, respectively, to provide a benchmark for our domestic and international equity investment returns. These benchmarks are representative of the returns that could be expected in a similar investing environment, and reflect the overall market characteristics.

At June 30, 2008, the JRF II held $117.8 million in domestic debt securities, an increase of $28.2 million from $89.6 million at fiscal year end 2007. Domestic debt securities returned approximately 7.0 percent for the 2008 fiscal year, compared to 6.5 percent for fiscal year 2007. CalPERS benchmark return for fiscal year 2008 was 7.8 percent. CalPERS uses the Lehman Long Liability Index to provide a benchmark for fixed income investment returns. This benchmark is representative of the returns that could be expected in a similar investing environment.

At June 30, 2008, the JRF II held $27.8 million in real estate investments, an increase of $3.0 million (12.1 percent) from the $24.8 million at the 2007 fiscal year end. CalPERS benchmark returns for fiscal year 2008 was a negative 15.4 percent. CalPERS uses the DJ Wilshire RESI Index as the benchmark. The DJ Wilshire RESI Index is a benchmark made up of publicly traded REITs and these assets contain the entire spectrum of real estate property types and fund structures. CalPERS continues to increase real estate holdings in opportunistic and international investments to fulfill investment diversification.

At June 30, 2008, the JRF II held $12.9 million in short-term investments, a decrease of $20.0 million from $32.9 million at fiscal year end 2007. Short-term investments returned approximately 4.0 percent for fiscal year 2008, compared to 5.2 percent for fiscal year 2007.

Volunteer Firefighters' Fund (VFF)

Plan Net Assets

The VFF provided monetary awards to volunteer firefighters. There are no VFF net assets reported because the assets and liabilities of the VFF were transferred from CalPERS to the California State Firefighters' Employee Welfare Benefits Corporation (CSFEWBC). The Statutes of 2007, Chapter 651, SEC. 3. added Article 7 (commencing with Section 50980) to Chapter 4.5 of Division 1 of Title 5 of the Government Code, which provided for the transfer of the data and files, assets and liabilities of the VFF from CalPERS to the CSFEWBC on or before March 1, 2008. Government Code Section 50985 provided that the transfer is deemed complete on the date CalPERS transferred the assets and liabilities of the VFF, and Government Code Section 50984 provided that upon the transfer, the CSFEWBC assumed all responsibility and liability of the VFF. Therefore, on February 29, 2008, CalPERS ceased administration of the Fund by transferring the assets and liabilities to the CSFEWBC. On that date responsibility for administration of the VFF was transferred to the CSFEWBC.

There are no contribution revenues for the eight month period ending February 29, 2008, because the contributions are normally determined annually after the close of each 12 month fiscal year. Participating fire departments and eligible firefighters for the previous fiscal year are reported to CalPERS up to three months after the close of the fiscal year. The participating fire departments are billed after the fire department submits a report of participation and number of eligible firefighters. The amount billed is based upon the number of eligible volunteer firefighters reported. At the time of the transfer of the Fund's assets and liabilities, a full fiscal year had not elapsed, and, therefore, contribution amounts to be billed to each participating fire department could not be determined. The new administrator is responsible for recording and collecting the contributions for the fiscal year ended 2008.

Deductions from VFF net assets held in trust included awards of approximately $98,000 for the eight month period ended February 29, 2008. This was an 18.3 percent decrease from the 2007 fiscal year due to the shorter period that the VFF was administered by CalPERS.

Additionally, as discussed in Note 1 of the Notes to the Basic Financial Statements, a $3.6 million transfer out was executed in order to transfer the VFF assets to the California State Fire Employees' Welfare Benefit Corporation.

Investments

The VFF invested mainly in domestic equity securities, international equity securities, domestic debt securities, and real estate equities. At the time all investment assets were liquidated for transfer of funds, the VFF incurred an investment loss of approximately $127,000 primarily due to losses in equity and real estate securities.

Other Post-Employment Benefit Fund

California Employers' Retiree Benefit Trust Fund

Plan Net Assets

The CERBTF is a trust for the pre-funding by employers of health, dental, and other non-pension benefits promised employees when they retire. The CERBTF net assets held in trust for benefits on June 30, 2008 were $643.6 million, an increase of $632.2 million due primarily to an increase of participating public agencies from two in the 2007 fiscal year, to 72 at June 30, 2008.

Additions to the CERBTF net assets held in trust for benefits include employer contributions. Employers participating contributed $655.0 million. During the 2008 fiscal year the CERBTF incurred a net investment loss of $21.0 million primarily due to equity market declines.

During the 2008 fiscal year there was $1.7 million in CERBTF deductions.

Investments

At June 30, 2008, the CERBTF held $202.5 million in short-term investments, $280.3 million in domestic and international equity securities, $115.9 million in domestic debt securities, and $48.1 million in real estate equities.

Net Assets — California Employers' Retiree Benefit Trust Fund (Dollars in Thousands)

	CERBTF	
	2008	2007
Assets		
Cash, Cash Equivalents & Receivables	$1,896	$5,469
Investments	646,853	5,971
Total Assets	**$648,749**	**$11,440**
Total Liabilities	**$5,110**	**$ —**
Total Net Assets	**$643,639**	**$11,440**

Changes in Net Assets — Other Post-Employment Benefit Fund (Dollars in Thousands)

	CERBTF	
	2008	2007
Additions		
Employer Contributions	$655,030	$11,469
Investment (Losses)	(20,998)	(29)
Total Additions	**$634,032**	**$11,440**
Deductions		
Administrative Expenses	$131	$ —
Other Expenses	1,702	—
Total Deductions	**$1,833**	**$ —**
Increase in Net Assets	**$632,199**	**$11,440**
Net Assests		
Beginning of Year	**$11,440**	**$ —**
End of Year	**$643,639**	**$11,440**

Defined Contribution Pension Plans

State Peace Officers' & Firefighters' Defined Contribution Plan Fund (SPOFF)

Plan Net Assets

The SPOFF provides supplemental retirement benefits to eligible safety employees. Net assets held in trust for pension benefits increased by $19.3 million (5.8 percent) to $354.7 million at June 30, 2008, from $335.4 million at June 30, 2007.

Contribution revenues were $51.5 million for fiscal year 2008, an increase of 5.3 percent from fiscal year 2007. The increase to contribution revenues in fiscal year 2008 was due to an increase in membership. Net investment losses were $18.4 million for fiscal year 2008, representing a decrease in investment income of $56.2 million from the $37.8 million in net investment income for the 2007 fiscal year due to a significant drag on domestic equities from the downturn in global equity markets.

SPOFF benefit expenses were $11.6 million for the 2008 fiscal year, an increase of $0.8 million (7.4 percent) from the 2007 fiscal year, due primarily to the increase in the number of retired SPOFF participants in 2008.

Investments

The SPOFF invests mainly in domestic equity securities. Total SPOFF investments were $348.9 million at

June 30, 2008, which was $17.4 million (5.2 percent) more than the $331.5 million in total SPOFF investments at June 30, 2007. Domestic equity securities yielded returns of approximately 6.2 negative percent for fiscal year 2008, compared to 14.0 percent for fiscal year 2007. CalPERS benchmark return for fiscal year 2008 was a negative 4.7 percent. CalPERS uses a composite index to provide a benchmark for domestic equity investment return.

Public Agency Deferred Compensation Plan (IRC 457)

Plan Net Assets

The CalPERS Board is trustee for public agency participant assets in the IRC 457 deferred compensation program. Net assets held in trust for pension benefits at June 30, 2008, were $712.0 million, an increase of $29.4 million (4.3 percent), from $682.6 million at June 30, 2007.

Net Assets — Defined Contribution Pension Plan Funds (Dollars in Thousands)

	SPOFF		IRC 457		RBF		SCPF	
	2008	2007	2008	2007	2008	2007	2008	2007
Assets								
Cash, Cash Equivalents & Receivables	$6,296	$4,221	$12,031	$3,246	$63	$160	$66	$32
Investments	348,856	331,480	710,149	681,099	1,510	1,227	21,524	23,338
Total Assets	**$355,152**	**$335,701**	**$722,180**	**$684,345**	**$1,573**	**$1,387**	**$21,590**	**$23,370**
Total Liabilities	**$445**	**$323**	**$10,229**	**$1,722**	**$1,427**	**$1,076**	**$39**	**$32**
Total Net Assets	**$354,707**	**$335,378**	**$711,951**	**$682,623**	**$146**	**$311**	**$21,551**	**$23,338**

Changes in Net Assets — Defined Contribution Pension Plan Funds (Dollars in Thousands)

	SPOFF		IRC 457		RBF		SCPF	
	2008	2007	2008	2007	2008	2007	2008	2007
Additions								
Member Contributions	$ —	$ —	$125,952	$104,956	$ —	$ —	$713	$457
Employer Contributions	51,475	48,948	53	—	2,483	2,209	—	—
Investment Income (Losses)	(18,363)	37,813	(47,015)	81,484	50	50	(1,517)	3,619
Other Income	—	—	39	14	—	—	—	389
Total Additions	**$33,112**	**$86,761**	**$79,029**	**$186,454**	**$2,533**	**$2,259**	**($804)**	**$4,465**
Deductions								
Retirement Benefits	$11,626	$10,828	$ —	$ —	$2,698	$2,057	$ —	$ —
Administrative Expenses	2,157	—	1,759	1,316	—	—	113	—
Participant Withdrawals	—	—	47,942	42,647	—	—	870	1,918
Total Deductions	**$13,783**	**$10,828**	**$49,701**	**$43,963**	**$2,698**	**$2,057**	**$983**	**$1,918**
Increase (Decrease) in Net Assets	**$19,329**	**$75,933**	**$29,328**	**$142,491**	**($165)**	**$202**	**($1,787)**	**$2,547**
Net Assets								
Beginning of Year	**$335,378**	**$259,445**	**$682,623**	**$540, 132**	**$311**	**$109**	**$23,338**	**$20,791**
End of Year	**$354,707**	**$335,378**	**$711,951**	**$682,623**	**$146**	**$311**	**$21,551**	**$23,338**

Additions to IRC 457 net assets consist of member contributions of $126.0 million in fiscal year 2008, compared to $105.0 million in 2007. The increase is primarily due to an increase in members and members choosing to contribute more. Net investment losses amounted to $47.0 million for fiscal year 2008, representing a decrease in investment income of $127.2 million from the $80.2 million in net investment income for fiscal year 2007.

Deductions from the IRC 457 net assets consist primarily of participant withdrawals of $47.9 million, an increase of $5.3 million from the prior fiscal year of $42.6 million.

Investments

The IRC 457 investments were $710.1 million at June 30, 2008, which was $29.0 million more than the $681.1 million in total IRC 457 investments at June 30, 2007, due to increased purchases of fixed income securities and unrealized gains in fixed income securities, as well as an increase in members and member contributions. IRC 457 asset allocation is participant directed.

At June 30, 2008, the IRC 457 held $508.3 million in domestic and international equity securities, a decrease of $16.4 million from $524.7 million at fiscal year end 2007.

At June 30, 2008, the IRC 457 held $200.3 million in domestic debt securities, an increase of $48.1 million from $152.2 million at fiscal year end 2007.

At June 30, 2008, the IRC 457 held $1.6 million in short-term investments, a decrease of $2.7 million from $4.3 million at fiscal year end 2007.

Replacement Benefit Fund (RBF)

The RBF provides replacement retirement benefits to the small percentage of retired PERF members whose CalPERS retirement benefits earned are limited by Internal Revenue Code Section 415(b). Net assets held in trust for pension benefits decreased by $165,000 to $146,000 at June 30, 2008, from $311,000 at June 30, 2007.

Contribution revenues were $2.5 million for the 2008 fiscal year, an increase of $0.3 million from the 2007 fiscal year, primarily due to an increase in the number of retirees to 139 at June 30, 2008, from 117 at June 30, 2007.

The RBF paid benefits of $2.7 million for the 2008 fiscal year, an increase of $0.6 million from fiscal year 2007, primarily due to more members being eligible.

Investments

The RBF invests only in short-term securities. Total RBF investments were $1.5 million at June 30, 2008, which was $0.3 million more than the $1.2 million in total RBF investments at June 30, 2007. Short-term investments returned approximately 3.1 percent for fiscal year 2008, compared to 5.2 percent for fiscal year 2007.

Supplemental Contributions Program Fund (SCPF)

The SCPF was established effective January 1, 2000, to provide supplemental retirement benefits to members of CalPERS and is entirely member funded. Net assets held in trust for pension benefits decreased to $21.6 million at June 30, 2008.

Investments — SCPF (Dollars in Millions)

Investment Class	Amount	Allocation	Current Year Return	Prior Year Return	Benchmark Return
Short-Term Investments	$0.7	3.2%	4.3%	5.3%	N/A%
Domestic Equity	10.9	50.7	(13.4)	20.5	(13.3)
International Equity	3.8	17.7	(8.5)	28.0	(8.5)
Domestic Debt Securities	6.1	28.4	6.9	11.3	7.8
Total or Overall Return	**$21.5**	**100.0%**	**(6.9%)**	**17.5%**	**(6.6%)**

Contribution revenues were $713,000 for the 2008 fiscal year, an increase of 56.0 percent from the 2007 fiscal year, primarily due to an increase in participant contributions. Net investment losses were $1.5 million for fiscal year 2008, representing a decrease in investment income of $5.1 million from $3.6 million in net investment income for fiscal year 2007 due to a significant drag on domestic and international equities from the downturn in global equity markets.

For fiscal year 2008, participant withdrawals were $0.9 million, a decrease of $1.0 million (52.6 percent) from fiscal year 2007.

Investments

The SCPF investments were $21.5 million at June 30, 2008, which was $1.8 million less than the $23.3 million in total SCPF investments at June 30, 2007.

At June 30, 2008, the SCPF held $14.7 million in domestic and international equity securities, a decrease of $2.0 million from $16.7 million at fiscal year end 2007. Domestic and international equity securities yielded returns of approximately negative 13.4 percent and negative 8.5 percent for fiscal year 2008, compared to the 20.5 percent and 28.0 percent for fiscal year 2007. CalPERS benchmark returns for fiscal year 2008 were negative 13.3 percent and negative 8.5 percent. CalPERS uses the Custom S&P 500 Index and a Custom Benchmark Index to provide a benchmark for our domestic and international equity investment returns, respectively.

At June 30, 2008, the SCPF held $6.1 million in domestic debt securities, an increase of $0.1 million from $6.0 million at fiscal year end 2007. Domestic debt securities returned approximately 6.9 percent for fiscal year 2008, compared to 11.3 percent for fiscal year 2007. CalPERS benchmark return for fiscal year 2008 was 7.8 percent. CalPERS uses a Custom Benchmark as a benchmark for its domestic debt security investment returns.

At June 30, 2008, the SCPF held $647,000 in short-term investments, an increase of $8,000 from $639,000 at fiscal year end 2007. Short-term investments returned approximately 4.3 percent for fiscal year 2008, which was a decline from the 5.3 percent for fiscal year 2007.

Enterprise Funds

Employees' Health Care Fund (HCF)

Plan Activity

The HCF accounts for the activities of the CalPERS self-insured health care programs.

The self-insured health care programs incurred claims expenses of $1.3 billion for the 2008 fiscal year, an increase of 8.3 percent from the 2007 fiscal year, primarily due to increases in provider pricing and increased benefit utilization. Premium revenues were $1.5 billion for the 2008 fiscal year, an increase of 7.1 percent from the 2007 fiscal year, primarily as a result of premium rate increases and enrollment growth. Net investment income was $34.6 million for the 2008 fiscal year, an increase of 72.1 percent from the 2007 fiscal year due to unrealized gains in the fund's government bond investments. As a result of increased assets, unrestricted net assets increased by $150.0 million (33.4 percent) to $598.5 million at June 30, 2008.

Investments

Investments of the HCF at June 30, 2008 and 2007, include highly liquid, short-term securities and domestic debt securities. Investments increased $125.0 million from $577.8 million at June 30, 2007, to $702.8 million at June 30, 2008.

Public Employees' Contingency Reserve Fund (CRF)

The CRF was established to fund administrative costs related to the CalPERS health care programs and to provide a contingency reserve for potential increases in future health care premium rates or health care benefit costs. In the 2008 fiscal year, pursuant to GASB Statement 43, activity in the CRF is reported in two separate fund types.

Administrative fees collected and related costs are accounted for in the CRF proprietary fund type. Administrative fees earned by the CRF were $14.9 million for the 2008 fiscal year, a decrease of 9.6 percent from 2007 fiscal year of $16.5 million. The decrease was due mainly to administrative rate decreases during the 2008 fiscal year. Net investment income was $8.0 million for the 2008 fiscal year, a decrease of 14.0 percent from the 2007 fiscal year. Unrestricted net assets decreased by $1.4 million (9.6 percent) to $13.2 million at June 30, 2008.

Public agency health payments and remittances to contracted health care providers are reported in the CRF Agency Fund type. Public agencies remitted approximately $1.4 billion for payments to contracted health care providers in fiscal year 2008.

Investments

Investments of the CRF proprietary and agency activities at June 30, 2008 and 2007, included only highly liquid, short-term securities, as investment balances are used to fund operating cash flows. Investments of the CRF proprietary activities increased $9.9 million from $109.2 million at June 30, 2007, to $119.1 million at June 30, 2008, primarily due to the receipt of Medicare Part D funds.

Public Employees' Long-Term Care Fund (LTCF)

The LTCF, which provides long-term care insurance to participating members, incurred claims expenses of $101.3 million for the 2008 fiscal year, an increase of 16.0 percent from the 2007 fiscal year, due mainly to an increase in benefit utilization. Premium revenues were

Net Assets — Enterprise Funds (Dollars in Thousands)

	HCF		CRF		LTCF		DCF	
	2008	2007	2008	2007	2008	2007	2008	2007
Assets								
Cash, Cash Equivalents & Receivables	$117,974	$67,420	$16,210	$28,118	$2,502	$2,226	$868	$799
Investments	702,818	577,820	119,069	109,226	2,314,047	2,205,350	9,447	3,958
Total Assets	**$820,792**	**$645,240**	**$135,279**	**$137,344**	**$2,316,549**	**$2,207,576**	**$10,315**	**$4,757**
Total Liabilities	**$222,246**	**$196,660**	**$122,059**	**$122,731**	**$2,451,284**	**$3,049,833**	**$6,056**	**$3,992**
Total Unrestricted Net Assets (Deficit)	**$598,546**	**$448,580**	**$13,220**	**$14,613**	**($134,735)**	**($842,257)**	**$4,259**	**$765**

Changes in Net Assets — Enterprise Funds (Dollars in Thousands)

	HCF		CRF		LTCF		DCF	
	2008	2007	2008	2007	2008	2007	2008	2007
Revenues								
Self-Insurance Premiums	$1,509,064	$1,390,819	$ —	$ —	$299,489	$241,495	$ —	$ —
Investment Income (Losses)	34,579	20,069	8,037	9,279	(73,039)	281,068	235	180
Administrative Fees & Other	—	—	14,928	16,509	—	—	3,259	595
Total Revenues	**$1,543,643**	**$1,410,888**	**$22,965**	**$25,788**	**$226,450**	**$522,563**	**$3,494**	**$775**
Expenses								
Claims Expenses	$1,299,905	$1,198,348	$ —	$ —	$101,349	$87,324	$ —	$ —
Increase (Decrease) in Estimated Liabilities	14,626	14,358	—	—	(600,900)	487,800	—	—
Administrative Expenses	79,146	74,771	24,358	20,854	18,479	18,198	—	1,486
Total Expenses	**$1,393,677**	**$1,287,477**	**$24,358**	**$20,854**	**($481,072)**	**$593,322**	**$ —**	**$1,486**
Increase (Decrease) in Unrestricted Net Assets	**$149,966**	**$123,411**	**($1,393)**	**$4,934**	**$707,522**	**($70,759)**	**$3,494**	**($711)**
Net Assets (Deficit)								
Beginning of Year	**$448,580**	**$325,169**	**$14,613**	**$9,679**	**($842,257)**	**($771,498)**	**$765**	**$1,476**
End of Year	**$598,546**	**$448,580**	**$13,220**	**$14,613**	**($134,735)**	**($842,257)**	**$4,259**	**$765**

$299.5 million for the 2008 fiscal year, an increase of 24.0 percent from the 2007 fiscal year. Net investment losses amounted to $73.0 million for the 2008 fiscal year, a decrease in investment income of 126.0 percent from the $281.1 million in net investment income for the 2007 fiscal year, due mainly to poorly performing equity markets in 2008. The unrestricted net deficits of the CalPERS Long-Term Care Program decreased by $707.5 million to negative $134.7 million during the 2008 fiscal year primarily as a result of the impact of the CalPERS Board of Administration approved premium rate increase which became effective July 1, 2007. The Long-Term Care Program management are evaluating the results of the rate increase to determine if additional mitigating action is necessary.

Investments

Total LTCF investments were $2.3 billion at June 30, 2008, which was $0.1 billion more than the $2.2 billion in total LTCF investments at June 30, 2007.

At June 30, 2008, the LTCF held $1.1 billion in domestic and international equity securities, which is approximately the same amount that was invested in domestic and international equities at fiscal year end 2007. Domestic and international equity securities incurred losses of approximately 13.4 percent and 8.5 percent for the 2008 fiscal year, compared to the positive returns of 20.5 percent and 27.2 percent for fiscal year 2007. CalPERS benchmark returns for fiscal year 2008 were a negative 13.3 percent and a negative 8.6 percent. CalPERS uses the Custom S&P 500 Index and FTSE Developed World ex US & Tobacco Index to provide a benchmark for domestic and international equity investment returns. These benchmarks are representative of the returns that could be expected in a similar investing environment, and reflect the overall market environment.

At June 30, 2008, the LTCF held $1.1 billion in domestic debt securities, an increase of $104.6 million from $995.4 million at fiscal year end 2007. Domestic debt securities returned approximately 7.1 percent, compared to 6.6 percent for fiscal year 2007. CalPERS benchmark return for fiscal year 2008 was 7.8 percent. CalPERS uses the Lehman Long Liability Fund Index to provide a benchmark for our fixed income investment returns. This benchmark is representative of the returns that could be expected in a similar investing environment, and reflects the overall market environment.

At June 30, 2008, the LTCF held $102.6 million in real estate investments, a decrease of $4.6 million from $107.2 million at fiscal year end 2007. Real estate investments returned approximately a negative 14.9 percent, compared to 11.1 percent for fiscal year 2007. CalPERS benchmark return for real estate investments for fiscal year 2008 was a negative 15.4 percent. CalPERS uses the DJ Wilshire RESI Index to provide a benchmark for real estate investment returns. This benchmark is representative of the returns that could be expected in a similar investing environment, and reflects the overall market environment.

Public Employees' Retirement System Deferred Compensation Fund (DCF)

The purpose of the DCF is to maintain the financial records associated with the investment and administrative management services CalPERS offers to other governments' defined contribution plans. The fund recognizes as revenue fees charged other government clients for these services. Net income is retained in the fund balance to further expand the amount and types of deferred compensation plan management services. Fees are assessed to manage certain investment

Investments — LTCF (Dollars in Millions)

Investment Class	Amount	Allocation	Current Year Return	Prior Year Return	Benchmark Return
Domestic Equity	$640.8	27.7%	(13.4%)	20.5%	(13.3%)
International Equity	441.3	19.1	(8.5)	27.2	(8.6)
Domestic Debt Securities	1,129.4	48.8	7.1	6.6	7.8
Real Estate	102.6	4.4	(14.9)	11.9	(15.4)
Total or Overall Return	**$2,314.1**	**100.0%**	**(3.1%)**	**15.2%**	**(3.2%)**

portfolios of the SPOFF, SCPF, and the IRC 457 public agency program.

The DCF reported administrative and investment management revenues of $3.3 million for the 2008 fiscal year, which is $2.7 million more than the $0.6 million for the 2007 fiscal year. Net income in fiscal year 2008 from investment of the DCF fund balance was $235,000, an increase of 30.6 percent from the 2007 fiscal year, due mainly to more fees earned. Unrestricted net assets increased by $3.5 million (456.7 percent) to $4.3 million at June 30, 2008.

Investments

Investments of the DCF at June 30, 2008 and 2007, included only highly liquid, short-term securities. Investments increased $5.4 million from $4.0 million at June 30, 2007, to $9.4 million at June 30, 2008.

Currently Known Facts and Events

Subsequent to the June 30 fiscal year end, the financial markets continued to experience high volatility with an outcome that negatively affected all asset classes. As of October 31, 2008, the Public Employees' Retirement Fund (PERF) investment portfolio, excluding securities lending collateral, had declined by an estimated $50.4 billion in value to $186.7 billion based on net of fees reporting by State Street Bank. The most significant decline was in the domestic and international public equity portfolios. These portfolios declined $40.5 billion or 33.0 percent during this period. The privately held investments, due to their less frequent valuation cycles, experienced smaller declines.

CalPERS had exposure to financial institutions that were either acquired by another institution, the U.S. Government, or filed for bankruptcy during this period. CalPERS continually monitors the value of its investments that are involved in these transactions. However, the final value is not certain until the bankruptcy process or acquisition has been completed. After June 30, the more noteworthy equity and debt holdings that declined in value were American International Group (AIG), Fannie Mae, Freddie Mac, Lehman Brothers, and Washington Mutual. CalPERS holdings in these five firms decreased approximately $1.7 billion.

In addition, CalPERS Real Estate Program continued to experience declines due to overall market conditions and negative returns in the Housing Program. These declines were driven by a combination of a slowdown in absorption/sales of new homes and value declines resulting from the annual independent appraisal process.

The overall risk profile of the PERF has remained unchanged since June 30, 2008, and the volatility of the investment portfolio remains in line with the overall financial markets. The global capital markets are highly dynamic and the value of the PERF changes every day. CalPERS continues to rely on the long-held investment philosophy of diversification and the search for long-term value. Up-to-date investment portfolio information is published monthly as part of the Investment Committee agenda. Please visit **www.calpers.ca.gov** for more information.

Requests For Information

This Financial Report is designed to provide a general overview of CalPERS finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the CalPERS Fiscal Services Division, P.O. Box 942703, Sacramento, CA, 94229-2703, or by calling **888 CalPERS** (or **888**-225-7377).

Financial **Section**

Basic Financial Statements

Statement of Fiduciary **Net Assets — Fiduciary Funds**

As of June 30, 2008 (with Comparative Totals as of June 30, 2007) (Dollars in Thousands)

	Pension Trust Funds				
	PERF	LRF	JRF	JRF II	SPOFF
Assets					
Cash & Cash Equivalents	**$420,354**	**$768**	**$4**	**$13**	**$ —**
Receivables					
Member, Public Agency, State & School	$1,952,699	$18	$2,938	$4,339	$4,386
Investment Sales & Other	1,307,750	—	—	—	—
Interest & Dividends	258,858	—	49	413	18
Due from Other Funds	6,683	6	2	50	1,892
Other Program	14,663	7	102	2	—
Total Receivables	**$3,540,653**	**$31**	**$3,091**	**$4,804**	**$6,296**
Investments, at Fair Value					
Short-Term Investments:					
Domestic	$3,956,303	$6	$17,137	$12,890	$571
International	373,588	—	—	—	—
Securities Lending Collateral	35,177,731	—	—	—	—
Equity Securities:					
Domestic	73,877,437	38,317	—	100,976	348,285
International	48,498,167	12,914	—	61,516	—
Debt Securities:					
Domestic	55,740,457	82,792	—	117,856	—
International	4,194,476	—	—	—	—
Inflation Linked	4,659,829	—	—	—	—
Real Estate Equities:	40,959,197	—	—	27,836	—
Debt on Real Estate Equities	(19,140,765)	—	—	—	—
Alternative Investments	24,010,776	—	—	—	—
Total Investments	**$272,307,196**	**$134,029**	**$17,137**	**$321,074**	**$348,856**
Capital Assets, at Cost, Net of Accumulated Depreciation & Other Assets	**$389,962**	**$ —**	**$ —**	**$ —**	**$ —**
Total Assets	**$276,658,165**	**$134,828**	**$20,232**	**$325,891**	**$355,152**
Liabilities					
Retirement & Other Benefits in Process of Payment	$957,846	$633	$174	$53	$ —
Due to Health Carriers	—	—	—	—	—
Investment Purchases & Other	1,871,516	—	—	—	—
Due to State and Public Agencies	2,279	—	—	—	—
Securities Lending Obligation	35,177,731	—	—	—	—
Due to Other Funds	4,620	33	108	216	—
Other Program	728,694	43	704	200	445
Total Liabilities	**$38,742,686**	**$709**	**$986**	**$469**	**$445**
Net Assets Held in Trust for Pension & Post-Employment Health Care Benefits (see Required Supplemental Schedules of Funding Progress)	**$237,915,479**	**$134,119**	**$19,246**	**$325,422**	**$354,707**

The accompanying notes are an integral part of these financial statements.

Statement of Fiduciary **Net Assets — Fiduciary Funds** (continued)

As of June 30, 2008 (with Comparative Totals as of June 30, 2007) (Dollars in Thousands)

Pension Trust Funds			Post-Employment Health Care Trust Fund	Agency Funds		Totals	
IRC 457	RBF	SCPF	CERBTF	CRF	OASI	2008	2007
$45	**$ —**	**$1**	**$ —**	**$ —**	**$5,773**	**$426,958**	**$331,231**
$ —	$48	$35	$1,218	$147,847	$ —	$2,113,528	$1,807,931
9,025	—	—	—	—	—	1,316,775	3,103,826
612	15	6	678	—	—	260,649	709,932
—	—	—	—	—	—	8,633	9,579
2,349	—	24	—	—	—	17,147	12,584
$11,986	**$63**	**$65**	**$1,896**	**$147,847**	**$ —**	**$3,716,732**	**$5,643,852**
$1,564	$1,510	$647	$202,537	$198,567	$ —	$4,391,732	$3,301,606
—	—	—	—	—	—	373,588	466,201
—	—	—	—	—	—	35,177,731	46,337,538
469,129	—	10,918	150,544	—	—	74,995,606	101,546,279
39,160	—	3,818	129,770	—	—	48,745,345	49,231,188
200,296	—	6,141	115,923	—	—	56,263,465	55,879,798
—	—	—	—	—	—	4,194,476	5,674,194
—	—	—	—	—	—	4,659,829	—
—	—	—	48,079	—	—	41,035,112	37,038,898
—	—	—	—	—	—	(19,140,765)	(16,939,148)
—	—	—	—	—	—	24,010,776	16,821,589
$710,149	**$1,510**	**$21,524**	**$646,853**	**$198,567**	**$ —**	**$274,706,895**	**$299,358,143**
$ —	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$389,962**	**$397,813**
$722,180	**$1,573**	**$21,590**	**$648,749**	**$346,414**	**$5,773**	**$279,240,547**	**$305,731,039**
$ —	$ —	$ —	$ —	$ —	$ —	$958,706	$211,160
—	—	—	—	292,394	—	292,394	224,916
9,106	—	—	4,999	—	—	1,885,621	5,716,588
—	—	—	—	—	5,724	8,003	7,578
—	—	—	—	—	—	35,177,731	46,337,538
—	—	—	111	54,020	49	59,157	354
1,123	1,427	39	—	—	—	732,675	608,523
$10,229	**$1,427**	**$39**	**$5,110**	**$346,414**	**$5,773**	**$39,114,287**	**$53,106,657**
$711,951	**$146**	**$21,551**	**$643,639**	**$ —**	**$ —**	**$240,126,260**	**$252,624,382**

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Fiduciary **Net Assets — Fiduciary Funds**

For the Year Ended June 30, 2008 (with Comparative Totals for the Year Ended June 30, 2007) (Dollars in Thousands)

	Pension Trust Funds								
	PERF	LRF	JRF	JRF II	VFF	SPOFF	IRC 457	RBF	SCPF
Additions									
Retirement Contributions									
Members	$3,512,075	$14	$9,569	$13,808	$ —	$ —	$125,952	$ —	$713
Employers	7,242,802	—	12,894	36,761	—	51,475	53	2,483	—
State of California General Fund	—	—	150,312	—	—	—	—	—	—
Employer Contributions - OPEB	—	—	—	—	—	—	—	—	—
Total Retirement and OPEB Contributions	**$10,754,877**	**$14**	**$172,775**	**$50,569**	**$ —**	**$51,475**	**$126,005**	**$2,483**	**$713**
Investment (Loss) Income									
Net (Depreciation) Appreciation in Fair Value of Investments	($14,387,399)	$214	$ —	($15,029)	($208)	($18,477)	($52,291)	$ —	($1,554)
Interest	880,602	9	384	1,665	2	114	5,990	50	37
Dividends	2,171,152	—	—	1,180	79	—	2,349	—	1
Real Estate	1,459,428	—	—	—	—	—	—	—	—
Alternative Investments	227,495	—	—	—	—	—	—	—	—
Other Income (Loss)	155,592	—	—	—	—	—	(1,126)	—	—
Securities Lending Income	1,584,917	—	—	—	—	—	—	—	—
Less Investment Expenses:									
Costs of Lending	(1,743,444)	—	—	—	—	—	—	—	—
Real Estate	(2,208,229)	—	—	—	—	—	—	—	—
Other	(639,224)	—	—	—	—	—	(1,937)	—	(1)
Net Investment (Loss) Income	**($12,499,110)**	**$223**	**$384**	**($12,184)**	**($127)**	**($18,363)**	**($47,015)**	**$50**	**($1,517)**
Other Income	**$6,202**	**$ —**	**$3,827**	**$ —**	**$ —**	**$ —**	**$39**	**$ —**	**$ —**
Total Additions	**($1,738,031)**	**$237**	**$176,986**	**$38,385**	**($127)**	**$33,112**	**$79,029**	**$2,533**	**($804)**
Deductions									
Retirement, Death & Survivor Benefits	$10,884,417	$7,621	$168,304	$964	$98	$11,626	$ —	$2,698	$ —
Refund of Contributions	182,415	309	136	2,134	—	—	—	—	—
Administrative Expenses	402,340	397	973	597	101	2,157	1,759	—	113
Participant Withdrawals	—	—	—	—	—	—	47,942	—	870
Other Expenses	—	—	—	—	—	—	—	—	—
Transfer Out	—	—	—	—	3,601	—	—	—	—
Total Deductions	**$11,469,172**	**$8,327**	**$169,413**	**$3,695**	**$3,800**	**$13,783**	**$49,701**	**$2,698**	**$983**
(Decrease) Increase in Net Assets	**($13,207,203)**	**($8,090)**	**$7,573**	**$34,690**	**($3,927)**	**$19,329**	**$29,328**	**($165)**	**($1,787)**
Net Assets Held in Trust for Pension and Post-Employment Health Care Benefits Beginning of Year as Previously Reported	**$251,122,682**	**$142,209**	**$11,673**	**$290,732**	**$3,996**	**$335,378**	**$682,623**	**$311**	**$23,338**
Prior Period Adjustment	**$ —**	**$ —**	**$ —**	**$ —**	**($69)**	**$ —**	**$ —**	**$ —**	**$ —**
Net Assets as Restated	**$251,122,682**	**$142,209**	**$11,673**	**$290,732**	**$3,927**	**$335,378**	**$682,623**	**$311**	**$23,338**
End of Year	**$237,915,479**	**$134,119**	**$19,246**	**$325,422**	**$ —**	**$354,707**	**$711,951**	**$146**	**$21,551**

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Fiduciary **Net Assets — Fiduciary Funds** (continued)

For the Year Ended June 30, 2008 (with Comparative Totals for the Year Ended June 30, 2007) (Dollars in Thousands)

Post-Employment Healthcare Trust Fund	Totals	
CERBTF	2008	2007
$ —	$3,662,131	$3,390,333
—	7,346,468	6,531,845
—	150,312	120,458
655,030	655,030	11,469
$655,030	**$11,813,941**	**$10,054,105**
($22,445)	($14,497,189)	$35,849,399
568	889,421	2,231,143
882	2,175,643	2,249,060
—	1,459,428	2,265,695
—	227,495	231,302
(3)	154,463	399,246
—	1,584,917	2,336,567
—	(1,743,444)	(2,181,828)
—	(2,208,229)	(1,698,048)
—	(641,162)	(755,615)
($20,998)	**($12,598,657)**	**$40,926,921**
$ —	**$10,068**	**$12,113**
$634,032	**($774,648)**	**$50,993,139**
$ —	$11,075,728	$10,243,290
—	184,994	182,647
131	408,568	283,471
—	48,812	44,565
1,702	1,702	—
—	3,601	—
$1,833	**$11,723,405**	**$10,753,973**
$632,199	**($12,498,053)**	**$40,239,166**
$11,440	**$252,624,382**	**$212,385,216**
$ —	**($69)**	**$ —**
$11,440	**$252,624,313**	**$212,385,216**
$643,639	**$240,126,260**	**$252,624,382**

The accompanying notes are an integral part of these financial statements.

Statement of **Net Assets — Proprietary Funds**

As of June 30, 2008 (with Comparative Totals as of June 30, 2007) (Dollars in Thousands)

	Enterprise Funds				Totals	
	HCF	CRF	LTCF	DCF	2008	2007
Assets						
Current Assets						
Cash & Cash Equivalents	**$16**	**$119**	**$682**	**$ —**	**$817**	**$15,752**
Receivables						
Member, Public Agency, State & School	$58,528	$755	$465	$ —	$59,748	$15,921
Interest & Dividends	2,820	1,814	1,355	14	6,003	5,838
Management Fees	—	—	—	854	854	783
Due from Other Funds	56,609	1,972	—	—	58,581	49,459
Due from Federal Government	—	11,043	—	—	11,043	10,811
Other	1	507	—	—	508	—
Total Receivables	**$117,958**	**$16,091**	**$1,820**	**$868**	**$136,737**	**$82,812**
Investments, at Fair Value						
Short-Term Investments:						
Domestic	$328,340	$119,069	$61	$9,447	$456,917	$339,784
Equity Securities:						
Domestic	—	—	640,769	—	640,769	653,385
International	—	—	441,296	—	441,296	448,009
Debt Securities:						
Domestic	374,478	—	1,129,366	—	1,503,844	1,347,999
Real Estate Equities	—	—	102,555	—	102,555	107,177
Total Investments	**$702,818**	**$119,069**	**$2,314,047**	**$9,447**	**$3,145,381**	**$2,896,354**
Total Assets	**$820,792**	**$135,279**	**$2,316,549**	**$10,315**	**$3,282,935**	**$2,994,918**
Liabilities						
Current Liabilities						
Insurance Premiums & Claims in Process of Payment	$11,904	$17	$7,777	$ —	$19,698	$21,230
Estimated Insurance Claims Due	188,048	—	131,261	—	319,309	288,307
Management Fees	—	—	—	1,791	1,791	2,507
Due to Other Funds	1,328	2,168	880	3,681	8,057	58,684
Due to State & Public Agencies	2	76,946	—	—	76,948	727
Other	20,964	42,928	12,627	584	77,103	85,747
Total Current Liabilities	**$222,246**	**$122,059**	**$152,545**	**$6,056**	**$502,906**	**$457,202**
Long-Term Liabilities						
Estimated Liability for Future Policy Benefits	$ —	$ —	$2,298,739	$ —	$2,298,739	$2,916,015
Total Long-Term Liabilities	**$ —**	**$ —**	**$2,298,739**	**$ —**	**$2,298,739**	**$2,916,015**
Total Liabilities	**$222,246**	**$122,059**	**$2,451,284**	**$6,056**	**$2,801,645**	**$3,373,217**
Total Unrestricted Net Assets (Deficit)	**$598,546**	**$13,220**	**($134,735)**	**$4,259**	**$481,290**	**($378,299)**

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenses & Changes in **Fund Net Assets — Proprietary Funds**

For the Year Ended June 30, 2008 (with Comparative Totals for the Year Ended June 30, 2007) (Dollars in Thousands)

	Enterprise Funds				Totals	
	HCF	CRF	LTCF	DCF	2008	2007
Operating Revenues						
Self-Insurance Premiums	$1,509,064	$ —	$299,489	$ —	$1,808,553	$1,632,314
Administrative Fees Earned	—	14,928	—	—	14,928	16,434
Investment Management Fees Earned	—	—	—	3,259	3,259	308
Other	—	—	—	—	—	362
Total Operating Revenues	**$1,509,064**	**$14,928**	**$299,489**	**$3,259**	**$1,826,740**	**$1,649,418**
Operating Expenses						
Claims Expenses	$1,299,905	$ —	$101,349	$ —	$1,401,254	$1,285,672
Increase (Decrease) in Estimated Liabilities	14,626	—	(600,900)	—	(586,274)	502,158
Administrative Expenses	79,146	24,358	18,479	—	121,983	115,309
Total Operating Expenses	**$1,393,677**	**$24,358**	**($481,072)**	**$ —**	**$936,963**	**$1,903,139**
Operating Income (Loss)	**$115,387**	**($9,430)**	**$780,561**	**$3,259**	**$889,777**	**($253,721)**
Non-Operating Revenues (Losses)						
Net Appreciation (Depreciation) in Fair Value of Investments	$21,879	$ —	($78,717)	$ —	($56,838)	$275,284
Interest, Dividends & Other Investment Income	12,700	8,037	5,678	235	26,650	35,312
Total Non-Operating Revenues (Losses)	**$34,579**	**$8,037**	**($73,039)**	**$235**	**($30,188)**	**$310,596**
Change in Unrestricted Net Assets	**$149,966**	**($1,393)**	**$707,522**	**$3,494**	**$859,589**	**$56,875**
Total Unrestricted Net Assets (Deficit)						
Beginning of Year	$448,580	$14,613	($842,257)	$765	($378,299)	($435,174)
End of Year	$598,546	$13,220	($134,735)	$4,259	$481,290	($378,299)

The accompanying notes are an integral part of these financial statements.

Statement of **Cash Flows — Proprietary Funds**

For the Year Ended June 30, 2008 (with Comparative Totals for the Year Ended June 30, 2007) (Dollars in Thousands)

	Enterprise Funds				Totals	
	HCF	CRF	LTCF	DCF	2008	2007
Cash Flows From Operating Activities						
Self-Insurance Premiums Collected	$1,464,809	$ —	$299,605	$ —	$1,764,414	$1,616,407
Claims Paid	(1,302,021)	—	(100,765)	—	(1,402,786)	(1,271,720)
Other (Payments) Receipts	(72,428)	(13,297)	(16,713)	5,252	(97,186)	(35,841)
Net Cash Provided by (Used for) Operating Activities	**$90,360**	**($13,297)**	**$182,127**	**$5,252**	**$264,442**	**$308,846**
Cash Flows From Investing Activities						
Net Purchases of Investments	($1)	$ —	($188,731)	$ —	($188,732)	($459,684)
Net Change in Short-Term Investments	(103,118)	(9,843)	1,317	(5,489)	(117,133)	125,032
Interest & Dividends Received	12,745	9,172	4,334	237	26,488	35,479
Net Cash Used by Investing Activities	**($90,374)**	**($671)**	**($183,080)**	**($5,252)**	**($279,377)**	**($299,173)**
Net Increase (Decrease) in Cash & Cash Equivalents	**($14)**	**($13,968)**	**($953)**	**$ —**	**($14,935)**	**$9,673**
Cash & Cash Equivalents, Beginning of Year	$30	$14,087	$1,635	$ —	$15,752	$6,079
Cash & Cash Equivalents, End of Year	$16	$119	$682	$ —	$817	$15,752
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities						
Operating Income (Loss)	$115,387	($9,430)	$780,561	$3,259	$889,777	($253,721)
Changes in Assets & Liabilities:						
Receivables:						
Member, Public Agency, State & School	(44,255)	(484)	116	—	(44,623)	7,183
Due from Other Funds	(7,150)	(1,972)	—	—	(9,122)	(5,792)
Due from Federal Government	—	(232)	—	—	(232)	(10,811)
Other	795	(507)	—	(71)	217	(258)
Insurance Premiums & Claims in Process of Payment	(2,116)	(1)	584	—	(1,533)	4,744
Estimated Insurance Claims Due to Health Care Providers	14,626	—	—	—	14,626	14,359
Liability for Future Policy Benefits	—	—	(600,900)	—	(600,900)	487,800
Due to Other Funds	(3,825)	26,899	322	2,196	25,592	12,666
Other	16,898	(27,570)	1,444	(132)	(9,360)	52,676
Net Cash Provided by (Used for) Operating Activities	**$90,360**	**($13,297)**	**$182,127**	**$5,252**	**$264,442**	**$308,846**
Noncash Investing, Capital & Financing Activities						
Noncash Change in Fair Value of Investments in Securities	$21,879	$ —	($137,587)	$ —	($115,708)	$157,008

The accompanying notes are an integral part of these financial statements.

1. General Description of the Plan

General

The State Employees' Retirement System, the predecessor to the Public Employees' Retirement System of the State of California (CalPERS), or the "System," was created after voters approved a constitutional amendment authorizing legislation to establish a pension system for State employees. Such legislation became effective January 1, 1932. CalPERS has expanded to include, among others, employees of local agencies that elect to participate in the System. At June 30, 2008, the Board of Administration (Board) of CalPERS administers a total of 14 funds, including four defined benefit retirement plans: the Public Employees' Retirement Fund (PERF), the Legislators' Retirement Fund (LRF), the Judges' Retirement Fund (JRF), and the Judges' Retirement Fund II (JRF II); four defined contribution retirement plans: the State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF), the Public Agency Deferred Compensation Program (IRC 457), the Replacement Benefit Fund (RBF), and the Supplemental Contributions Program Fund (SCPF); one defined benefit post-employment health care plan, the California Employers' Retirement Benefit Trust Fund (CERBTF); one health care plan: the Public Employees' Health Care Fund (HCF); and five other plans: the Public Employees' Long-Term Care Fund (LTCF), the Public Employees' Deferred Compensation Fund (DCF), the Old Age & Survivors' Insurance Revolving Fund (OASI), the Public Employees' Contingency Reserve Proprietary Fund (CRF), and the Public Employees' Contingency Reserve Agency Fund (CRF).

Reporting Entity

The basic financial statements of CalPERS include fund financial statements reporting the financial activities of all of the above funds and assets under trust. The CalPERS Board of Administration has plenary authority and fiduciary responsibility for the investment of monies and the administration of the System pursuant to the State Constitution, Article XVI, Section 17. CalPERS is a unit of the State of California State and Consumer Services Agency; however, CalPERS is not subject to administrative direction by any department, commission, board, bureau, or agency of the State. As such, CalPERS is classified as a component unit of the State of California for financial reporting purposes, in accordance with the provisions of Governmental Accounting Standards Board Statement No. 39.

CalPERS financial statements are included in fiduciary and proprietary funds in the State of California Comprehensive Annual Financial Report.

Defined Benefit Pension Plans

The PERF was established in 1932, the LRF in 1947, the JRF in 1937, and JRF II in 1994. The PERF, LRF, JRF, and JRF II are defined benefit pension plans which provide benefits based on members' years of service, age, final compensation, and benefit formula. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries.

At June 30, 2008, the State of California and 1,571 public agencies and schools (representing more than 2,600 entities) contribute to the PERF, JRF, and JRF II, which are agent multiple employer and cost-sharing defined benefit pension plans. CalPERS acts as the common investment and administrative agent for the member agencies, including schools (for classified employees). The LRF is a single-employer defined benefit pension plan for the State of California.

Members of the PERF, LRF, JRF, and JRF II become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service.

As of June 30, 2008, the number of affiliated employers for the PERF, LRF, JRF, and JRF II are as follows:

	2008
Public Employees' Retirement Fund	
State	1
School	61
Public Agency	1,510
Total Employers — Public Employees' Retirement Fund	**1,572**
Legislators' Retirement Fund	**1**
Judges' Retirement Fund	**59**
Judges' Retirement Fund II	**59**

As of June 30, 2008, benefit recipients and members in the PERF, LRF, JRF, and JRF II consisted of the following:

	2008							
	PERF							
	State	School	Public Agency	Total PERF	LRF	JRF	JRF II	Total
Retirees	145,791	137,154	125,081	408,026	140	1,141	11	409,318
Survivors & Beneficiaries	24,700	19,418	16,754	60,872	122	594	3	61,591
Members								
Active	256,380	314,689	265,845	836,914	14	611	979	838,518
Inactive	84,734	111,997	92,488	289,219	26	71	—	289,315
Total	**511,605**	**583,258**	**500,168**	**1,595,031**	**302**	**2,417**	**993**	**1,598,743**

The membership consists of the following categories:

PERF

- *Safety* — includes California Highway Patrol, peace officers, firefighters, and other employees whose principal duties are in active law enforcement or fire prevention and suppression work, or who occupy positions designated by law as safety member positions.
- *Schools* — includes non-teaching, non-certificated school employees.
- *State Industrial* — includes all employees of the Department of Corrections and the California Youth Authority who are not safety members.
- *General* — includes all other members, defined by statute as "miscellaneous" members.

LRF

- State Legislators
- Constitutional Officers
- Legislative Statutory Officers

JRF

- *Judges* — includes Supreme Court, Courts of Appeal, and Superior Courts appointed or elected before November 9, 1994.

JRF II

- *Judges* — includes Supreme Court, Courts of Appeal and Superior Courts appointed or elected on or after November 9, 1994.

Financing

The benefits for the PERF, LRF, JRF, and JRF II are funded by contributions from members and employers, and earnings from investments. Member and employer contributions for the PERF, LRF, JRF, and JRF II are a percentage of applicable member compensation. Member contribution rates for the PERF, LRF, JRF, and JRF II are defined by law and depend on the respective employer's benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by State statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions, including lump sum contributions made when agencies first join the Public Employees' Retirement Fund, are credited with a market value adjustment in determining contribution rates.

The required contribution rates of active plan members are based on a percentage of salary in excess of a base compensation amount ranging from $133 to $863 monthly. For the fiscal year ended June 30, 2008, the required contribution rates for active plan members are as follows:

PERF	
State Employees:	
Miscellaneous & Industrial	5% or 6%
Miscellaneous & Industrial — Second Tier	0%
Safety	6%
Peace Officers & Firefighters	8%
California Highway Patrol	8%
Classified School Employees	7%
Public Agency Employees	5% to 9%
LRF	0%
JRF	8%
JRF II	8%

These contributions are deposited in a fund established for each entity for the purpose of creating actuarial reserves for future benefits.

All employees in a covered class of employment who work on a half-time basis or more are eligible to participate in the retirement plans. CalPERS administers several different retirement plans, each providing a monthly allowance based on age, years of credited service, the benefit formula, and highest average compensation over an established period of one year to three years. All plans provide death and disability benefits. Within the PERF, the benefit provisions for the State and school employees are established by statute. The benefits for the public agencies are established by contract with the System, in accordance with the provisions of the Public Employees' Retirement Law. The benefits for the LRF are established in accordance with the provisions of the Legislators' Retirement Law. The benefits for the JRF are established in accordance with the provisions of the Judges' Retirement Law. The benefits for

the JRF II are established in accordance with the provisions of the Judges' Retirement System II Law.

In November 1990, Article IV, Section 4.5 was added to the State Constitution by adopting Proposition 140. This section effectively prohibited future Legislators from earning State retirement benefits for service in the Legislature on or after November 7, 1990, though it recognized vested pension benefits that had accrued before that date.

Due to the effects of Proposition 140, there are no current legislators eligible to participate in the Legislators' Retirement Fund. The only active members in the fund are Constitutional Officers (including the Insurance Commissioner and members of the Board of Equalization) and Legislative Statutory Officers.

Costs of administering the funds are financed through contributions and investment earnings of the funds.

Termination

Upon separation from the retirement plans, accumulated member contributions are refundable, with interest credited through the date of refund, as required by applicable laws. Withdrawal of such accumulated contributions results in forfeiture of the related vested benefits.

In the event that public agencies elect to terminate their contracts with the retirement plans, accumulated member and employer contributions, interest, and the related liability for benefits may be transferred to the employers. If amounts are not transferred to the employer, sufficient assets required to cover the related liability for benefits are retained in the retirement plans. Excess assets above those required, if any, are returned to the employer, while the employer is billed for any deficiency in assets.

CERBTF

The California Employers' Retiree Benefit Trust Fund (CERBTF) was established by Chapter 331 of the 1988 Statutes and initially funded in 2007. At June 30, 2008, 72 employers had elected to participate in the fund. The purpose of the fund is to receive contributions from participating employers and establish separate employer prefunding accounts to pay for health care or other post-employment benefits in accordance with the terms of participating employer's plans. Contributions are voluntarily determined by the employer's own funding schedule, and there are no long-term contracts for contributions to the plan. The CERBTF is an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 43 with pooled administrative and investment functions.

Participating employers may receive disbursements from the fund not to exceed the annual premium and other costs of eligible post-employment benefits. If the employer's participation in the fund terminates, all assets in the employer's prefunding account shall remain in the fund except as otherwise provided. Allowable termination disbursements are to a trustee or as a trustee transfer of assets upon satisfactorily showing to the Board the transfer will satisfy applicable requirements of the Internal Revenue Code and the Board's fiduciary duties, or the employer substantiates to the Board that all of the employer's obligations for the payment of post-employment benefits has been satisfied. At June 30, 2008, there were 70,566 active and 29,133 retired miscellaneous and 6,003 active and 3,714 retired safety participants.

Costs to administer the plan are determined through the CalPERS Board-approved cost-allocation plan, where actual direct and indirect costs of administering the System are equitably assessed to each fund.

Defined Contribution Plans

SPOFF

The State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF) is a defined contribution pension plan established by Chapter 820 of the 1998 Statutes. The plan is a qualified money purchase pension plan under Section 401(a) of Title 26 of the Internal Revenue Code, and is intended to supplement the retirement benefits provided by the PERF to eligible correctional officers employed by the State of California.

Contributions to the plan are funded entirely by the employer, with a contribution rate of 2 percent of the employee's base pay, not to exceed contribution limits established by the Internal Revenue Code. Contribution

requirements are established and may be amended through a Memorandum of Understanding from the State of California Department of Personnel Administration. These contributions, as well as the participant's share of the net earnings of the fund, are credited to the participant's account.

The net earnings of the fund are allocated to the participant's account as of each valuation date, in the ratio that the participant's account balance bears to the aggregate of all participants' account balances. The benefit paid to participants will depend only on the amount contributed to participant's account and earnings on the value of the participant's account. Plan provisions are established and may be amended by statute. At June 30, 2008, there were 40,470 participants.

IRC 457

Government Code Section 21670 authorizes the Board of Administration to establish a deferred compensation plan qualified under Section 457 of Title 26 of the United States Code for California public employees.

The Public Agency Deferred Compensation Program (IRC 457) is an Internal Revenue Code Section 457(g) defined contribution plan administered by State Street Bank & Trust Company (acting as an agent of CalPERS) to provide benefits at retirement to public agency employees. Plan participation is voluntary to employees of participating public agencies, and contributions are separate from the defined benefit contributions made to CalPERS.

Members may contribute up to the limits established under the Internal Revenue Code. At June 30, 2008, there were 26,516 participants with account balances.

Members of the plan are allowed to change their contribution amount, transfer account balances among 18 investment options, or change the contribution percentages designated to each option on a daily basis. The 18 investment options are: SSGA Target Retirement Income Fund, SSGA Target Retirement 2010 Fund, SSGA Target Retirement 2020 Fund, SSGA Target Retirement 2030 Fund, SSGA Target Retirement 2040 Fund, SSGA Conservative Asset Allocation Fund, SSGA Moderate Asset Allocation Fund, SSGA Aggressive Asset Allocation Fund, SSGA Stable Fixed Income Fund, CalPERS Treasury Inflation Protected Securities Fund, CalPERS Total Return Bond Fund, CalPERS S&P 500 Equity Index Fund, Alliance Bernstein Active Large Cap Equity Value Fund, Turner Active Large Cap Equity Growth Fund, CalPERS Small & Mid Cap Equity Index Fund, CalPERS International Index Fund, SSGA Select Active International Fund, and a Self Manage Account (SMA). Members may access their funds upon retirement, separation from employment, or other distributions as allowed under the Internal Revenue Code. The CalPERS Board of Administration has authorization under the Government Code of the State of California to establish plan provisions.

RBF

The Replacement Benefit Fund (RBF) was established by Chapter 938 of the 1995 Statutes and initially funded in 1998 to provide benefits to members of the PERF whose retirement benefit exceeds Internal Revenue Code Section 415(b) limits. IRC Section 415(b) imposes a dollar limit on the annual retirement benefits an individual may receive from a qualified defined benefit pension plan.

The RBF is funded on a "pay-as-you-go" basis. That is, money collected from an employer during any calendar year must be paid to the retiree during that same year. Employer contributions must be in amounts "equivalent to" the benefits not paid as a result of the limitations of IRC Section 415(b). CalPERS calculates the member's retirement allowance based on the member's choice of retirement option. CalPERS also is responsible for calculating the applicable dollar limit under IRC Section 415(b), and setting the employer rates. At June 30, 2008, there were 139 retirees in the RBF.

SCPF

The Supplemental Contributions Program Fund (the program) was established January 1, 2000, by Chapter 307 of the 1999 Statutes, as a separate trust fund for the Supplemental Contributions Program, a defined contribution plan that provides supplemental benefits at retirement to members of CalPERS. The program is a qualified plan under Section 401(a) of Title 26 of the United States Code, administered by CalPERS.

Currently, the program is available only to State of California employees who are members of CalPERS. The program is entirely member funded, and participation is voluntary. Participant contributions are made on an after-tax basis and are separate from the defined benefit contributions made to CalPERS. Participants may be able to contribute to a deferred compensation or 401(k) plan in conjunction with the program, if the participant remains within the Internal Revenue Code Section 415(c) limits. Distributions are allowed only at retirement or permanent separation from employment. The CalPERS Board of Administration has authorization under the Government Code of the State of California to establish plan provisions. At June 30, 2008, there were 732 participants in the program.

Other Funds Administered by CalPERS

OASI

The Old Age & Survivors' Insurance Revolving Fund (OASI) was established to consolidate the collection and payment for California public agencies of employee and employer contributions under the provisions of the federal Social Security regulations.

Federal legislation was enacted on October 21, 1986, which required direct remittance of Social Security contributions by individual public agencies and eliminates the intermediary collection and remittance of such contributions by individual public agencies and by State Social Security agencies, such as the OASI. As such, effective January 1, 1987, the OASI stopped receiving contributions from public agencies. Since then the OASI fund has operated in the capacity of an intermediary in the reconciliation of past year's payroll contributions to the federal government and to reimburse the PERF for OASI contract management services. As reconciliations are completed, amounts will be collected and transmitted to the federal government or returned to the local governments. If any liabilities are owed which the OASI cannot collect, the State of California or the appropriate public agency is responsible for payment.

HCF

The Public Employees' Health Care Fund (HCF) was established under the Public Employees' Medical and Hospital Care Act (PEMHCA) as of July 1, 1988. The self-funded plans, PERS Choice, PERSCare, and PERS Select are risk pools available to all entities that contract for health insurance coverage under PEMHCA. Having all members in a single risk pool spreads catastrophic claims over a large base and minimizes administrative expenses. PERS Choice, PERSCare, and PERS Select retain all the risk of loss of allowable health claims. Fund members are not subject to a supplemental assessment in the event of deficiencies. Premium rates for PERS Choice, PERSCare, and PERS Select are set by the Board based on a trend analysis of the historic cost, utilization, demographics, and administrative expenses of the HCF to provide for the claims incurred and the actuarially determined required level of reserves.

PERS Choice, PERSCare, and PERS Select rely on operating cash flows and investment income to fund health benefit payments. During the 2008 fiscal year, the Board continued to increase member premiums to mitigate the impact of increasing costs associated with enrollment growth, increases in provider pricing, and increased benefit utilization. Management believes that the current sources of funding for PERS Choice, PERSCare, and PERS Select will be adequate to provide for benefits of the plans.

Public agencies participating in PERS Choice, PERSCare, and PERS Select are required to make periodic premium payments based on rates as established by CalPERS. Plan members pay the difference between the premium rate and the employers' contribution. Administrative costs are financed through investment earnings.

CRF

The Public Employees' Contingency Reserve Fund (CRF) was established in 1962, with the passage of PEMHCA, to fund administrative costs related to the PEMHCA program, and as a contingency reserve for such items as increases in future rates or in future benefits. PEMHCA was expanded to include local public agency employees on a contract basis in 1967. The CRF is reimbursed by the State and contracting public agencies for costs incurred for administering the program.

Activity in the CRF is reported in two separate fund types. Administrative fees collected and related costs are accounted for in the CRF proprietary fund type. Public agency health payments and remittances to contracted health care providers are reported in the CRF Agency Fund type.

PEMHCA establishes eligibility rules for the following:

- retirees and beneficiaries receiving health care benefits;
- terminated plan members entitled to but not yet receiving benefits; and
- active plan members.

Administrative costs include direct costs of the program and a proportionate share of indirect costs allocated to the CRF by the PERF. The administrative fee is determined as a percentage of insurance premiums paid by the employers. The administrative fee for the year ended June 30, 2008, was 0.29 percent. Contribution rates are reviewed annually and are adjusted, if needed, to cover budgeted administrative costs.

Public agency employers whose employees do not elect PERS Choice, PERSCare, or PERS Select submit the provider-determined, Board-approved premiums to the CRF Agency Fund, which in turn submits the premiums to the respective provider.

At June 30, 2008, 1,147 entities participated in health insurance coverage under PEMHCA.

LTCF

The Public Employees' Long-Term Care Fund (LTCF) began providing self-insured long-term care plans in 1995. The LTCF operates by providing long-term care coverage to enrolled members under the Public Employees' Long-Term Care Act (PERL, Chapter 15). The fund contracts with a third party to administer the program. Long-term care coverage is offered to all public employees (active or retired), their spouses, parents, parents-in-law, and siblings. The LTCF is a member-paid program with no contributions from employers. Premium rates are recommended to the Board by the program actuary and are set by the Board. Prospective enrollees apply directly to the program for long-term care coverage.

As of June 30, 2008, there are 168,140 enrollees, of which 3,077 are receiving benefits.

The decrease in the unrestricted net deficit in the LTCF from $842.3 million in 2007 to $134.7 million in 2008 is attributable to premium rate increases and a decrease in the actuarially determined liability for future policy benefits. The CalPERS Board of Administration increased premiums in the 2007-08 fiscal year to eliminate future deficits. In addition, the LTCF is in the process of reviewing its current policies and exploring different options to address the deficit.

DCF

The Public Employees' Retirement System Deferred Compensation Fund (DCF) accounts for revenues and expenses associated with administrative and investment management services provided to other governments by CalPERS staff. The services provided assist other governments with their administration of deferred compensation plans. Revenues come from fees charged to various State of California public agencies for managing 18 investment portfolios offered in the CalPERS IRC 457 plan and certain investments of the SPOFF and SCPF.

The DCF was established by Chapter 1659 of the 1990 Statutes, which added Government Code Sections 21420-21429. These Government Code Sections were subsequently renumbered to Government Code Sections 21670-21685 by Chapter 379 of the 1995 Statutes. Operation and initial funding of the DCF commenced July 1991.

VFF

Pursuant to California State Law, the assets and liabilities of the Volunteer Firefighters' Fund (VFF) were transferred from CalPERS to the California State Fire Employees' Welfare Benefit Corporation (CSFEWBC). The Statutes of 2007, Chaper 651, SEC. 3 added Article 7 (commencing with Section 50980) to Chapter 4.5 of Division 1 of Title 5 of the Government Code which provided for the transfer of the data and files, assets and liabilities of the VFF from CalPERS to the CSFEWBC on or before March 1, 2008. Government Code Section 50985 provided that the transfer

is deemed complete on the date CalPERS transferred the assets and liabilities of the VFF and Government Code Section 50984 provided that upon the transfer, CSFEWBC assumed all responsibility and liability of the VFF. CalPERS ceased to administer the VFF on February 29, 2008. On February 27, 2008, and February 29, 2008, CalPERS transferred $3,561,438 in cash, $46,122 in accounts receivable, and $6,000 in Death Benefits Payable to CSFEWBC. Effective February 29, 2008, responsibility for administration of the VFF was transferred to the CSFEWBC.

During the period ended February 29, 2008, management discovered that member contributions were overstated for the fiscal year ended June 30, 2007. Net assets held in trust for award benefits were restated as follows:

Net assets, beginning of the year	$3,996,000
Prior period adjustment	(69,000)
Net assets, beginning of the year, as restated	$3,927,000

2. Summary of Significant Accounting Policies

Measurement Focus, Basis of Accounting & Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Due to the types of investments held by the CRF agency and proprietary funds, JRF, RBF, and DCF, there was no appreciation (depreciation) in the fair value of investments in fiscal year 2008. The calculation of realized gains and losses is independent of the calculation of the change in the fair value of investments. Realized gains and losses of the current period include unrealized amounts from prior periods.

The accounts of CalPERS are organized and operated on the basis of funds. CalPERS has the following fund types at June 30, 2008:

Fiduciary funds — including pension trust, other post-employment trust, and agency funds, account for assets held by the government in a trustee capacity or as an agent on behalf of others. The pension trust funds (PERF, LRF, JRF, JRF II, SPOFF, IRC 457, RBF, and SCPF) and the other post-employment health care fund (CERBTF) are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Member contributions for the PERF, LRF, JRF, JRF II, IRC 457, and SCPF are recognized in the period in which the contributions are due. Employer contributions for the PERF, JRF, JRF II, SPOFF, CERBTF, and RBF are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits under the defined benefit plans and refunds are recognized when due and payable in accordance with the terms of each plan. The agency funds (OASI and CRF) are custodial in nature and do not measure the results of operations. Assets and liabilities are recorded using the accrual basis of accounting.

Proprietary funds — including enterprise funds (HCF, CRF, LTCF, and DCF) are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. CalPERS applies all applicable GASB pronouncements in accounting and reporting for its proprietary operations, and follows FASB pronouncements issued prior to December 1, 1989, insofar as those standards do not conflict or contradict guidance of the GASB.

Operating revenues and expenses are distinguished from non-operating items and generally result from providing services in connection with ongoing operations. The principal operating revenues of the HCF, CRF, LTCF, and DCF are derived from self-insurance premiums and providing administrative services. Operating expenses include the cost of claims and related administrative expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

GASB Statement No. 50

Effective July 1, 2007, CalPERS implemented the provisions of GASB 50. GASB 50 requires that information about the funded status of each pension plan as of the most recent actuarial valuation be disclosed in the notes to the financial statements. Additionally, GASB 50 requires disclosure of information about actuarial methods and

assumptions used in valuations on which reported information about the ARC and the funded status and funding progress are based. The required schedules of funding progress immediately following the notes to the financial statements present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Investments

As a result of Proposition 162 (State Constitution, Article XVI, Section 17), the CalPERS Board of Administration has plenary authority and fiduciary responsibility for the investment of monies. CalPERS invests in stocks, bonds, mortgages, real estate, alternative, and other investments. Alternative investments include two components: direct investments and partnerships. CalPERS maintains certain deposits, cash equivalents, and other investments with financial institutions.

Investments are reported at fair value. Certain construction projects and alternative investments are reported at cost, which approximates market value. The fair values of investments in securities are generally based on published market prices and quotations from major investment firms. Many factors are considered in arriving at fair value. In general, corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Investments in certain restricted common stocks are valued at the quoted market price of the issuer's unrestricted common stock, less an appropriate discount. Investments held in internally and externally managed investment pools have been reported at fair value.

Mortgages are valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is estimated based on independent appraisals. Short-term investments are reported at market value, when available, or at cost plus accrued interest, which approximates market value when market values are not available. For investments where no readily ascertainable market value exists, management, in consultation with their investment advisors, has determined the fair values for the individual investments. Alternative investments are valued based upon partnerships' June 30, 2008 financial statements.

In December 2007, the CalPERS Board of Administration approved an investment asset allocation that includes a 5 percent allocation in an Inflation Linked Asset Class (ILAC). The ILAC is Board-approved to include commodities, inflation-linked bonds, infrastructure, and forestland. At June 30, 2008, the ILAC held $1.6 billion of inflation-linked bonds, $0.1 billion in infrastructure, $1.6 billion in forestland, and $1.4 billion in commodities exposure.

There are certain market risks, credit risks, liquidity risks, foreign currency exchange risks, and event risks which may subject CalPERS to economic changes occurring in certain industries, sectors, or geographies.

Derivatives

Under the State Constitution and statutory provisions governing CalPERS investment authority, CalPERS holds investments in futures and options and enters into forward foreign currency exchange contracts. Futures and options with fair values of approximately negative $99.9 million are held for investment purposes and included within the financial statements at June 30, 2008. Gains and losses on futures and options are determined based upon quoted market values and recorded in the Statement of Changes in Fiduciary Net Assets.

Due to the level of risk associated with certain derivative investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could affect the amounts reported in the financial statements.

Forward foreign currency exchange contracts are used primarily to hedge against changes in exchange rates related to foreign securities. At June 30, 2008, CalPERS has approximately negative $99.5 million net exposure to loss from forward foreign currency exchange transactions related to the approximately $5.0 billion and $48.5 billion international debt and equity portfolios, respectively.

CalPERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts.

CalPERS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. CalPERS anticipates that the counterparties will be able to satisfy their obligations under the contracts.

Capital Assets

Capital assets are defined by CalPERS as assets with an initial individual cost of $5,000 or more, and an estimated useful life in excess of one year.

Capital assets held by the PERF, consisting of buildings, furniture, and equipment, are recorded at cost or, if donated, at their estimated fair market value at the date of donation. Capital assets are depreciated over their estimated useful lives, ranging from one to five years for furniture and equipment and 40 years for buildings, using the straight-line method of depreciation.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets held in trust for pension and post-employment health care benefits and changes therein, IBNR, claims payable, LTCF liability, and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates.

Comparative Totals

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with CalPERS financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Reclassifications

Certain reclassifications have been made to the comparative totals as of and for the year ended June 30, 2007, to conform to the presentation as of June 30, 2008.

3. Cash & Cash Equivalents

Cash and cash equivalents of approximately $427.8 million in 2008 represent amounts held in the CalPERS general operating accounts with the State Treasury. These monies are not individually identifiable by fund, as they are pooled with the monies of other State agencies and invested by the State Treasurer's Office.

4. Investments

For the year ended June 30, 2008, State Street Bank & Trust Company was the master custodian for significantly all of the securities of CalPERS, however, certain securities are held by alternative investment managers. Real estate deeds of trust are held in the name of Limited Liability Corporations and Partnerships. The investments held by the PERF, LRF, JRF II, SCPF, CERBTF, IRC 457, HCF, and LTCF have been commingled in internally managed investment pools. The investment pools are an internally managed domestic and international equity pool, and an internally managed debt securities pool. Each of the eight funds has a different asset allocation based on Board-approved policy.

In accordance with GASB Statement 40, CalPERS discloses investments of all CalPERS managed funds that are subject to certain risks: custodial credit risk, concentration of credit risk, interest rate risk, credit risk and foreign currency risk.

GASB Statement 40 investment risk disclosures begin on page 51, disclosing the investments subject to the various risks for the PERF and all other affiliate funds.

Securities Lending

The State Constitution and CalPERS Board policies permit CalPERS to use investments of the PERF to enter into

securities lending transactions; collateralized loans of securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. CalPERS has contracted with Boston Global Advisors (BGA), eSecLending LLC (eSec), State Street Bank & Trust (SSB), and Wachovia Global Securities Lending as third-party securities lending agents to lend domestic and international equity and debt securities. Additionally, CalPERS contracts with eSecLending as an administrative agent for CalPERS principal borrowers.

Domestic and international securities are collateralized for cash at 102 percent and 105 percent, respectively, of the securities market value. Management believes CalPERS has minimized credit risk exposure to borrowers by requiring the borrower to provide collateralization greater than 100 percent of the market value of the securities loan. The securities loaned are priced daily. On June 30, 2008, the fair market value of the securities on loan was $33.9 billion.

In the event that a borrower fails to return the securities or fails to remit income distributions by the securities' issuers to CalPERS while the securities are on loan, the agent is responsible for the associated costs. Securities on loan can be recalled on demand by CalPERS, and loans of securities may be terminated by CalPERS or the borrower. CalPERS may enter into term loan agreements which are evaluated on an individual basis.

The cash collateral is invested in accordance with CalPERS investment guidelines in short-term, high-credit quality fixed income securities. Currently, eSec and CalPERS manage the unrated cash collateral pools. For the year ended June 30, 2008, the cash collateral pools invested by eSec and CalPERS had weighted average maturities of 46 days, 364 days, 499 days, and 57 days, respectively, and durations of 1, 21, 22, and 2 days, respectively.

The following investment risk schedules disclose CalPERS investments subject to certain types of risk, pursuant to GASB Statement 40. Each schedule discloses investments of all funds managed by CalPERS subject to each type of risk. Some securities are held in internally-managed investment pools shared by all funds.

Custodial Credit Risk

CalPERS does not have any funds or deposits that are not covered by depository insurance, which are either uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent, but not in CalPERS name. Nor does CalPERS have any investments that are not registered in the name of CalPERS and are either held by the counterparty or the counterparty's trust department or agent, but not in CalPERS name.

Concentration of Credit Risk

CalPERS does not have investments in any one issuer which represent 5 percent or more of total fair value of all investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolios using the effective duration or option-adjusted methodology. The System's investment policies require the option-adjusted duration of the total fixed income portfolio to stay within 20 percent of the option-adjusted duration of its benchmark (Lehman Brothers Long Liabilities). All individual portfolios are required to maintain a specified level of risk relative to their benchmark. Risk exposures are monitored daily. These are reported grouped by effective duration ranges.

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System's investment policies establish general as well as specific risk measures for the fixed income portfolio. From the most general perspective, 90 percent of the total fixed income portfolio must be invested in investment-grade securities.

Investment-grade securities are those fixed income securities with a Moody's rating of AAA to BAA or a Standard &

Poors rating of AAA to BBB. Each portfolio is required to maintain a specified risk level. Portfolio exposures are monitored daily.

Foreign Currency Risk

Foreign currency risk is defined as any deposits or investments that are denominated in foreign currencies, which bear a potential risk of loss arising from changes in currency exchange rates. The System's asset allocation and investment policies allow for active and passive investments in international securities. The System's target allocation is to have 40 percent of total global equity assets invested in international equities and 8.5 percent of total fixed income invested in international securities. Real estate and alternative investments do not have a target allocation for international investments. The System uses a currency overlay program to reduce risk by hedging approximately 25 percent of the developed market international equity portfolio. Currency exposures are monitored daily.

CalPERS — Debt Security Investments Subject to Interest Rate Risk (Dollars in Thousands)

Debt Security Type	Fair Value June 30, 2008	Percent of All Debt Securities	Portfolio Weighted Average Effected Duration (Years)
U.S. Treasuries & Agencies	$7,508,022	12.2 %	10.27
Mortgages	27,276,700	44.3	5.43
Corporate	17,879,260	29.0	8.71
Asset Backed	1,091,790	1.8	6.61
Private Placement	5,494	0.0	4.64
International	5,656,320	9.2	7.41
SWAPS	128,672	0.2	1.33
Commingled	3,220	0.0	2.17
No Effective Duration:			
International	6,289	0.0	N/A
Commingled	28,931	0.0	N/A
Cash Equivalent	471,628	0.8	N/A
Corporate	143,239	0.2	N/A
Asset Backed	589,812	1.0	N/A
Options	127,535	0.2	N/A
SWAPS	(3,601)	0.0	N/A
Mortgages	294,378	0.5	N/A
Private Placement	380,898	0.6	N/A
Total [1]	**$61,588,587**	**100.0 %**	

Note:

[1] The above table represents the fair value of investments in the fixed income portfolios. The debt securities investments line item in the statement of fiduciary net assets and the statement of net assets are reported at net asset value which includes accruals for certain unitized portfolios.

CalPERS — At Fair Value Subject to Credit Risk (Dollars in Thousands)

Moody's Quality Rating	Fair Value	Fair Value as a Percent of Total Debt Security Investments
AAA	$28,281,870	45.9%
AA-1	424,190	0.7
AA-2	1,437,330	2.3
AA-3	2,423,946	3.9
A-1	1,679,676	2.7
A-2	1,906,369	3.1
A-3	1,535,279	2.5
BAA-1	3,795,745	6.2
BAA-2	3,287,424	5.3
BAA-3	1,830,729	3.0
BA-1	589,472	1.0
BA-2	208,286	0.3
BA-3	66,310	0.1
B-1	131,603	0.2
B-2	95,031	0.2
B-3	189,744	0.3
CA	1,676	0.0
C	576	0.0
NA[1]	6,963,380	11.3
NR[2]	6,739,951	11.0
Total[3]	**$61,588,587**	**100.0%**

Notes:

1 NA represents those securities that are not applicable to the rating disclosure requirements.
2 NR represents those securities that are not rated.
3 The above table represents the fair value of investments in the fixed income portfolios. The debt securities investments line item in the statement of fiduciary net assets and the statement of net assets are reported at net asset value which includes accruals for certain unitized portfolios.

CalPERS — International Investment Securities — At Fair Value at June 30, 2008 (U.S. Dollars in Thousands)

Investment securities of all CalPERS managed funds that are subject to foreign currency risk.

	Equity	Alternative Investments	Fixed Income	Real Estate	Cash	Total
Currency						
Argentine Peso	$4,587	$ —	$109	$ —	$463	$5,159
Australian Dollar	2,672,691	58,373	113,000	13,316	17,518	2,874,898
Brazilian Real	852,879	—	—	—	1,626	854,505
Canadian Dollar	3,092,974	137,484	31,335	—	8,958	3,270,751
Chilean Peso	52,599	—	—	—	202	52,801
Czech Koruna	65,791	—	—	—	244	66,035
Danish Krone	383,493	625	61,215	—	14,526	459,859
Egyptian Pound	77,501	—	—	—	—	77,501
Euro Currency	15,173,963	2,005,046	1,991,672	25,749	204,017	19,400,447
Hong Kong Dollar	2,014,530	—	—	24,928	16,992	2,056,450
Hungarian Forint	64,829	—	2,088	—	231	67,148
Iceland Krona	—	—	4,275	—	—	4,275
Indian Rupee	471,638	—	—	—	2,152	473,790
Indonesian Rupiah	201,524	—	—	—	462	201,986
Israeli Shekel	195,311	—	—	—	1,071	196,382
Japanese Yen	7,568,423	1,126,576	1,488,078	57,636	534,759	10,775,472
Malaysian Ringgit	179,556	—	—	—	6,083	185,639
Mexican Peso	344,510	—	62,399	—	3,814	410,723
Moroccan Dirham	797	—	—	—	87	884
New Taiwan Dollar	786,281	—	—	—	24,083	810,364
New Turkish Lira	256,189	—	—	—	656	256,845
New Zealand Dollar	37,607	—	9,262	2,277	1,385	50,531
Norwegian Krone	485,241	—	—	—	10,226	495,467
Pakistan Rupee	96	—	—	—	2	98
Peruvian Nouveau Sol	454	—	—	—	12	466
Philippine Peso	46,108	—	—	—	363	46,471
Polish Zloty	84,947	—	30,645	—	466	116,058
Pound Sterling	7,825,188	379,812	271,592	205,309	74,365	8,756,266
Singapore Dollar	552,186	—	15,278	39,092	5,390	611,946
South African Rand	610,184	—	7,172	—	838	618,194
South Korean Won	1,141,066	—	9,488	—	2,958	1,153,512
Sri Lanka Rupee	413	—	—	—	16	429
Swedish Krona	819,840	—	160,212	—	23,397	1,003,449
Swiss Franc	2,469,704	306	—	1,514	12,396	2,483,920
Thailand Baht	170,802	—	3,985	—	2,454	177,241
Yuan Renminbi	—	—	—	—	54	54
Total	**$48,703,902**	**$3,708,222**	**$4,261,805**	**$369,821**	**$972,266**	**$58,016,016**

Real Estate

Real estate investments are classified as investments in accordance with GASB Statement 25. Certain real estate investments are leveraged whereby partnerships have been established to purchase properties through a combination of contributions from CalPERS and other investors and through the acquisition of debt. At June 30, 2008, real estate equities of approximately $41.0 billion are reported at estimated fair market value. Of this amount, $22.0 billion is equity and $13.9 billion is long-term mortgages payable, and $5.2 billion is other short-term liabilities.

Required repayment of real estate debt is as follows:
(Dollars in Thousands)

Debt Matures Year Ending June 30	Amount
2009	$2,154,209
2010	2,699,990
2011	1,961,656
2012	1,622,342
2013	1,504,569
2014-2018	3,017,442
2019-2023	258,666
2024-2028	235,151
2029-2033	235,151
2034-2038	235,151
Grand Total	**$13,924,327**

Other Investment Income

Total other investment income earned by CalPERS in the 2008 fiscal year is $155.6 million. This total consists of income from securities litigation, sale of fractional shares, other miscellaneous income earned across all other investment portfolios, amortization income earned in the fixed income portfolios, and $1.2 million from the directed brokerage program.

5. Contributions & Reserves

Employer Contributions Actuarially Determined & Contributions Made

Employer contributions are calculated as a percentage of employer payroll. OPEB plan employer contributions are voluntarily determined by the employer and there are no long-term contracts for contributions. The payroll for employees covered by the PERF, JRF, and JRF II in 2008 was approximately $43.9 billion, $124.8 million, and $173.8 million, respectively.

The actuarial cost methods used are Entry Age Normal for the CERBTF and Individual Entry Age Normal for the PERF, LRF, and JRF, and Aggregate Entry Age Normal for the JRF II. These actuarial cost methods are projected Benefit cost methods. That is, the method takes into account those benefits that are expected to be earned in the future, as well as those already accrued.

According to this cost method, the normal cost percent for an employee pension liability is the level percentage of payroll amount which would fund the projected benefit if it were paid annually from date of employment until retirement. The Entry Age Normal Actuarial Cost Method used by the PERF, CERBTF, and JRF II is modified by CalPERS so that the employers' total normal cost is expressed as a level percentage of payroll. The PERF, CERBTF, and JRF II use the level percentage of payroll method to amortize any unfunded actuarial liabilities.

The significant actuarial assumptions used in the 2007 valuations to compute the actuarially determined contribution requirements for the PERF and JRF II are the same as those used to compute the actuarial accrued liability. The CERBTF uses assumptions similar to the pension plans with the addition of the Health Cost Trend Rate assumption.

Restrictions on Net Assets Available for Benefits

Included in the Net Assets Held in Trust for Pension Benefits is a restricted reserve that, by law, is retained in the PERF and LRF as a reserve against deficiencies in interest earned, potential losses under investments, court-mandated costs, and actuarial losses resulting from terminations, mergers, or dissolutions of contracting agencies. This reserve cannot exceed 0.2 percent of total assets of the PERF and the LRF, and totaled approximately $483.0 million and $270,000 as of June 30, 2008, for the PERF and LRF, respectively.

PERF

Actuarial valuations of the PERF are performed annually. The last valuation was performed as of June 30, 2007, for the State, schools, and public agencies.

The total 2008 net retirement contributions for the PERF amounted to approximately $10.8 billion, of which $7.2 billion (the actuarially determined annual required contribution) came from 1,572 employers and approximately $3.5 billion came from nearly 837,000 members. The contributions to the PERF were for the retirement program, the 1959 Survivor Program, and the Group Term Life Insurance Program. For the retirement program, the average employer normal cost is 10.553 percent of covered payroll, and amortization of the unfunded liabilities is 4.793 percent of covered payroll. These figures are averages for all employers. The actual figures vary by each employer's plan.

LRF

The current contribution requirements of the LRF are based on actuarially determined rates promulgated as part of legislation passed in 1977.

Actuarial valuations of the LRF are required to be carried out at least every two years. The Board of Administration utilizes these actuarial valuations to make recommendations to the State for financing the Fund. For the fiscal year ending June 30, 2008, there was no statutory contribution required based on the June 30, 2006 valuation.

JRF

Contributions made by the State of California to the JRF are made pursuant to State statute and are not actuarially determined; however, an actuarial valuation of the JRF assets and liabilities is performed every year and is used by CalPERS to make recommendations for financing the JRF.

The California law which states that on and after January 1, 2004, the JRF shall be funded and actuarially sound was amended in conjunction with the adoption of the Judges' Retirement System II Law, which, among other provisions, eliminated the requirement that the JRF be funded and actuarially sound. Recommendations to achieve the necessary level of contributions have been submitted by the CalPERS Board to the Legislature.

As of June 30, 2008, funding was provided from the following sources to meet benefit payment requirements:

- ***Member Contributions*** — 8 percent of applicable member compensation;
- ***Employer Contributions*** — 8 percent of applicable member compensation;
- ***Filing Fees*** — Varying amounts depending on fee rate and number of filings;
- ***Investments*** — Current yield on short-term investments;
- ***State of California "Balancing Contributions"*** — An amount required by the Judges' Retirement Law, at least equal to the estimated benefits payable during the ensuing fiscal year less the sum of 1) the estimated member contributions during the ensuing fiscal year and; 2) net assets available for benefits at the beginning of the fiscal year.

Under the pay-as-you-go basis, short-term investments as well as contributions received during the year are used to make benefit payments. Management and legal counsel believe the State of California is legally required to provide these required contributions to fund the benefits.

For the year ended June 30, 2008, the actual contributions made by the State to the JRF were approximately $163.2 million, which is significantly less than the actuarially determined annual required contribution of approximately $623.5 million.

Because current contributions are used to make benefit payments, the fund does not retain the accumulated contributions of active members. The cumulative contributions of all currently active members since inception were approximately $172.8 million at June 30, 2008, which exceeded Net Assets Held in Trust for Pension Benefits by approximately $153.5 million at June 30, 2008.

JRF II

Actuarial valuations for the JRF II are required to be carried out annually. The legislated State contribution rate will be adjusted periodically as part of the annual Budget Act in order to maintain or restore the actuarial soundness of the fund. The last actuarial valuation was performed as of June 30, 2007.

For the year ending June 30, 2008, the statutory employer contribution rate was 19.916 percent based on the June 30, 2006 actuarial valuation. Therefore, for the year ended June 30, 2008, the contributions made by the State to the fund were approximately $36.8 million, which is more than the actuarially determined required contributions of approximately $31.7 million.

CERBTF

The actuarial valuations for the CERBTF are conducted by outside actuarial firms engaged by participating employers that must base their valuations on the CalPERS OPEB Assumption Model. This model requires the use of actuarial methods and assumptions similar to those employed for the PERF. An additional assumption used for the CERBTF is the health care cost trend rate. The actuarial valuation estimates the cost of future health and other post-employment benefit insurance premiums for current and retired participating employees.

The total 2008 actual net OPEB employer contribution from 72 participating employers was $786.7 million, compared to the actuarially determined annual required contribution of 8.9 percent of covered payroll, or $450.8 million. This amount includes the $655.0 million in contributions made to the CERBTF, plus another $180.6 million in retiree health care premiums paid by employers directly to providers, implicit rate subsidies, and other GASB 45 compliant costs recognized by employers as contributions toward the Annual Required Contribution (ARC) and excludes $48.9 million of actual contributions made to the CERBTF that were treated as existing assets for purposes of calculating the annual required contribution.

CERBTF calculations are based upon plan benefits defined by the Public Employees Hospital Care Act (PEMHCA) in effect at the time of the valuations. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of future employer and employee cost sharing.

6. Commitments

At June 30, 2008, CalPERS total capital commitments to private equity funds was $57.7 billion. Of this amount, $26.4 billion remained unfunded and is not recorded on the CalPERS Statement of Fiduciary Net Assets.

At June 30, 2008, CalPERS total commitments to real estate portfolios was $29.6 billion. Of this amount, $17.1 billion remained unfunded and is not recorded on the CalPERS Statement of Fiduciary Net Assets.

7. Contingencies

CalPERS has entered into agreements with a number of issuers of non-taxable debt to provide payment of principal and interest in the event of non-payment. CalPERS is paid a quarterly fee over the term of the agreement for each transaction. The majority of the transactions are supported by collateral, letters of credit from banks or bond insurers for repayment. As of June 30, 2008, the credit enhancement program had contingent liabilities of approximately $1.7 billion and net fee income of approximately $2.4 million.

CalPERS is a defendant in litigation involving individual benefit payment and participant eligibility issues and arising from its normal activities. In the event of an adverse decision, any payments awarded by the courts would be recovered by CalPERS through prospective adjustments to the employer contribution rate. Based upon consultation with legal counsel, management believes there will be no material adverse effect on the basic financial statements as a result of the ultimate outcome of these matters.

However, the LRF is a defendant in litigation involving the payment of survivor death benefits and interest to a deceased retiree's surviving spouse in the amount of $3.6 million. The matter is currently on appeal with the Court of Appeal of the State of California.

8. Health Care Fund

Basis for Estimated Liabilities

The Public Employees' Health Care Fund (HCF) establishes claim liabilities based on estimates of the ultimate costs of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been "incurred but not reported" (IBNR). The estimated claims liability was calculated by Blue Cross, the HCF's third-party administrator, at June 30, 2008, using a variety of actuarial and statistical techniques and adjusted for actual experience to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. The estimated claims liability of $188.0 million is carried at its face amount, and no interest discount is assumed. The IBNR portion represents an estimate for claims that have been incurred prior to June 30, 2008, but have not been reported to the HCF.

Anticipated Investment Income and Reinsurance

Anticipated investment income is not included in the annual premium requirement for HCF members. Also, the HCF has not entered into any reinsurance or excess insurance agreements.

9. Long-Term Care Fund

The Public Employees' Long-Term Care Fund (LTCF) estimate of the funding level to provide for the payment of future claim benefits is predicated upon participation levels that are expected to be achieved by the program. The premiums from the LTCF are recognized during the period covered.

The LTCF establishes the liability for future policy benefits based on the present value of future benefits and expenses less the present value of future premiums. The liability for future policy benefits was calculated by the fund's actuary, using a variety of actuarial and statistical techniques as part of their actuarial review as of June 30, 2008. Certain key assumptions used in this calculation are a discount rate of 7.79 percent (the average rate of assumed investment yields in effect for the current year), morbidity, disability continuance, mortality, voluntary termination, and claims

The following represents changes in the aggregate estimated claims liabilities of the HCF for the years ended June 30. (Dollars in Thousands)

	PERSCare/PERS Choice	
	2008	2007
Total Estimated Claims at Beginning of Fiscal Year	**$173,422**	**$159,063**
Incurred Claims & Claim Adjustment Expenses		
Provision for Insured Events of the Current Fiscal Year	$1,385,438	$1,268,240
Decrease in Provision for Insured Events of Prior Years	(70,907)	(55,533)
Total Incurred Claims & Claim Adjustment Expenses	**$1,314,531**	**$1,212,707**
Payments		
Claims & Claim Adjustment Expenses Attributable to Insured Events of the Current Year	$1,197,390	$1,094,818
Claims & Claim Adjustment Expenses Attributable to Insured Events of the Prior Fiscal Year	102,515	103,530
Total Payments	**$1,299,905**	**$1,198,348**
Total Estimated Claims at End of the Fiscal Year	**$188,048**	**$173,422**

expense. The total estimated liability for future policy benefits as of June 30, 2008, was $2.4 billion. Of that amount, $131.3 million is expected to be paid in fiscal year 2009 and is included in current liabilities.

10. CERBTF, PERF, LRF, JRF, and JRF II Funded Status

The following represents the funded status of the post-employment health care plan and the CalPERS pension trust funds as of the most recent valuation date. These actuarial valuations involve estimates of the value and probability assumptions of events far into the future, and these amounts and assumptions are subject to continual revision as actual results are compared to past expectations. Calculations are based on the benefits provided under the terms of the plan in effect and the pattern of cost sharing between employees and the employer. The projection of benefits does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing. These actuarial calculations reflect long-term perspectives and use techniques that are designed to reduce short-term volatility.

The schedule of funding progress is included in the Required Supplemental Schedules section that follows. The as of dates for the Required Supplemental Schedules

Funded Status of the CERBTF (Dollars in Millions)

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) - Entry Age (2)	Unfunded AAL (UAAL) (2)-(1)	Funded Ratio (1)/(2)	Annual Covered Payroll (3)	UAAL as a % of Covered Payroll [(2)-(1)]/(3)
CERBTF						
6/30/08 [1]	$48.4	$4,845.0	$4,796.6	1.0%	$5,091.9	94.2%

Actuarial Methods and Significant Assumptions	CERBTF
Valuation Date	Varies [2]
Actuarial Cost Method	Entry Age Normal
Amortization Method	Varies [2]
Remaining Amortization Period	Varies [2]
Amortization Approach	Varies [2]
Asset Valuation Method	Current Market Value
Health Care Cost Trend Rates:	
Select Period	0 - 10 Years
Initial Rate	4.00 - 12.00%
Ultimate Rate	4.00 - 6.00%
Actuarial Assumptions:	
Net Investment Rate of Return	7.75%
Projected Salary Increases [3]	3.25%
Post Retirement Benefit Increase	N/A

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

Notes:

1. The June 30, 2008 financial reporting is based on a total of 72 individual actuarial valuations with valuation dates ranging from January 1, 2006 to June 30, 2008. As a result, the asset values in this schedule will not equal the asset values on June 30, 2008.
2. The June 30, 2008 financial reporting is based on a total of 72 individual actuarial valuations with valuation dates ranging from January 1, 2006 to June 30, 2008, using both closed and open amortization methods. For the vast majority of the valuations, the unfunded liability is amortized over 30 years, and the remainder use periods range between 1 year and 29 years.
3. Includes inflation at 3.0 percent.

Funded Status of the PERF, LRF, JRF, and JRF II (Dollars in Millions)

Fund	Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) - Entry Age (2)	(3) Unfunded AAL (UAAL) (Funding Excess) (2)-(1)	Funded Ratio (1)/(2)	(4) Annual Covered Payroll	UAAL as a % of Covered Payroll (3)/(4)
PERF	6/30/07	$216,484	$248,224	$31,740	87.2%	$40,864	77.7%
LRF	6/30/07	142	102	(40)	139.4	2	(1901.0)
JRF	6/30/07	12	2,714	2,702	0.4	119	2,265.3
JRF II	6/30/07	268	295	27	90.7	156	17.5

Actuarial Information

Assumptions shown below are those used in the most recent actuarial valuations.

	PERF	LRF	JRF	JRF II
Valuation Date	June 30, 2007	June 30, 2007	June 30, 2007	June 30, 2007
Adoption Date	Various	Various	Various	Various
Actuarial Cost Method	Individual Entry Age Normal Cost	Individual Entry Age [4] Normal Cost	Individual Entry Age [4] Normal Cost	Aggregate Entry Age Normal Cost
Amortization Method	Level Percentage of Payroll	None [2]	None [2]	Level Percentage of Increasing Payroll
Amortization Approach	Closed (Open for Gains and Losses)	None [2]	None [2]	Closed [3]
Remaining Amortization Period	28 years for Schools, average of 21 years for Public Agencies, and 21 to 28 years for the State plans	None [2]	None [2]	Average of 30 years
Asset Valuation Method	Smoothing of Market Value	Smoothing of Market Value	Market Value	Smoothing of Market Value
Actuarial Assumptions:				
Net Investment Rate of Return	7.75%	7.00%	7.00%	7.25%
Projected Salary Increases [1]	Varies, based on duration of service	3.25%	3.25%	3.25%
Post Retirement Benefit Increase	For State and Schools, 2% or 3% compounded annually For Public Agencies, 2% to 5% compounded annually, depending on the agency plan provisions	3.00%	3.25%	3.00%

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

Notes:

1 Includes inflation at 3.0% for all funds.
2 The Aggregate Cost Method does not identify or separately amortize unfunded actuarial liabilities.
3 Payroll has been increased by future new entrants replacing JRS retirements and terminations. The impact of including these new entrants has been determined to not materially impact the ARC amount.
4 For funding purposes and the calculation of annual required contributions, the Aggregate Cost Method is used.

of Employer Contributions were June 30, 2006, for PERF State and Schools, LRF, JRF, and JRF II; and June 30, 2005, for the PERF Public Agencies.

11. Subsequent Events

Subsequent to the June 30 fiscal year end, the financial markets continued to experience high volatility with an outcome that negatively affected all asset classes. As of October 31, 2008, the Public Employees' Retirement Fund (PERF) investment portfolio, excluding securities lending collateral, had declined by an estimated $50.4 billion in value to $186.7 billion based on net of fees reporting by State Street Bank. The most significant decline was in the domestic and international public equity portfolios. These portfolios declined $40.5 billion or 33.0 percent during this period. The privately held investments, due to their less frequent valuation cycles, experienced smaller declines.

CalPERS had exposure to financial institutions that were either acquired by another institution, the U.S. Government, or filed for bankruptcy during this period. CalPERS continually monitors the value of its investments that are involved in these transactions, however, the final value is not certain until the bankruptcy process or acquisition has been completed. After June 30, the more noteworthy equity and debt holdings that declined in value were American International Group (AIG), Fannie Mae, Freddie Mac, Lehman Brothers, and Washington Mutual. CalPERS holdings in these five firms decreased approximately $1.7 billion.

In addition, CalPERS Real Estate Program continued to experience declines due to overall market conditions and negative returns in the Housing Program. These declines were driven by a combination of a slowdown in absorption/sales of new homes, and value declines resulting from the annual independent appraisal process.

The overall risk profile of the PERF has remained unchanged since June 30, 2008, and the volatility of the investment portfolio remains in line with the overall financial markets. The global capital markets are highly dynamic and the value of the PERF changes every day. CalPERS continues to rely on the long-held investment philosophy of diversification and the search for long-term value. Up-to-date investment portfolio information is published monthly as part of the Investment Committee agenda. Please visit **www.calpers.ca.gov** for more information.

Financial **Section**

Required Supplemental Schedules

Required Supplemental Schedule of **Funding Progress — Pension Trust Funds**

(Dollars in Millions)

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) - Entry Age (2)	Unfunded AAL (UAAL) (Funding Excess) (2)-(1)	Funded Ratio - Actuarial Value of Assets Basis (1)/(2)	Annual Covered Payroll (3)	UAAL as a % of Covered Payroll [(2)-(1)]/(3)	Market Value of Assets (4)	Funded Ratio - Market Value of Assets Basis [1] (4)/(2)
PERF								
6/30/02	$156,067	$163,961	$7,894	95.2%	$32,873	24.0%	$142,455	86.9%
6/30/03	158,596	180,922	22,326	87.7	34,784	64.2	144,330	79.8
6/30/04	169,899	194,609	24,710	87.3	35,078	70.4	167,110	85.9
6/30/05	183,680	210,301	26,621	87.3	36,045	73.9	189,103	89.9
6/30/06	199,033	228,131	29,098	87.2	38,047	76.5	211,188	92.6
6/30/07	216,484	248,224	31,739 [2]	87.2	40,864	77.7	251,162	101.2
LRF [3]								
6/30/07	$141.603	$101.571	($40.032)	139.4%	$2.106	(1,901.0%)	$142.209	140.0%
JRF [3]								
6/30/07	$11.672	$2,713.640	$2,701.968	0.4%	$119.274	2,265.3%	$11.672	0.4%
JRF II								
6/30/02	$71.929	$76.459	$4.530	94.1%	$72.8	6.2%	$65.390	85.5%
6/30/03	96.107	105.116	9.009	91.4	87.3	10.3	90.714	86.3
6/30/04	129.153	137.704	8.551	93.8	99.0	8.6	129.316	93.9
6/30/05	167.556	177.761	10.205	94.3	111.8	9.1	171.875	96.7
6/30/06	212.904	220.135	7.231	96.7	125.3	5.8	218.987	99.5
6/30/07	267.604	294.983	27.378	90.7	156.3	17.5	290.733	98.6
CERBTF [4]								
6/30/07	$11.4	$23.6	$12.2	48.3%	$37.1	32.8%	$11.4	48.3%
6/30/08 [5]	48.4	4,845.0	4,796.6	1.0	5,091.9	94.2	48.4	1.0

Notes:

1. The funded ratio based on the market value of assets is the true measure of the plan's ability to pay benefits.
2. The Unfunded Actuarial Accrued Liability (the total Actuarial Liability in excess of actuarial value of assets) of the PERF by major employer group from the June 30, 2007 valuation is as follows: 1) $16,938 for the State of California, 2) $3,190 for schools, and 3) $11,611 for public agencies.
3. LRF and JRF are funded using the Aggregate Actuarial Cost Method. The Aggregate Cost Method does not identify actuarial accrued liabilities and funded ratios. For this reason, no funding progress information is available for either the LRF or JRF prior to June 30, 2007. Beginning with the June 30, 2007 actuarial valuation, CalPERS is complying with GASB Statement 50, which requires the funding progress to be disclosed using the Entry Age Actuarial Cost Method.
4. Only two years of funding progress information is shown because the CERBTF did not exist prior to the 2006-07 fiscal year.
5. The June 30, 2008 financial reporting is based on a total of 72 individual actuarial valuations with valuation dates ranging from January 1, 2006, to June 30, 2008. As a result, the asset values in this schedule will not equal the asset values on June 30, 2008.

Required Supplemental Schedule of **Employer Contributions — Pension Trust Funds**

	PERF Employer Contributions		LRF Employer Contributions	
Year Ended June 30	**Annual Required Contribution**	**% of Required Contributions Made**	**Annual Required Contribution**	**% of Required Contributions Made**
2003	$1,925,043,858	100%	— [1]	N/A
2004	4,261,347,422	100	— [1]	N/A
2005	5,774,120,281	100	— [1]	N/A
2006	6,095,029,424	100	— [1]	N/A
2007	6,442,383,867	100	— [1]	N/A
2008	7,242,802,002	100	— [1]	N/A

Note:

[1] Based on the June 30, 2006, 2005, 2004, 2003, 2002, and 2001, actuarial valuations, the annual required contributions for the years ended June 30, 2008, 2007, 2006, 2005, 2004, and 2003 were $0.

Required Supplemental Schedule of **Employer Contributions — Pension Trust Funds** (continued)

	JRF Employer Contributions		JRF II Employer Contributions		CERBTF Employer Contributions	
Year Ended June 30	Annual Required Contribution	% of Required Contributions Made	Annual Required Contribution	% of Required Contributions Made	Annual Required Contribution	% of Required Contributions Made
2003	$189,781,088	51.9%	$16,640,312	92.1%	$ —	—%
2004	194,487,295	55.2	18,207,531	100.2	—	—
2005	189,949,846	66.9	22,819,881	92.9	—	—
2006	194,927,817	61.9	25,477,158	94.5	—	—
2007	560,879,874[1]	23.4	28,506,356	94.9	2,320,693	494.2
2008	623,532,045	26.2	31,673,544	116.1	450,827,057[2]	174.5

Notes:

[1] Prior to fiscal year 2007 a variation of the Aggregate Cost Method was used to determine the ARC. Effective fiscal year 2007 the Traditional Aggregate Cost Method was used to determine ARC.

[2] The 2007-08 contributions made toward the ARC excludes $48.9 million that was contributed to the CERBTF but was treated as pre-existing assets for purposes of calculating the ARC.

Required Supplemental Schedule of **Claims Development Information**

The table on the next page presents the Health Care Fund's (HCF) earned revenues and investment income as well as losses and other expenses over the last 10 years. Rows one through six contain the following information:

1) This line shows the total earned premium revenues and investment revenues for each fiscal year.

2) This line shows other HCF operating costs, including overhead and claims expense not allocable to individual claims, for each fiscal year.

3) This line shows the HCF's incurred claims and allocated claim adjustment expenses (both paid and accrued) as reported at the end of the policy year. The policy year is the first year in which the triggering event under the contract occurred.

4) This section shows the cumulative amounts paid as of the end of each policy year and years succeeding the policy year.

5) This section shows re-estimated incurred claims as of the end of each policy year and years succeeding the policy year. Re-estimates are based on new information received on known claims, as well as information on new claims not previously reported.

6) This line compares the amount of the re-estimated incurred claims to the amount initially established (line 3), and shows whether the re-estimate is greater or less than projected. As data mature for individual policy years, the correlation between initial estimates and re-estimates is used to evaluate the accuracy of incurred claims currently recognized.

Public Employees' Health Care Fund — June 30, 2008 (Dollars in Thousands)

	Fiscal & Policy Year Ended			
	1999	2000	2001	2002
1. Net Earned Required Premium & Investment Revenues	$396,255	$472,233	$581,015	$747,491
2. Unallocated Expenses	$37,869	$35,780	$41,180	$43,926
3. Estimated Incurred Claims & Expenses, End of Policy Year	$402,578	$537,181	$599,337	$684,425
4. Paid (Cumulative) as of:				
End of Policy Year	$327,336	$443,109	$495,466	$562,894
One Year Later	373,345	498,607	554,361	628,405
Two Years Later	373,345	498,607	554,361	628,405
Three Years Later	373,345	498,607	554,361	628,405
Four Years Later	373,345	498,607	554,361	628,405
Five Years Later	373,345	498,607	554,361	628,405
Six Years Later	373,345	498,607	554,361	628,405
Seven Years Later	373,345	498,607	554,361	—
Eight Years Later	373,345	498,607	—	—
Nine Years Later	373,345	—	—	—
5. Re-estimated Incurred Claims & Expenses:				
End of Policy Year	$402,578	$537,181	$599,337	$684,425
One Year Later	373,345	498,607	554,361	628,405
Two Years Later	373,345	498,607	554,361	628,405
Three Years Later	373,345	498,607	554,361	628,405
Four Years Later	373,345	498,607	554,361	628,405
Five Years Later	373,345	498,607	554,361	628,405
Six Years Later	373,345	498,607	554,361	628,405
Seven Years Later	373,345	498,607	554,361	—
Eight Years Later	373,345	498,607	—	—
Nine Years Later	373,345	—	—	—
6. Decrease in Estimated Incurred Claims & Expenses From End of Policy Year	($29,233)	($38,574)	($44,976)	($56,020)

Public Employees' Health Care Fund — June 30, 2008 (Dollars in Thousands)

Fiscal & Policy Year Ended					
2003	2004	2005	2006	2007	2008
$947,492	$1,048,042	$1,115,172	$1,229,239	$1,410,888	$1,543,643
$50,296	$58,182	$65,902	$67,679	$74,771	$78,607
$854,648	$940,503	$1,083,011	$1,202,409	$1,268,239	$1,385,438
$722,732	$807,627	$923,608	$1,043,346	$1,094,818	$1,197,390
800,605	883,550	1,012,021	1,146,876	1,197,334	—
800,605	883,550	1,012,021	1,146,876	—	—
800,605	883,550	1,012,021	—	—	—
800,605	883,550	—	—	—	—
800,605	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
$854,648	$940,503	$1,083,011	$1,202,409	$1,268,239	$1,385,438
800,605	883,550	1,012,021	1,146,876	1,197,334	—
800,605	803,550	1,012,021	1,146,876	—	—
800,605	803,550	1,012,021	—	—	—
800,605	803,550	—	—	—	—
800,605	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
($54,043)	($56,953)	($70,990)	($55,533)	($70,906)	$—

Financial **Section**

Supporting Schedules and Agency Funds

Administrative Expenses — **All Funds**

(Dollars in Thousands)

Personnel Services	
Salaries & Wages	$135,736
Employee Benefits	44,272
Total Personnel Services	**$180,008**
Consultant & Professional Services	
State of California Agencies	$2,393
External Consultants	141,694
Deferred Compensation Management/Custody Fees	(1,983)
Health Plan Administrator Fees	66,400
Long-Term Care Administrator Fees	17,314
Total Consultant & Professional Services	**$225,818**
Operating Expenses & Equipment	
General Expense	$5,770
Software	9,836
Printing	2,053
Postage	3,147
Communications	1,979
Data Processing Services	9,429
Travel	2,436
Training	1,893
Medical Examiners	360
Facilities Operation	3,375
Central Administrative Services	24,157
CSUS Foundation - Students	2,997
Administrative Hearings	479
Consolidated Data Center	826
Equipment	6,857
Total Operating Expenses & Equipment	**$75,594**
Other Expenses & Adjustments	
Depreciation Expense	$14,911
Increase in Paid Absence Obligation	3,221
Reimbursements	(2,463)
Prior Year & Other Adjustments	33,462
Total Other Expenses & Adjustments	**$49,131**
Total Administrative Expenses — All Funds	**$530,551**

External Securities Management Fees (Dollars in Thousands)

External Securities Management Fees & Other Fees

	Net Assets Managed at Fair Value	Fees
External Domestic Equity Managers		
Alliance Cap Mgt. LP/Sanford C. Bernstein, SW5I	$427,762	$730
Analytic Investors SWFJ	545,974	1,199
Atlantic Asset Management Partners SWAN	292,906	159
Axa Rosenberg SWDB	133,162	214
Barclays Global Advisors SWCN	—	795
Denali Advisors, LLC SW4S, SWGJ	85,147	746
Enhanced Investment Technologies SWAY	459,463	860
FIS Group SWGY	—	112
Franklin Portfolio Associates SWAX	—	709
Geewax, Terker & Company SW2B	—	441
Golden Capital Management SWFA	464,920	745
Goldman Sachs Small Cap SWAW	—	405
GSAM LP SW8H, SJ10	—	159
International Fund Services UBS SW90, SWAG	23,057	1,674
Jacobs Levy Equity Management SWEP	—	523
Leading Edge Investment Advisors SWHU	—	354
Legato Capital Management Investments SWCY, SWCZ	—	447
LM Capital Investments SW4X	205,187	360
Marvin & Palmer Associates SWEO	734,999	593
New Amsterdam Partners SWDA	79,170	125
Pacific Alternative Asset Management Company SWAB	—	100
Piedmont Investment Advisors SWFB	3,208	376
Progress Putnam Lovell SW4A	—	1,328
Progress Putnam Lovell Ventures SW4B	—	46
Pzena Investment Managers, LLC SW5F	397,384	1,402
Quantitative Management Associated SWFN	606,076	844
Redwood Investments SWHN	226,501	334
Relational Investors SW2R	706,077	3,326
Research Affiliates, LLC SWDS, SWEU, SWFX	967,032	1,204
Rigel Capital LLC Large Cap SW9U	213,211	1,088
Shenandoah Asset Management SW4N	153,394	582
Smith Asset Management Group Large Cap SW9X	170,152	624
Smith Asset Management Group Small Cap SW9Y	59,004	250
Smith Breeden Associates SWAS	369,582	310
State Street Global Advisors SWDE, SWF0	78,141	910
Strategic Investments SW4G, SW4H, SWDJ	—	2,105
Stux Investment SWAH	258,489	1,393
T. Rowe Price SWB8	483,746	1,793
The Boston Company Asset Management, LLC SW2E	494,293	668
Turner Investment Partners, Inc. SWD8, SWEQ	782,898	686
UBS Alternative and Quantitative Inv. SWAG	5,434,584	23,118
Western Asset Management Company SWAZ	464,225	178
Total External Domestic Equity Managers	**$15,319,744**	**$54,015**

	Net Assets Managed at Fair Value	Fees
External Domestic Fixed Income Managers		
Highland Capital Distressed, LP SW8F	$13,921	$808
Nomura Corporate Research & Asset Mgt. SW7Y	336,926	1,476
Pacific Investment Mgmt. Company, LLC SW7W	312,010	1,296
Total External Domestic Fixed Income Managers	**$662,857**	**$3,580**
Global Equity Managers		
Acadian Asset Management SWCJ	$971,251	$1,172
Alliance Bernstein Institutional Inv. SW8N, SWCA, SWCD	3,987,281	2,637
AQR Capital Management, LLC SWCO	485,083	1,773
Arrowstreet Capital, LP SW4D, SW6M	1,231,791	1,961
Axa Rosenberg SW5L	799,085	547
Baillie Gifford Overseas Limited SW6N	1,053,198	1,501
Barclays Global Investors SW9J	3,455	1,486
Baring International Investment, Limited SW9I	96	617
Batterymarch Financial Management SWFH	572,255	2,191
Brandywine Global Investment Management SWDH	78,245	136
Capital Guardian SW5M	129	294
Dimensional Fund Advisors SW7I	1,306,393	3,550
Genesis Asset Managers SW8O	1,353,043	2,736
Grantham, Mayo, Van Otterloo, & Company, LLC SW6J	741,019	740
Lazard Asset Management SWFE, SWJN	687,900	1,333
New Star Institutional Managers, Ltd. SWCB	662,211	553
Nomura Asset Management USA, Inc. SJ25	472,491	1,170
Northroad Capital Investments SWAD	1	577
Pareto Partners (Currency Forwards) SJ70	(49,566)	2,076
Pictet Asset Management SWFG	560,180	1,106
Pyrford Investments SW4V	96,943	777
Quantitative Management Associates, LLC SWCP	174,322	989
Research Affiliates, LLC SWEU, SWFX	1,014,871	320
Robeco USA, LLC SW6E	307	395
State Street Global Advisors SW1D, SWDG	162,161	1,313
Strategic Investment Management SWDJ, SWFP	—	730
Total Global Equity Managers	**$16,364,145**	**$32,680**
Global Fixed Income Managers		
Alliance Bernstein, LP SWEY	$1,260,311	$871
Baring Asset Management SJ28	132,712	68
Mondrian Investment Partners, Ltd. SWEW	903,914	168
Pacific Investment Management Company SWEX	1,241,453	614
Rogge Global Partners SW5B	1,184,234	1,095
Western Asset Global Management SW5E	2,666	460
Total Global Fixed Income Managers	**$4,725,290**	**$3,276**

External Securities Management Fees (Dollars in Thousands)

External Securities Management Fees & Other Fees (continued)

	Net Assets Managed at Fair Value	Fees
Inflation Linked Asset Managers		
Alinda Infrastructure SWGM	$74,495	$2,109
Carlyle Infrastructure Partner SWGM	24,006	4,511
CIM Infrastructure Fund SWGM	(968)	2,547
Timber International - Ubs (Sylvanus) SWGL	186,223	1,247
Timberland (Lincoln) Timber Company SWGL	1,424,979	4,456
Total Inflation Linked Asset Managers	**$1,708,735**	**$14,870**
Total External Securities Management Fees & Other Fees		**$108,421**

External Securities Management Performance Fees

	Fees
External Domestic Equity Managers	
Alliance Bernstein SW5I	$396
Analytic Investors SWFJ	567
Boston Company SW2E	6,050
Enhanced Investment Technologies SWAY	45
Geewax, Terker & Company SW2B	554
Golden Capital Management SWFA	1,544
Marvin Palmer Associates SWE0	2,620
Progress Putnam Lovell SW4A	665
Quantitative Management Associates SWAU	808
State Street Global Advisors SWDE	64
Strategic Investments SW4G	1,235
Turner Investment Partners SWEQ	2,759
Total External Domestic Equity Managers	**$17,307**
Global Equity Managers	
Acadian Asset Management SWCJ	$2,301
Alliance Bernstein Institutional Inv. SW8N, SWCA	17,247
Alliance Bernstein, LP SWCA	—
Arrowstreet SW6M	636
Baille Gifford SW6N	9,141
Baring Asset Management SW9I	978
Nomura Asset Management SJ25	109
Quantitative Management Associates SWCP	138
State Street Global Advisors SWDG	880
Total Global Equity Managers	**$31,430**
Global Fixed Income Managers	
Alliance Bernstein SWEY	$140
Brandywine Global Investment Management SWEV	436
Total Global Fixed Income Managers	**$576**
Total External Securities Management Performance Fees	**$49,313**
Total External Securities Management Fees, Performance Fees & Other Fees	**$157,734**

Real Estate Partners Asset Management Fees (Dollars in Thousands)

	Net Assets Managed at Fair Value	Fees
301 Capitol Mall	($2,192)	$674
Aetos Capital Asia	252,127	6,404
AEW Capital Management	106,046	1,995
AGI - TMG Housing Partners, LLC	2,036	1,125
American Value Partners	11,888	1,476
Apollo Real Estate Advisers	103,433	1,400
ARA Asia Dragon, Ltd.	70,936	5,297
Black Bear, Ltd.	151,396	2,921
Bridge Urban Infill	61,825	323
Buchanan Street Advisors, LP	315,208	2,430
Caleast La Salle	3,749,018	21,994
California Smart Growth Fund IV	42,866	1,254
Calsmart, LLC	284,961	1,973
Calwest RREEF	325,236	1,776
Capmark Structured Real Estate Partners	52,002	905
Capri Capital Management	170,416	2,076
CBRE Strategic Partners	96,281	3,668
CIM Urban Fund Group, LLC	857,465	15,307
CityView America Fund I, LLC	189,545	3,761
CVE Affordable Housing	—	1
CWP - Bishop Square	152,048	881
DB International Fund	49,718	781
Fifth Street Properties CWP	103,969	3,361
Fillmore East Fund	71,113	724
Fortress Investment Fund	253,104	3,124
GI Partners Fund II	498,123	713
Global Retail Investors, LLC	107,226	297
Guggenheim	156,671	1,022
Hampshire	29,804	1,142
Harbert European	16,787	1,125
Hearthstone Housing Partners	185,673	1,871
Hines National Office Partnership - includes Int'l.	301,807	7,786
Hollywood Park Coinvestment	89,227	309
IHP	503,249	12,174
IL & FS India	94,473	2,885
Institutional Housing Partners	99,545	511
Institutional Mall Investors, LLC	2,206,108	10,486
Integral Urban	18,856	750
IXIS AEW Euro Property Investors	90,274	580
JER Europe Fund III	93,970	761
Johnson Macfarland Partners	550,736	8,116
Karec CA Development	88,579	942
Kennedy Wilson	46,480	315
KSC	36,421	486
La Salle	65,875	5,038
Lowe Resort Community Fund	7,658	158
Market Street Capital Partners	$23,415	$981
Meriwether Farms	72,838	1,074
MGP	182,300	2,699
MW	(380,452)	10,792
National Office Partners	981,231	7,477
Next Block Medical I	49,711	937
Niam Nordic Fund	67,219	589
Olson Urban Housing, LLC	(4,231)	80
Ora Residential Investments	29,376	6,426
Pacific City Homes (PCH)	197,164	5,817
Premier Pacific Vineyards	98,243	1,144
Page Mill Properties	69,862	1,416
PLA	97,299	3,094
PRECO	67,950	573
Principal Mortgage Value Investors Fund	71,440	1,249
RE Senior Housing SHP	185,681	2,518
Rockpoint Group, LLC	46,211	1,571
RREEF GBL Opportunity Fund	191,710	5,060
San Diego Smart Growth	12,655	696
Savanna Real Estate Fund	13,551	937
SDL Hospitality	179,094	414
Secure Capital - Japan	420,151	4,312
Senior Housing UK II, LP	5,344	12
Shea (Capital/Mountain)	(292,156)	5,191
Starwood Capital Hospitality Fund I	183,292	1,499
Stockbridge Real Estate	24,701	742
Strategic Capital Partners, LLC	40,279	750
Sun Apollo India Real Estate Fund	12,889	719
Urban America, LP	38,770	1,250
Western Multifamily	2,979,308	13,386
WFHA Housing Fund, LP	53,936	850
Windsor Realty	184,130	1,934
Xander	163,468	3,727
Total Real Estate Partners Asset Management Fees	**$18,824,366**	**$233,014**
Real Estate Partners Incentive Fees		**$121,444**
Credit Enhancement Program		**$281**
AIM Distributed Stock Management Fees		**$1,241**
Internal Mortgage Loan Fees		**$1,222**
Total Real Estate Partners, AIM, Mortgages & CEP		**$357,202**

Other Investment Fees (Dollars in Thousands)

	Fees
Altman Group, Inc.	$30
Altura Capital Group	3
American Stock Exchange	6
Audit Integrity	17
Axioma, Inc.	101
Bard Consulting	224
Barra, Inc.	509
Barra Leslie Ciminello	734
BCA Publications	150
Blackrock Financial Management, Inc.	5,244
Blomquist & Company	4
Bloomberg, LP	1,113
Brock Capital Group, LLC	534
Callan	340
Cambridge Associates	72
Charles River Development	151
Chicago Board Options	3
Corporate Library, LLC	133
Courtland Partners, Ltd.	211
Covenant Review	25
Creditsights	128
CRSP - Univ. of Chicago Graduate School of Business	16
Depository Trust & Clearing Corp.	155
Dow Jones	16
Edgar Online, Inc.	11
EFI Actuaries	230
Enclipse	135
Equilar, Inc.	15
European Private Equity & Venture Capital Assoc.	9
Evestment Alliance, LLC	25
Factset Research Systems	1,124
Fan Asset Management	15
FAO: MBSCC	3
Fideron Financial Services Group	5
Financial Engines Advisor, LLC	125
Fitch Training	64
FTSE International, Ltd.	10
FX Alliance	15
Garland Associates, Inc.	58
Glass Lewis & Company, LLC	482
Hamilton Lane Advisors	188
Houlihan Lokey Howard & Zukin Fin. Adv., Inc.	300
Informa	1
Insignias	243
Institute of International Finance	43
Institutional Shareholder Services	187
International Strategy & Investment Group	75
Intex Solutions	56
Intuit Real Estate Solutions	2,050
IVES Group	25
Ivy Planning Group, LLC	7
JDM Associates, LLC	50

	Fees
Kearnford Applications System Design	$181
Kiefer Consulting	35
KLD Research & Analytics	4
Korn/Ferry	280
KPA Advisory Services	5
Labaton & Sucharow, LLP	3,151
Lan Do & Assoc.	50
Le Plastrier Consulting Group, Inc.	1,186
LexisNexis	20
Lipper, Inc.	19
Logical Information Machines	22
London Stock Exchange	4
LP Capital Advisors	3,565
Mathworks, Inc.	36
Mcube Investment Technologies	74
Mellon Investor Services	83
Mercer Investment Consulting	580
Millennium Biltmore Hotel	75
Moody's Analytics	331
Mosaic Investment Advisors	265
Northfield Information Services	10
NYSE Market	80
Omega	104
Org Portfolio Management, LLC	60
Oxford Analytica	38
Pacific Community Ventures	318
Pacific Corporate Group, LLC	1,710
Parent Contract/AIM Vendor Pool	248
Parent Invt Diversity Consultant	213
Parent Invt RE/Special Project	685
PCA Real Estate Advisors	713
Pension Consulting Alliance, Inc.	958
Plexus Group	25
Principal Global Investors	580
Property & Portfolio Research, Inc.	117
Propoint	416
Pyramid Technical Consultants, LLC	223
Quantum International	45
Quantitative Research Group	210
Quantstar Company, LLC	31
R & G Associates, Inc.	255
R.V. Kuhns & Associates, Inc.	323
R.W. Davis & Co. (DBA RWD Exec. Research Tool)	70
Realm Business Solutions	7
Richards & Tierney, Inc.	111
Risk Metrics Grp/Institutional Sharehold	99
Robert E. Ginis DBA GP Analytics	240
Runyon, Saltzman & Einhorn, Inc.	50
Russell Investment Group	79
Sapphire Technologies, Inc.	19
Schweser/Kaplan CPA EDU	269
Situs Realty Services	15

Other Investment Fees (Dollars in Thousands)

	Fees
Softsol Resources, Inc.	$476
Standard & Poor's	697
State Street - Private Edge	994
Stealth Network Communication	108
Strategic Economic Decisions	15
Strategic Investment Solutions, Inc.	597
Super Derivatives	20
Themarkets.com	42
Thomson Financial	325
TSX Group	2
Westwood Consulting Group	9
Wilcox Miller & Nelson/Scientific Digital	4,662
Yardi Systems	31
Yield Book, Inc.	63
Zephyr Associates	25
Total Other Investment Fees	**$41,823**

Attorneys & Master Custodian

	Fees
Berman DeValerio Pease Tabacco Burt & Pucillo	$30
Chapman and Cutler, LLP	316
Christensen, Miller, Fink, Jacobs, Glaser, Weil & Shapiro, LLP	162
Covington & Burling	96
Cox, Castle & Nicholson, LLP	613
Felderstein, Willoughby, Pascuzzi, LLP	120
Foster, Pepper & Shefelman, PLLC	71
McDonough, Holland, & Allen	246
Morgan Lewis	579
Murphy, Austin, Adams & Schoenfeld, LLP	589
Nossaman, Gunther, Knox & Elliot	2
Paul, Hastings, Janofsky & Walker	67
Pillsbury Winthrop	3,147
Preston, Gates & Ellis	531
State Street Bank and Trust Company	3,852
Total Attorney & Master Custodian Fees	**$10,421**

Total Other Investment Fees	**$52,244**
Miscellaneous Investment Expense	**$70,961**
Directed Brokerage Expense	**$1,083**
Total Investment Expenses - PERF	**$639,224**
Total Investment Expenses Other Funds	
IRC - Investment Management Fees	**$1,937**
Total Investment Expenses - All Funds	**$641,161**

Consultant & Professional **Services Expenses — PERF**

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Accenture, LLP	$65,769	Pension System Resumption (PSR) Project
Expressworks International, Inc.	8,176	Consulting Services for Enterprise Transition Management (ETM) Project Management
Delegata	5,572	Consulting Services for Web Portal Development; PSR Project
Softsol Technologies, Inc.	4,624	Conversion Preparation for PSR
Trinity Technology Group, Inc.	3,331	Middleware Maintenance & Support; My|CalPERS; Enterprise Architecture Services
KPMG, LLP	3,092	ETM Project Oversight
CSIDENTITY Corporation	3,000	Credit Monitoring Service
Visionary Integration, LLC (VIP)	2,454	Quality of Education Improvement Customer Education System (CES) Project; My|CalPERS
California State Controller's Office	2,429	Management Information Retrieval System (MIRS) Report/Access; Expedite Payments; Combined Warrants
Medstat Group	2,200	Health Care Decision Support Consulting Services
Mercer Health and Benefits	1,979	Actuarial Consulting for Health Program
Pillsbury Winthrop Shaw Pittman, LLP	1,799	Alternative Investments Management (AIM) & PSR Project
Insight Technologies, Inc.	1,798	PSR Data Conversion; Automated Communications Exchange System (ACES) Batch Application Support
Vantage Consulting Group, Inc.	1,725	PeopleSoft Financials Integration with PSR
Ballard Group, The	1,601	Enterprise Software Testing Supplemental Support Services
Business Advantage Consulting	1,562	IT Transformation Support; Social Security Number Project
Base 3 Consulting	1,331	Business Analysis Support - Data Conversion & PSR Project
Paul, Hastings, Janofsky, Walker, LLP	1,213	Real Estate & AIM Technology Program
Kearnford Application Systems Design	1,178	PSR Data Clean-up & Data Conversion Project
Ambire Consulting, Inc.	1,133	Serena Dimensions/Configuration Management Update Support
Russbo, Inc.	1,091	Enterprise Identity & Access Management Implementation (EIAM) Project
Highlands Consulting Group	972	ETM Project
Kong Consulting, Inc.	935	Consulting Services for PeopleSoft Financials
Watson Wyatt Worldwide	824	Health Consulting Services
Intraform	796	Board Elections Services
Information Technology Software Professionals	785	Programming Services for Legacy Mainframe Applications
Dolamont Consulting, Inc.	698	ETM Project; PeopleSoft Integration to PSR
Macias, Gini O'Connell, LLP	689	Financial Statement Auditor
ADSI, Inc.	668	CDB Management & Implementation Support
Financial Finesse	650	Financial Planning Education Services
Comsys	643	Mainframe Systems Administrator
Jlynnconsulting, Inc.	635	Data Administration/Data Modeling Services
Shooting Star Solutions, LLC	629	Health Care Decision Support Consulting Services
KNL Support Services	606	Real Estate Investment Audit Services
Buck Consultants, LLC	592	360 Degree Leadership Program; Communication Services
Lussier, Vienna, Gregor & Associates	574	Federal Legislative Representative
Softsol Resources, Inc.	558	CDB Application & Enterprise Software Testing Support
Senn-Delaney Leadership	529	Strategic Planning & Training
Moore Wallace Business Communications Services	518	Open Enrollment Processing Services
Hewlett-Packard	472	Statement of work for Enterprise Service Delivery & Data Center Automation
Steptoe & Johnson, LLP	439	Tax Counsel
Logic House Ltd.	418	Enterprise Software & Management Support Services
PM/CM Services, Inc.	405	Construction Project Management for Offsite Parking Project
Staff Tech, Inc.	404	Programming Services for Legacy Mainframe Applications
DLS Enterprises, LLC	403	Support Services for Management Succession Plan & Training
Blackstone Technology Group	393	Consulting Services Spring Fed Pool IT Transformation Support
Kiefer Consulting, Inc.	350	ITSB/INVO Consulting Services
Princeton Solutions Group, Inc.	297	Technology Architecture Middleware Services

Consultant & Professional **Services Expenses — PERF** (continued)

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Equanim Technologies	$295	EMHS Project Oversight; Management Information Support Services
Gabriel, Roeder, Smith Co.	292	Annual Actuarial Valuations; AVS Consulting Services
Stanfield Systems, Inc.	286	ETM Project Management Support Services; Real Estate Portfolio Management Reports
Saber Consulting, Inc.	284	Corporate Oracle Database Services
Performance Technology Partners, LLC	282	my|CalPERS & ACES Security Assessment
Wright On-line Systems	282	Ebusiness Oracle Database Services
Informatix, Inc.	266	Enterprise Asset Management (EAM) Project; Office & Portfolio Analysis Governance Project
Reznick Group, P.C.	264	Real Estate Compliance
Spherion Pacific Enterprises, LLC	258	ACES Oracle Database Services
CJS Consulting, Inc.	256	Programming Services for Legacy Mainframe Applications
Kenda Systems, Inc.	251	Novell Decommissioning Project
Mayer Hoffman McCann, P.C.	232	Real Estate Compliance
National Conversion Systems, Inc.	225	Print & Data Processing Services
Enclipse Corporation	198	Legacy Mainframe Application Programming Services
Marsh USA	195	Real Estate Compliance
Global Access, LLC	193	Filenet Oracle Database Services
California Department of Justice	190	Attorney General Services
Bongo Post & Music	186	Video, Multimedia & Production Services
SAIC	184	Development & Implementation of Detailed Project Plan
Public Sector Consultants, Inc.	178	ETM Project
Two Shea Consulting, Inc.	171	Annual Member Statements
Consortium of Business Continuity Professionals, Inc.	170	Business Continuity Program
Kleinfelder, Inc.	170	Construction Inspection & Materials Testing Services
Natoma Technologies	169	Consulting Services for Self Service Application Support
Sri Infotech, Inc.	160	External Manager Connectivity Expansion Project
Squar, Milner, Peterson, Miranda & Williamson	158	Real Estate Compliance
Intersoft Systems and Programs, Inc.	155	Legacy Mainframe Application Programming Services
Setka, Inc.	151	PeopleSoft Financials E-Application Assessment & HRMS Development
Coach Source	149	Leadership Development
Southern Convention Services, Inc.	147	Conference & Event Services
Dee Hansford Consulting	140	Customer Service Program; Video, Multimedia & Production Support
Lincoln Crow, LLC	130	Communication Services
Innovative Software Technologies	124	Actuarial Valuation System Maintenance Programming Services
Christina Marks, CPht	122	Pharmaceutical Consultant
Roberta Almeida	119	Legacy Mainframe Application Programming Services
Daniel Co, CPht	116	Pharmaceutical Consultant
Reed Smith, LLP	115	Legal Services for Investments
California State Personnel Board	112	Consolidated Examination Services
Gordon Hewitt Consultancy	109	Strategic Planning & Development Education & Training
Iron Mountain Fulfillment Services, Inc.	108	Print on Demand Service
RS Computer Associates	106	Filenet Administrative Services
Office Workouts	105	Fitness Instruction & Program Administration
Segula Technologies	102	Enterprise Architecture Governance Support Services
Crown Advisors	100	Executive Search Services for Investments
Western Blue	100	PSR Desktop Support Staffing
Michael Strategic Analysis	91	Surveys and Other Services
Milliman, Inc.	90	Actuarial Attestation for 2007 Medicare Part D Retiree Drug Subsidy
Martin & Chapman Company	85	Board Election Ballots
DSS Research, Inc.	85	Health Plan Member Satisfaction Survey
R & G Associates, LLC	81	CalPERS Data Clean-up Project; Enterprise Management of Billings, Account Receivables, and Collections (EMBARC) Oversight Project

Consultant & Professional **Services Expenses — PERF** (continued)

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Maximus/Center for Health Dispute Resolution	$80	Review Member Medical Claim Appeals
Ropes & Gray, LLP	79	Legal Services for CalPERS Hospital Value Initiative (HVI)
Jam Media, LLC	78	Video, Multimedia & Production Support
Cloverleaf Solutions	75	Social Security Review Project
Net.works, Corporation	72	Software Upgrade
Cornerstone Consulting and Technology	70	Cisco Network Admission Control Pre-Installation Analysis
Herman, Mathis, Casey, Kitchens & Gerel, LLP	70	Audit Contract
Investor Responsibility Support Services, Inc.	70	Securities Class Action Monitoring Service
Kendall/Heaton Associates, Inc.	64	R Street Project
Hay Group, Inc.	62	CalPERS Employee Opinion Survey
Ogilvy Public Relations	60	Media Training; Writing/Editorial; Marketing
EFI Actuaries	58	Professional Actuarial Auditing Services
ATV Video Center, Inc.	56	Audio Visual Support & Live Presentation Services
Pacific Business Group on Health	54	Internet-Based Health Plan Chooser Tool Management & Maintenance
Cooperative Personnel Services	50	Human Resource Services Project
Viaspire	50	Communication Services
Conference Plus	49	Online Web Conferencing Services
Hawkins Delafied & Wood, LLP	48	Legal Services for Investment Activities
Mindstorm	45	Office of Public Affairs Production Development Services
Peters Shorthand Reporting Corporation	43	Transcript Service
California State University, Sacramento (CSUS)	43	Economic Impact Study
Shaw Valenza, LLP	39	Legal Services in Connection with Litigation
Suzanne Stone Freelance Services	35	Freelance Services
Morgan, Lewis & Bockius, LLP	33	AIM Project
CSUS, College of Continuing Education	32	Train the Trainer Certificate Program
Bedrosian & Associates	30	Writing/Editorial Service
Informative Design Group	30	Writing/Editorial Service
Quinn Emanuel Urquhart Oliver & Hedges, LLP	29	Legal Representation in Prosecution of Claims
Davis Wright Tremaine, LLP	28	Health Care Law Legal Services
Work Systems Affiliates Intern, Inc.	28	Workshops for Strategic Management Services Division
Adcom Media	27	Multimedia Communication Services
Preston, Gates & Ellis	27	Health Care Services Audit
Class Act Alliance, Inc.	27	Sign Language Interpreting Services
Prosci, Inc.	26	Change Management Training
David Allen Company	26	Leadership Training Workshops
Pacific Satellite Connection, Inc.	25	Video Production
Sign Language Interpreting Service Agency	24	Sign Language Interpreting Services
Runyon, Saltzman & Einhorn, Inc.	23	Media Training; Writing/Editorial; Specialized Benefit Communication Services
Eaton Interpreting Services	20	Sign Language Interpreting Services
Alom Technologies Corporation	20	Printing, Packaging, Duplication & Fulfillment Services
Niki Frederick Design	20	Digital Design & Production Services
Mannatt, Phelps & Phillips	20	Legal Consulting Services
Wolcott & Associates, Inc.	20	Auditing Services
Other	185	
Total Consultant & Professional Services Expenses	**$143,526**	

Statement of Changes in **Assets & Liabilities — Agency Funds**

For the Year Ended June 30, 2008 (Dollars in Thousands)

	OASI			
	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
Assets				
Cash Held by State Treasurer	$5,859	$ —	$86	$5,773
Total Assets	**$5,859**	**$ —**	**$86**	**$5,733**
Liabilities				
Due to State and Public Agencies	$5,772	$ —	$48	$5,724
Due to Other Funds	87	—	38	49
Total Liabilities	**$5,859**	**$ —**	**$86**	**$5,773**

	CRF - Agency			
	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
Assets				
Surplus Money Investment Fund	$136,882	$1,512,359	$1,450,674	$198,567
Public Agency Receivables:				
Active	68,536	1,277,005	1,218,285	127,256
Retired	19,498	285,594	284,501	20,591
Total Assets	**$224,916**	**$3,074,958**	**$2,953,460**	**$346,414**
Liabilities				
A/P Premiums Due to Carriers:				
Active	$84,467	$1,280,605	$1,239,581	$125,491
Retired	24,242	292,004	275,435	40,811
Due to HCF:				
Active	—	36,116	—	36,116
Retired	—	17,903	—	17,903
Health Premium Claims Filed:				
Active	90,293	1,203,467	1,189,605	104,155
Retired	25,914	257,095	261,071	21,938
Total Liabilities	**$224,916**	**$3,087,190**	**$2,965,692**	**$346,414**

Investment **Section** ↗

Exercising Leadership

Good corporate governance leads to better investment performance. We seek corporate reforms and invest with partners who use corporate governance strategies to add value to our fund. Our corporate governance activism ensures companies respond to the need for long-term returns.

Chief Investment Officer's **Letter**

Investment Office
P.O. Box 2749
Sacramento, CA 95812-2749

June 30, 2008

The Board of Administration of the California Public Employees' Retirement System

On behalf of CalPERS Investment Office, I am pleased to present reports on the pension fund's investments, California investments, our investment performance, and investment-related fees and costs for the period that ended June 30, 2008. Our Investment Office staff, pension consultant Wilshire Associates, and State Street Bank & Trust, our master custodian, compiled this data as required by the Retirement Law.

We incurred a 5.1 percent loss (net of fees) on our investments for the one-year period ending June 30, 2008, reducing our portfolio value to $237.1 billion. Our five-year return was 11.1 percent, compared with the annual actuarial target of 7.75 percent for funding our members' retirement benefits.

Our Global Equity portfolio was the hardest hit, with fiscal year declines of 12.3 percent in U.S. stocks and 7.8 percent in international stocks. Private Equity (the Alternative Investment Management [AIM] Program) gained 5.8 percent for the year. Our Global Fixed Income investments returned 6.5 percent for the domestic portfolio and 17.6 percent for international, in part because our internal investment management team avoided the sub-prime securities that produced the severe mortgage losses suffered by many other investors. Finally, our real estate assets had a market value decline of 12.6 percent over the fiscal year as the impact of the slowdown in the national housing market and property devaluations set in.

A revised, three-year asset allocation adopted in December 2007 lowered targets and ranges for Global Equity and Fixed Income, raised them for AIM and Real Estate, and created a new 5 percent target allocation for a new Inflation-Linked Asset Class – including commodities, infrastructure, forestland, and inflation-linked bonds.

We continued to invest in the State of California. As of June 30, 2008, we had $24 billion deployed or committed for investment in California entrepreneurial businesses, real estate, urban infill, and stocks and bonds in corporations based in California.

We continued to reach out to emerging investment managers, to explore and advocate environmental investments and sound, sustainable environmental practices. We also expanded investment options for local public agencies and schools employees in our Supplemental Income Program, providing more funds under CalPERS management and new ones that automatically modify asset allocations as participants approach their retirement dates.

And finally, in the area of corporate governance, our annual Focus List called attention to several U.S. companies with poor financial and corporate governance performance. By the end of the fiscal year, we had voted 7,471 individual global proxies in compliance with our Principles of Accountable Corporate Governance. We filed 32 shareowner proposals and averaged 65 percent support from voting investors.

Looking ahead, we will rely on our size, diversified portfolio, and short-term and long-term strategies to manage going forward.

We see continued opportunities in the environmental arena with long-range commitments of more than $1 billion in clean technology. We may soon reach our five-year goal of reducing real estate partners' energy use by 20 percent by 2009. We already were more than halfway there in 2007 with a single-year reduction of 13.3 percent.

Despite serious market challenges, CalPERS is resilient. We are well able to meet obligations to members, contracting employers, and investment partners. We have the right people and the right tools to maximize risk-adjusted investment returns through all market cycles, having achieved positive returns for 21 of the past 25 years with an average gain of 15 percent. As the nation's largest public pension fund, we can weather market storms without having to do widespread selling that might lock in our losses. We will take advantage of good buying opportunities when appropriate that will pay off after the market recovers.

Anne Stausboll
Interim Chief Investment Officer

California Public Employees' Retirement System
Lincoln Plaza 400 Q Street Sacramento, CA 95811

Summary of **Investments — PERF**

As of June 30, 2008

	Book Value	Market Value	% of Investments at Market Value
Cash Equivalents & Receivables/Payables			
Domestic Cash Equivalents			
Cash Equivalents	$3,013,787,754	$3,012,649,403	1.27%
State Pooled Money Investment Fund	943,654,000	943,654,000	0.40
Total Domestic Cash Equivalents	$3,957,441,754	$3,956,303,403	1.67%
International Cash Equivalents			
Cash Equivalents	$12,606,827	$12,609,383	0.01%
International Currency	359,380,183	360,978,524	0.15
Total International Cash Equivalents	**$371,987,010**	**$373,587,907**	**0.16%**
Net Investment Receivables/Payables	**($274,864,211)**	**($274,864,211)**	**(0.12%)**
Total Cash Equivalents & Receivables/Payables	$4,054,564,553	$4,055,027,099	1.71%
Debt Securities			
Domestic Debt Securities			
Asset-Backed	$429,949,503	$351,991,650	0.15%
Corporate	50,150,542,297	53,535,359,381	22.60
U.S. Treasuries & Agencies	199,177,983	202,111,491	0.09
Mortgage Loans	366,854,318	367,848,732	0.16
Mortgage-Backed Securities			
CMO	629,775,296	541,746,384	0.23
FHLMC	69,509,920	68,839,808	0.03
FNMA	628,927,244	621,233,712	0.26
GNMA I/GNMA II	51,461,144	51,325,912	0.02
Total Domestic Debt Securities	**$52,526,197,705**	**$55,740,457,070**	**23.54%**
International Debt Securities	**$3,925,210,937**	**$4,194,475,245**	**1.77%**
Total Debt Securities	$56,451,408,642	$59,934,932,315	25.31%
Equity			
Domestic Equity	**$50,924,184,486**	**$73,877,437,442**	**31.19%**
International Equity	**$45,451,314,407**	**$48,498,167,399**	**20.48%**
Alternative Investment Management Program			
Corporate Structuring	$12,315,137,290	$12,679,833,100	5.36%
Distressed Capital	3,881,513,821	4,095,728,836	1.73
Expansion Capital	3,287,147,952	3,411,799,598	1.44
Mezzanine Debt	198,079,814	128,269,010	0.05
Secondary Interest	203,129,779	346,162,580	0.15
Special Situation	451,950,601	340,120,204	0.14
Venture Capital	3,477,097,551	3,008,862,946	1.27
Total Alternative Investment Management Program	**$23,814,056,808**	**$24,010,776,274**	**10.14%**
Total Equity	$120,189,555,701	$146,386,381,115	61.81%
ILAC	$4,275,376,586	$4,659,829,395	1.97%
Real Estate Programs			
Core			
Domestic Real Estate	$8,007,041,781	$11,235,536,553	4.74%
Non-Core			
Domestic Real Estate	8,230,414,316	6,667,422,391	2.81
International Real Estate	3,883,552,989	3,915,472,506	1.65
Total Real Estate Programs	$20,121,009,086	$21,818,431,450	9.20%
Total Investment Value	$205,091,914,568	$236,854,601,374	100.00%

Note:
Differences between Total Investment Value in the Summary of Investments and Total Investments shown on page 34 are due to differences in reporting methods. In accordance with GASB Statement No. 28, the financial statements include Securities Lending Collateral as part of Total Investments, which is not included here. The Summary of Investments also includes Net Investment Receivables/Payables that are not reported on page 34 in Total Investments.

Investment **Performance — PERF**

Wilshire Associates, the Board's pension consultant, prepares a Quarterly Report of Investment Performance for the Fund based on performance calculations made by the Fund's custodian, State Street Bank & Trust. The 1-year, 3-year, 5-year, and 10-year time-weighted rates of return for the year ended June 30, 2008, are:

CalPERS Portfolio Comparisons

	1-Year Return	3-Year Return	5-Year Return	10-Year Return	Index	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Total Fund	**(5.1%)**	**8.1%**	**10.7%**	**6.5%**	Asset Allocation Policy Index [1]	(2.3%)	8.4%	10.4%	6.1%
					Actuarial Rate	(2.6%)	9.0%	7.8%	6.7%
					Trust Universe Comparison Service (TUCS) Public Fund Median	(4.5%)	6.6%	8.9%	5.8%
					Wilshire Large Fund Universe Median	(4.4%)	7.6%	9.8%	6.0%
Domestic Equity	(12.3%)	5.0%	8.5%	3.6%	PERS Wilshire 2500 Tobacco-Free Index	(12.0%)	5.1%	8.5%	3.3%
International Equity [2]	(7.8%)	15.2%	18.7%	7.6%	FTSE All World ex U.S. Index	(6.6%)	15.9%	19.1%	7.6%
Alternative Investments/ Private Equity	5.8%	17.2%	17.8%	10.2%	Custom Wilshire 2500 Index +300 Basis Points	(6.7%)	9.8%	13.4%	8.9%
Total Equity	**(9.0%)**	**9.4%**	**12.5%**	**5.4%**					
Domestic Debt Securities	6.5%	4.1%	4.9%	6.4%	Lehman Long Liability Index	7.8%	3.6%	4.2%	6.2%
International Debt Securities	17.6%	6.2%	7.0%	6.1%	Lehman International Fixed Income	17.5%	6.5%	7.0%	6.6%
Total Debt Securities	**7.7%**	**4.3%**	**5.2%**	**6.4%**					
Real Estate	(12.6%)	8.4%	15.5%	12.6%	NCREIF Property Index [3]	9.2%	13.6%	13.9%	11.8%
Cash Equivalents	4.3%	4.7%	3.5%	4.1%	Custom Short-Term Investment Fund [4]	4.2%	4.6%	3.4%	3.8%

Per guidelines recommended by the Chartered Financial Analyst Institute, the Master Custodian for CalPERS computes monthly returns for portfolios, composites, and total plan. For periods greater than a month, a time series of linked monthly returns is used, producing a time-weighted effect.

Additional information on CalPERS investment policies, operations, investment results, and detailed asset information can be found in the accompanying 2008 Operations Summary and on the CalPERS Web site.

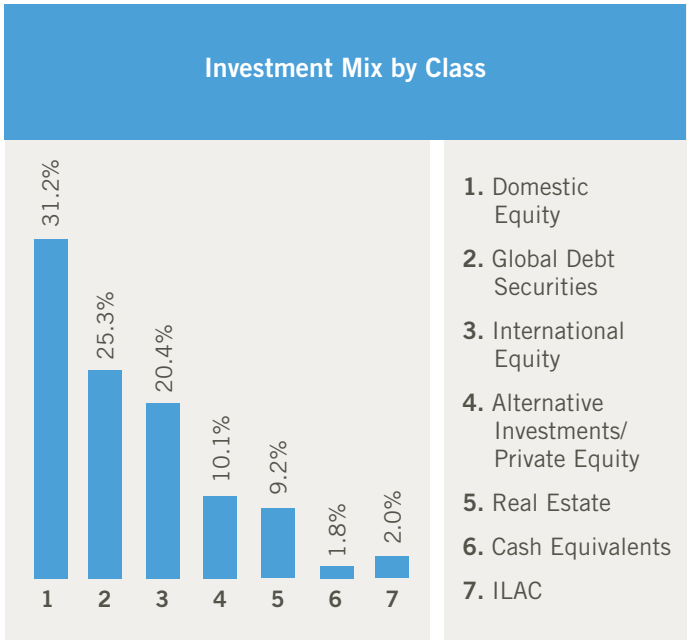
Notes:

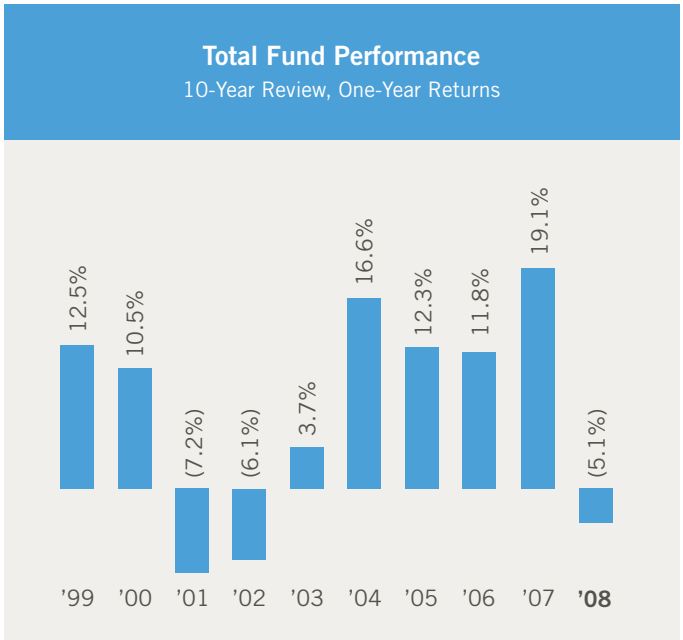
1 The Asset Allocation Policy Index return equals the return for each asset class benchmark, weighted at the current target asset allocations.
2 Includes currency overlay.
3 The National Council of Real Estate Investment Fiduciaries Index is on a quarter lag.
4 The Custom STIF Policy Index is a custom index maintained by SSGA.

CalPERS Asset **Allocations — PERF**

(Dollars in Billions)

Asset Class	Market Value	Current Allocation	Current Year Target[1]	Prior Year Target
Cash Equivalents	**$4.3**	**1.8%**	**0.0%**	**0.0%**
Global Debt Securities	**$59.9**	**25.3%**	**19.0%**	**26.0%**
Equity				
Domestic	$73.9	31.2%	28.0%	40.0%
International	48.5	20.4	28.0	20.0
Alternative Investments/Private Equity	24.0	10.1	10.0	6.0
Total Equity	**$146.4**	**61.7%**	**66.0%**	**66.0%**
Inflation Linked (ILAC)	**$4.7**	**2.0%**	**5.0%**	**0.0%**
Total Real Estate	**$21.8**	**9.2%**	**10.0%**	**8.0%**
Total Fund	**$237.1[2]**	**100.0%**	**100.0%**	**100.0%**





Notes:

1 Target allocation effective January 1, 2008.

2 Differences between investment values above and the values on the Summary of Investments on page 86 are due to differences in reporting methods. The Summary of Investments includes Net Investment Receivables/Payables.

Portfolio of California Investments at **Market Value — PERF**

(Dollars in Millions)

	California Investments
Real Estate	**$6,215.3**
Equity	
Domestic Equity	$9,981.1
International Equity	—
Total Equity	**$9,981.1**
Fixed Income	
Domestic Fixed Income	$5,775.5
International Fixed Income	—
Total Fixed Income	**$5,777.5**
Alternative Investment Management	**$2,000.0**
Total California Investments	**$23,973.9**

Largest Stock & Bond Holdings **at Market Value[1] — PERF**

Largest Stock Holdings (Dollars in Thousands)

Rank	Company	Shares	Market Value
1	Exxon Mobile Corporation	21,409,969	$1,886,861
2	General Electric Company	39,101,096	1,043,608
3	Microsoft Corporation	36,188,508	995,546
4	Wal-Mart Stores, Incorporated	16,114,695	905,646
5	Chevron Corporation	8,980,362	890,223
6	AT&T, Incorporated	25,038,710	843,554
7	Procter & Gamble Company	11,958,668	727,207
8	Johnson & Johnson	10,606,185	682,402
9	Google, Incorporated	1,294,227	681,307
10	International Business Machines	5,460,749	647,263

Largest Bond Holdings (Dollars in Thousands)

Rank	Company	Par Value	Market Value
1	United States Treasury Notes 3.500% due 01/15/11	$149,937	$163,207
2	United States Treasury Notes 2.000% due 01/15/16	107,132	112,817
3	United States Treasury Notes 2.000% due 07/15/14	103,689	110,115
4	United States Treasury Bonds 2.000% due 01/15/26	100,639	99,397
5	United States Treasury Notes 1.875% due 07/15/13	81,859	86,563
6	United States Treasury Notes 3.000% due 07/15/12	62,117	68,241
7	United States Treasury Bonds 2.375% due 01/15/25	60,390	63,180
8	United States Treasury Bonds 3.875% due 04/15/29	45,858	59,320
9	United States Treasury Notes 3.125% due 04/15/09	56,500	56,851
10	United States Treasury Security 2.625% due 07/15/17	44,457	49,082

A complete list of portfolio holdings is available upon request.

Note:

[1] CalPERS no longer produces a separate Annual Investment Report. All the information previously included in that separate volume is now contained in this report and the accompanying Operations Summary. A complete listing of portfolio holdings is available on the CalPERS Web site at **www.calpers.ca.gov**.

Schedule of **Commissions & Fees — PERF**

(Dollars in Thousands)

Broker	Number of Shares Traded	Base Commission & Fees Amount
Lehman Brothers, Inc.	845,334,886	$20,221
Goldman Sachs & Company	243,913,524	2,762
Morgan Stanley Company, Inc.	830,236,210	2,639
Deutsche Bank Securities, Inc.	155,724,583	2,377
Credit Suisse Securities (USA), LLC	267,777,145	2,280
Investment Technology Group, Inc.	165,883,759	2,228
Citigroup Global Markets, Inc.	61,397,925	1,749
Investment Technology Group, Ltd.	174,762,807	1,658
Merrill Lynch, Pierce, Fenner & Smith, Inc.	284,865,291	1,637
Bear Stearns Securities Corporation	53,123,254	1,624
Merrill Lynch, Pierce, Fenner & Smith, Inc.	87,861,557	1,502
Instinet	88,477,521	1,483
BNY Brokerage, Inc.	64,906,275	1,314
Instinet U.K., Ltd.	209,668,304	1,281
Cantor Fitzgerald & Company	56,237,133	1,216
Warburg Dillon Read	462,850	1,208
JP Morgan Securities, Inc.	368,923,694	1,142
Merrill Lynch International	51,719,343	1,135
UBS Securities, LLC	52,223,484	1,131
ABN Amro Bank N.V.	114,555,720	1,120
Gunnallen Financial	54,009,840	1,072
Citigroup Global Markets, Ltd.	99,111,308	1,046
Great Pacific Securities, Inc.	50,333,929	1,024
JP Morgan Securities, Ltd.	55,074,011	944
Lehman Brothers International (Europe)	97,679,603	870
Nomura Securities International, Inc.	49,125,387	850
UBS AG	279,706,568	812
Citigroup Global Markets, Inc.	113,277,137	802
JP Morgan Securities (Asia Pacific), Ltd.	242,359,678	783
Credit Suisse Securities (Europe), Ltd.	66,247,692	762
UBS Securities Asia, Ltd.	262,414,349	750
Societe Generale London Branch	30,645,860	675
Jefferies & Company, Inc.	26,706,037	656
Guzman & Company	30,979,595	631
Goldman Sachs International	46,079,157	595
Macquarie Securities, Ltd.	169,106,964	574
Sanders Morris Mundy	28,346,455	557
Utendahl Capital Partners, LP	25,788,112	522
Banc of America Securities, LLC	36,255,942	497
Seslia Securities	23,994,624	485
National Financial Services Corporation	21,928,258	470
Deutsche Bank AG London	25,603,096	458
Morgan Stanley & Company, International	41,990,816	442
Citigroup Global Markets, Inc., Salomon B	573,829	438
Abel Noser Corporation	17,724,958	438
Firefly Capital, Inc.	19,672,679	398
Mischler Financial Group, Inc., Equities	18,783,083	396
Fidelity Capital Markets	19,009,250	383
Deutsche Securities Asia, Ltd.	76,404,275	372
RBC Capital Markets	11,234,973	365
Bear Stearns & Company, Inc.	14,657,209	358
Brockhouse & Cooper, Inc. (Montreal)	23,628,604	$357
CS First Boston (Hong Kong), Ltd.	92,274,444	352
Lynch Jones & Ryan, Inc.	10,077,796	347
Samsung Securities Company, Ltd.	2,552,332	342
Magavceo Lee & Company	16,516,328	334
Goldman Sachs (Asia), LLC	123,059,020	319
ITG, Inc.	29,940,430	314
Magna Securities Corporation	15,293,288	310
Liquidnet, Inc.	14,499,361	309
CLSA Securities Korea, Ltd.	1,483,294	307
Credit Lyonnais Securities (Asia)	46,249,357	300
Macquarie Equities, Ltd. (Sydney)	28,874,593	296
Oien Securities, Inc.	13,767,150	277
Kleinwort, Benson Securities, Ltd.	18,597,815	270
Salomon Smith Barney, Inc.	99,113,566	262
Banco Santander Central Hispano	9,255,978	262
Williams Capital Group, LP (The)	12,180,623	259
BNP Paribas Peregrine Securities	46,993,366	257
RBC Dain Rauscher, Inc.	6,338,261	255
Cabrera Capital Markets	11,788,563	250
Boe Securities, Inc.	8,103,054	249
Citigroup Global Markets Korea Secs., Ltd.	1,944,677	240
Banc/America Secs., LLC Montgomey Division	21,716,625	239
Instinet Pacific, Ltd.	123,178,556	236
Macquarie Securities, Ltd. (Seoul)	1,149,178	225
HSBC Bank PLC	17,613,041	221
Instinet, LLC	20,929,116	214
Rosenblatt Securities, LLC	9,898,922	212
Citigroup Global Markets UK Equity, Ltd.	28,733,735	212
Unx, Inc.	12,631,704	209
Enam Securities Pvt, Ltd.	7,578,326	206
Knight Securities	8,087,368	197
Jones Trading Institutional Services, LLC	8,726,961	195
Goldman Sachs Execution & Clearing	11,751,667	190
Pacific American Securities, LLC	8,946,917	187
JM Morgan Stanley Secs Pvt, Ltd.	11,021,145	186
SG Securities HK	57,626,777	179
Penson Financial Services, Inc.	8,914,878	177
Credit Lyonnais Securities	61,548,744	176
Sanford C. Bernstein Company, LLC	6,548,774	174
Citigroup Global Markets India	15,011,218	169
Morgan Stanley Securities, Ltd.	10,742,717	169
Morgan Stanley & Company, International, Taipei Metro	63,844,043	168
Credit Suisse First Boston (Europe)	1,112,552	168
Pershing, LLC	5,536,691	167
SG Americas Securities, LLC	7,640,280	165
ING Bank NV	3,681,889	157
Pershing DLJ S L	36,047,297	155
Leerink Swann & Company	7,395,894	154
Nesbitt Burns	3,884,194	151
Credit Lyonnais Securities Asia/Guernsey	31,653,510	149

Schedule of **Commissions & Fees — PERF** (continued)

(Dollars in Thousands)

Broker	Number of Shares Traded	Base Commission & Fees Amount
Credit Agricole Indosuez Cheuvreux	5,022,222	$147
Credit Lyonnais Securities (Asia)	33,993,050	144
UBS AG London	3,524,348	143
Friedman Billings & Ramsey	6,432,248	139
DSP Merrill Lynch, Ltd.	1,829,851	139
Cowen & Company, LLC	97,456,592	138
JP Morgan Securities (Far East), Ltd. (Seoul)	741,480	138
S.S Kantilal Ishwarlal Securities	2,330,188	137
Macquarie Securities (India) Pvt., Ltd.	1,960,392	136
O'Neil, William & Company, Inc., Bcc Clrg	2,813,954	135
Bank of America Securities, LLC	10,448,433	134
Deutsche Eq In Pvt., Ltd., DB	1,771,320	132
Robert Van Securities	6,477,990	131
UBS Warburg Securities, Ltd. (Taiwan Branch)	54,137,341	128
Cazenove & Company	11,225,612	127
Edgetrade, Inc.	12,831,798	127
Loop Capital Markets, LLC	3,438,113	124
CIBC World Markets, Inc.	4,802,202	117
CIBC World Markets Corporation	26,647,992	117
Merrill Lynch Professional Clearing Corporation	5,834,412	113
Toronto Dominion Bank	5,604,216	110
Pulse Trading, LLC	4,718,614	110
Nordic Partners	2,284,844	109
JP Morgan Securities Australia, Ltd.	19,464,937	107
RBC Dominion Securities, Inc.	2,560,059	105
Thomas Weisel Partners, LLC	3,780,403	104
Oppenheimer & Company, Inc.	3,920,633	101
Kas-Associatie N.V.	2,406,082	94
Melvin Securities, LLC	4,492,373	92
Credit Lyonnais Securities India	1,727,599	90
UBS Warburg, LLC	4,055,247	88
Lehman Brothers Securities (Asia)	16,055,111	88
Citigroup Global Markets Asia, Ltd.	11,804,730	87
Samuel A. Ramirez & Company, Inc.	4,228,932	86
Stifel Nicolaus & Company, Inc.	2,060,805	85
Daiwa Securities America, Inc.	7,187,201	85
Sanford C. Bernstein, Ltd.	2,066,570	84
Labranche Financial Services	2,759,823	82
ITG Canada	11,880,657	81
Nomura Securities Company, Ltd.	6,605,080	81
Ridge Clearing & Outsourcing Solutions	2,136,279	78
Harris Nesbitt Corporation	2,673,623	78
Morgan Stanley & Company, International	361,909	76
Pipeline Trading Systems, LLC	3,942,601	76
Montrose Securities Equities	3,586,749	75
Warburg Dillon Read Securities, Ltd.	306,780	72
Daewoo Securities Company, Ltd.	1,092,668	72
Citigroup Global Markets Australia Pty	5,372,290	$70
Capital Institutional Services, Inc., Equities	2,809,851	70
Unibanco-Uniao De Bancos Brasil	1,700,096	70
HSBC Securities (USA), Inc., Stock Loan	3,544,685	70
Dundas Unlu Securities, Inc.	4,966,046	70
Kotak Securities	1,312,466	68
Roberts & Ryan Investments, Inc.	2,435,258	67
ABG Securities	2,547,992	67
Bear Stearns International Trading	7,879,618	66
First Clearing, LLC	1,909,205	65
Daewoo Secs Company, Ltd., (Seoul, Korea)	354,460	64
UBS Securities Canada, Inc.	1,823,517	63
Financial Brokerage Group (FBG)	4,370,703	63
Pereire Tod, Ltd.	1,188,632	61
Cuttone & Company, Inc.	2,171,547	61
Credit Suisse First Boston London	8,373,369	61
JP Morgan Chase Bank	12,507,759	61
Fubon Securities Company, Ltd.	6,369,900	60
ABM Amro Hoare Govett Asia, Ltd., (Seoul)	219,395	60
Svenska Handelsbanken	1,519,480	60
Investec Securities	2,870,127	59
Mr. Beal & Company	1,124,384	56
ITG Securities (HK), Ltd.	73,862,932	55
Mitsubishi UFJ Securities International, PLC	4,731,744	54
Citation Group	2,169,263	53
National Securities Corporation	3,858,000	52
CA IB Investmentbank AG	425,956	52
HC Istanbul	4,593,993	51
Daiwa Securities Company, Ltd.	2,915,100	51
Credit Lyonnais Securities (USA), Inc.	25,321,619	48
JP Morgan Securities (Taiwan), Ltd.	14,665,564	46
J B Were & Son	2,250,899	46
Raymond James & Associates, Inc.	1,126,427	45
Toronto Dominion Securities	1,372,200	44
Davis, Mendel & Regenstein	1,959,061	44
Kim Eng Secs Pte., Ltd, Singapore	1,074,000	44
Instinet France, S.A.	2,498,823	43
Icici Brokerage Services	1,413,523	43
Batlivala & Karani Secs India Pvt., Ltd.	726,384	42
Scotia Capital (USA), Inc.	1,351,550	42
BNY Brokerage	1,044,825	42
Fox-Pitt Kelton, Ltd.	2,162,440	41
Baird, Robert W. & Company, Inc.	1,023,822	41
Hyundai Securities Company, Ltd.	184,670	40
ISI Group, Inc.	1,042,011	40
Cantor Fitz Eur 2	7,459,392	39
Caris & Company, Inc.	1,844,358	39

Schedule of **Commissions & Fees — PERF** (continued)

(Dollars in Thousands)

Broker	Number of Shares Traded	Base Commission & Fees Amount
Gardner Rich & Company	1,868,110	$38
Barnard Jacobs Mellett & Company (Pty)	1,137,371	37
Nomura International (Hong Kong), Ltd.	4,249,247	36
Princeton Securities	1,779,910	36
CLSA Securities Malaysia Sdn Bhd	3,786,800	35
Piper Jaffrey	881,303	35
Mizuho Securities USA, Inc.	1,554,049	34
Credit Suisse First Boston SA CTVM	883,100	34
ABN Amro Bank N.V., Hong Kong	24,358,900	34
Danareska Securities, Pt.	7,397,756	34
G Trade Services, Ltd.	3,499,390	33
Kempen & Company, N.V.	570,476	33
Bank of China	6,956,111	33
National Financial Services Corporation	2,495,862	32
Troika Dialog USA, Inc.	753,880	32
Finsettle Services Pty, Ltd.	346,408	32
Credit Suisse Secs India Private, Ltd.	1,622,451	31
Liquidnet Europe, Ltd.	2,600,985	31
Mizuho Sec Asia, Ltd.	2,542,790	31
Lazard Capital Markets, LLC	1,165,550	31
Garantia Dtvm S/A	801,066	31
Canaccord Adams, Inc.	821,221	31
Woori Investment Securities	529,225	30
Exane S.A.	407,543	30
Concorde Ertekpapir Ugynokseg RT	67,442	30
Santander Central Hispano Bolsa	475,585	29
Raymond James Trust Company	1,610,092	29
Banco Santander Central Hispano, SA	300,927	29
Man Financial, Ltd.	1,152,205	28
Banco Itau SA	968,950	28
CSFB Australia Equities, Ltd.	3,243,854	28
China International Cap Corp., HK Secs, Ltd.	4,895,500	28
Pension Financial Services, Inc.	1,228,007	27
Macquarie Bank, Ltd. (London)	167,450	27
ABN Amro Equities Australia, Ltd.	837,413	27
State Street Brokerage Services	938,770	27
Access Securities, Inc.	1,187,052	27
Distribution	1,729,504	26
Lehman Brothers Intl (Europe) Seoul Br	167,830	26
Financiera San Pedro-Peru	1,301,769	26
Skandinaviska Enskilda Banken London	865,382	26
Wachovia Capital Markets, LLC	756,353	26
Kepler Equities, Paris	625,604	25
Cazenove Asia, Ltd.	5,131,992	25
UBS Warburg Australia Equities	6,731,668	25
Deutsche Bank Securities	641,210	25
Agora Corde Titul E Val Mob	610,800	25
Instinet Singapore Services Pt.	13,650,500	24
Guotai Junan Securities (Hong Kong), Ltd.	3,633,700	24
Investec Henderson Crosthwaite	309,488	24
Goldman Sachs Equity Securites (UK), Ltd.	625,129	$23
Tezal Menkul Degerler	2,872,875	23
Banco Warburg Dillon Read S/A	396,600	23
Collins Stewart, Inc.	1,227,253	23
TD Investments Ltd. (Cyprus)	995,672	23
Nyfix Transaction Services #2	1,251,355	23
Rochdale Sec Corporation (Cls Thru 443)	987,881	23
Wave Securities	2,313,244	22
Parel	429,965	22
CLSA India, Ltd. (India)	812,604	22
Citibank, N.A.	3,776,800	22
Davy (J&E)	558,336	22
Dongwon Securities	112,102	22
Redburn Partners, LLP	463,740	22
Alfa-Bank	146,870	22
Calyon (Formerly Credit Agricole Indous)	2,334,947	21
Daiwa SBCM Europe	953,874	21
JP Morgan Securities, Ltd.	1,279,451	21
Daishin Securities Company, Ltd.	84,502	20
Oppenheim, Sal., Jr. Und Cie Koeln	311,000	20
American Technology Research, Inc.	515,293	20
TD Waterhouse CDA	594,035	20
ITG Australia, Ltd.	15,793,089	20
Chase Manhattan Bank	13,704,106	20
Macquarie Securities (Singapore)	5,290,444	20
Sutter Securities	985,802	20
Penson Financial Services Canada, Inc.	2,439,600	19
Edwards AG Sons, Inc.	823,058	18
Pacific Crest Securities	425,022	17
Cimb-GK Securities Pte., Ltd.	1,817,718	17
Renaissance Capital Group	109,202	17
Enskilda Securities AB	528,258	17
Hoare Govett (India) Securities Pvt., Ltd.	109,121	17
Pershing Securities, Ltd.	617,434	17
Macquarie Securities Indonesia	5,137,000	17
Keefe Bruyette & Woods, Inc.	598,150	17
Miller Tabak & Company, LLC	1,601,762	17
HSBC Securities India Holdings	62,360	17
Kim Eng Securities (HK), Ltd.	1,253,000	17
Yamner & Company, Inc. (Cls Thru 443)	1,658,005	17
Societe Generale	1,752,796	15
Credit Lyonnais Capital Indonesia	2,947,900	15
Zannex Securities	853,773	15
DBS Vickers Securities (Singapore)	5,088,510	15
Canaccord Capital (Europe), Ltd.	301,235	15
Various Brokers	204,587,019	1,410
Total	**8,562,264,400**	**$94,366**

Schedule of Fees & Costs for **Private Equity Partners — PERF**

Fund Name	2007 Fees & Costs[1]
1818 Fund II, LP	$20,090
Aberdare Ventures III, LP	577,315
Acon-Bastion Partners II, LP	1,424,685
Advent International GPE V-D, LP	815,220
Advent Latin American Private Equity Fund III - D, LP	932,412
Advent Latin American Private Equity Fund IV - D, LP	2,223,135
Advent-Global Private Equity IV - A, LP	84,905
Affinity Asia Pacific Fund III, LP	1,647,825
Aisling Capital II, LP	1,657,523
Alta Biopharma Partners II, LP	1,293,514
Alta Biopharma Partners III, LP	720,756
Alta Biopharma Partners, LP	774,111
Alta California Partners II, LP	598,434
Alta California Partners III, LP	3,383,085
Alta California Partners IV, LP	385,089
Alta California Partners, LP	429,937
Alta Communications VI, LP	13,970
Alta Communications VII, LP	117,411
Alta Communications VIII, LP	1,879,676
Alta Partners VIII, LP	525,357
Alta V, LP	7,423
American River Ventures I, LP	902,817
APA Excelsior IV, LP	5,613
Apollo Asia Opportunity Fund, LP	741,139
Apollo Investment Fund III, LP	68,982
Apollo Investment Fund IV, LP	213,528
Apollo Investment Fund V, LP	10,138,764
Apollo Investment Fund VI, LP	306,900
Apollo Special Opportunities Managed Account, LP	402,602
Arclight Energy Partners Fund II	978,002
ArcLight Energy Partners Fund III, LP	4,226,178
ArcLight Energy Partners Fund IV, LP	2,713,796
Ares Corporate Opportunities Fund II, LP	3,419,049
Ares Corporate Opportunities Fund, LP	666,009
Ares Distressed Securities Fund, LP	949,695
Asia Alternatives Capital Partners	2,221,294
Asia Recovery Fund, LP	124,350
Audax Credit Opportunities Fund, LP	140,973
Audax Mezzanine Fund II, LP	1,399,493
Audax Private Equity Fund II, LP	537,828
Audax Private Equity Fund III, LP	260,861
Aurora Equity Partners II, LP	325,874
Aurora Equity Partners III, LP	1,608,866
Aurora Equity Partners, LP	5,463
Aurora Resurgence Fund (C), LP	3,281,860
Avenue Asia Special Situations Fund III, LP	1,474,741
Avenue Asia Special Situations Fund IV, LP	6,093,874
Avenue Special Situations Fund II, LP	10,987
Avenue Special Situations Fund III, LP	79,630
Avenue Special Situations Fund IV, LP	2,231,165
Avenue Special Situations Fund V, LP	3,374,721
Banc of America Community Venture Fund	2,606,615
Baring Vostok Private Equity Fund IV, LP	1,305,289
Beacon Group Energy Investment Fund II, LP	138,008
Beacon Group Energy Investment Fund, LP	24,630
Beacon Group III - Focus Value Fund, LP	146,340
Behrman Capital II, LP	51,843
Behrman Capital III, LP	802,422
Belvedere Capital II	536,748
Birch Hill Equity Partners (US) III, LP	2,516,706
Blackstone Capital Partners II, LP	32,453
Blackstone Capital Partners III, LP	329,320
Blackstone Capital Partners IV, LP	$881,384
Blackstone Capital Partners V, LP	5,013,242
Blackstone Mezzanine Partners	211,868
Bridgepoint Europe I, LP	184,000
Bridgepoint Europe II, LP	131,170
Bridgepoint Europe III, LP	579,384
California Emerging Ventures I, LLC	1,140,791
California Emerging Ventures II, LLC	799,211
California Emerging Ventures III, LLC	1,132,587
California Emerging Ventures IV, LLC	1,650,318
Candover 1997 US 1, LP	57,842
Candover 2001 Fund, LP	945,668
Candover 2005 Fund US 1, LP	2,600,048
Capital Link	3,404,068
Carlyle Asia Growth Partners III, LP	1,633,150
Carlyle Asia Partners (PV II), LP	1,455,574
Carlyle Asia Partners II, LP	4,541,689
Carlyle Asia Venture Partners II, LP	775,485
Carlyle Europe Partners II, LP	115,435
Carlyle Europe Partners III, LP	3,358,950
Carlyle Europe Realty Partners, LP	182,182
Carlyle Japan Partners I, LP	337,984
Carlyle Japan Partners II, LP	2,563,647
Carlyle Mexico Partners, LP	483,480
Carlyle Partners II, LP	17,733
Carlyle Partners III, LP	248,004
Carlyle Partners IV, LP	1,086,495
Carlyle Partners V, LP	4,308,464
Carlyle Realty Qualified Ptrs III, LP	341,392
Carlyle Strategic Partners I, LP	217,397
Carlyle Strategic Partners II, LP	55,663
Carlyle Venture Partners II, LP	772,175
Carlyle Venture Partners III, LP	1,375,402
Carlyle/Riverstone Global Energy and Power Fund II, LP	1,815,251
Carlyle/Riverstone Global Energy and Power Fund III, LP	3,588,030
Carlyle/Riverstone Renewable Energy Infrastructure Fund I, LP	1,431,182
China Privatization Fund (DEL), LP	4,815,839
Clarus Lifesciences I, LP	430,733
Clearstone Venture Partners III - A, LP	7,635
Clearwater Capital Partners Fund II Holdings, LP	1,333,144
Clearwater Capital Partners Fund III, LP	2,145,331
Clearwater Capital Partners I, LP	470,303
Clessidra Capital Partners	895,145
Coller International Partners II, LP	557,360
Coller International Partners III, LP	545,704
Coller International Partners IV, LP	887,176
Coller International Partners V, LP	5,280,021
Court Square Capital Partners II, LP	1,902,801
Craton Equity Investors I, LP	371,647
CVC Capital Partners Asia Pacific II, LP	443,481
CVC European Equity Partners IV, LP	4,042,515
CVC European Equity Partners Tandem Fund	3,866,200
CVC II, LP	164,670
CVC III, LP	112,226
CVC, LP	60,187
Darby Converging Europe Mezzanine Fund	1,536,219
DFJ Element, LP	603,646
DFJ Frontier Fund, LP	485,129
Dominion Fund IV, LP	233,125
Dominion Fund V, LP	171,514
Doughty Hanson & Co. II, LP	21,209

Note:

[1] Fees and costs for the 1-year period ending December 31, 2007.

Schedule of Fees & Costs for **Private Equity Partners — PERF** (continued)

Fund Name	2007 Fees & Costs[1]
Doyle & Boissiere Fund I, LP	$635,154
EM Alternatives	1,000,000
Emergence Capital Partners, LP	298,503
Emerging Europe, LP	1,366,969
Enertech Capital Partners III, LP	50,118
ESP Golden Bear Europe Fund	986,868
Ethos Private Equity Fund III, LP	79,280
Ethos Private Equity Fund IV, LP	243,320
EuclidSR Biotechnology Partners, LP	1,063,207
Fairview Capital I, LP	5,830
Fairview Capital II, LP	138,172
Falconhead Capital Partners II, LP	1,410,026
Fenway Partners Capital Fund II, LP	120,948
FFC Partners III, LP	461,550
First Reserve Fund IX, LP	109,514
First Reserve Fund X, LP	858,976
First Reserve Fund XI, LP	5,552,031
Flagship Ventures Fund 2004, LP	653,894
Francisco Partners II, LP	976,940
Francisco Partners, LP	94,288
FS Equity Partners III, LP	17,895
FS Equity Partners V, LP	618,273
Garage California Entrepreneurs Fund, LP	236,372
GCP California Fund, LP	18,206
Gemini Israel IV, LP	532,767
Generation Capital Partners, LP	19,820
Giza Venture Fund IV, LP	212,648
Gleacher Mezzanine Fund I, LP	279,016
Gleacher Mezzanine Fund II, LP	876,417
Golden State Investment Fund	5,327,590
Golder, Thoma, Cressey & Rauner Fund IV	1,975
Golder, Thoma, Cressey & Rauner Fund V	43,066
Granite Global Ventures II, LP	634,450
Granite Global Ventures III, LP	904,157
Green Equity Investors II, LP	219,803
Green Equity Investors III, LP	377,954
Green Equity Investors IV, LP	1,070,357
Green Equity Investors V, LP	325,661
Health Evolution Partners	3,131,141
Healthpoint Capital Partners, LP	70,412
Hellman & Friedman Capital Partners II, LP	236
Hellman & Friedman Capital Partners III, LP	12,951
Hellman & Friedman Capital Partners IV, LP	206,523
Hellman & Friedman Capital Partners V, LP	440,010
Hellman & Friedman Capital Partners VI, LP	1,919,513
Hicks, Muse, Tate & Furst Equity Fund II, LP	19,816
Hicks, Muse, Tate & Furst Equity Fund III, LP	16,579
ICV Partners II, LP	679,499
ICV Partners, LP	4,790
Insight Venture Partners V, LP	796,526
Insight Venture Partners VI, LP	420,898
Institutional Venture Partners XI, LP	635,327
Ironbridge Capital 2003/4	1,007,308
Ironbridge Fund II, LP	783,549
ITU Ventures III, LP	13,456
J.P. Morgan Partners Global Investors, LP	915,106
KB Mezzanine Fund II, LP	7,011
KH Growth Equity Fund, LP	470,767
KKR 2006 Fund, LP	1,876,780
KKR Asian Fund, LP	1,712,817
KKR European Fund II, LP	613,826
KKR European Fund, LP	$224,382
KKR Millennium Fund, LP	58,793
Kline Hawkes California, LP	457,140
Kline Hawkes Pacific, LP	1,519,007
Kohlberg Investors IV, LP	13,695
Kohlberg Investors V, LP	36,083
KPS Special Situations Fund III, LP	202,984
Landmark Equity Partners III	8,046
Landmark Equity Partners IV	19,598
Leeds Equity Partners IV, LP	158,464
Levine Leichtman Capital Partners Deep Value Fund, LP	1,412,775
Levine Leichtman Capital Partners II, LP	424,638
Levine Leichtman Capital Partners III, LP	736,719
Lexington Capital Partners II, LP	390,126
Lexington Capital Partners III, LP	343,825
Lexington Capital Partners IV, LP	709,712
Lexington Capital Partners V, LP	451,530
Lexington Middle Markets Investors, LP	353,624
Lighthouse Capital Partners V, LP	1,399,286
Lightspeed Venture Partners VI, LP	912,773
Lime Rock Partners III, LP	506,518
Lime Rock Partners IV, LP	664,216
Lion Capital Fund II, LP	2,677,376
Littlejohn Fund II, LP	104,752
Lombard Asia III, LP	1,360,655
Lombard/Pacific Partners, LP	77,765
M/C Venture Partners IV, LP	157,004
M/C Venture Partners V, LP	1,146,395
Madison Dearborn Capital Partners II, LP	4,463
Madison Dearborn Capital Partners III, LP	294,507
Madison Dearborn Capital Partners IV, LP	233,224
Madison Dearborn Capital Partners V, LP	2,283,109
Madison Dearborn Capital Partners, LP	13,958
Magnum Capital, LP	1,346,241
Markstone Capital	1,077,895
McCown De Leeuw & Co. III, LP	415,494
Media Communications Partners II, LP	40,866
Media Communications Partners III, LP	12,478
MHR Institutional Partners IIA, LP	816,610
MHR Institutional Partners III, LP	4,709,885
New Enterprise Associates 12 LP	595,699
New Mountain Partners II, LP	3,497,707
New Mountain Partners III, LP	2,692,866
Newbridge Asia III, LP	1,118,528
Newbridge Asia IV, LP	4,519,566
NGEN Enabling Technologies Fund II, LP	331,711
Nogales Investors Fund I, LP	798,930
Nogales Investors Fund II, LP	1,145,607
Oak Hill Capital Partners II, LP	621,756
Oak Hill Capital Partners III, LP	2,252,902
OCM Opportunities Fund V, LP	735,661
OCM Opportunities Fund VI, LP	758,551
OCM Opportunities Fund, LP	121,825
OCM Principal Opportunities Fund III	621,934
OCM Principal Opportunities Fund, LP	23,567
Opportunity Capital Partners IV, LP	340,101
Pacific Comm Ventures Invest Ptrs II	363,746
Paladin Home Land Security Fund	575,261
Palladium Equity Partners III, LP	2,396,985
Palomar Ventures III, LP	648,243
Parish Capital I, LP	544,969

Note:

[1] Fees and costs for the 1-year period ending December 31, 2007.

Schedule of Fees & Costs for **Private Equity Partners — PERF** (continued)

Fund Name	2007 Fees & Costs[1]
Parish Capital II, LP	$639,958
PCG Clean Tech	2,408,570
PCG Corporate Partners Fund II, LP	4,453,297
PCG Corporate Partners Fund, LP	98,301
PCG International Select Opp Fund, LLC	3,049,880
Penman Private Equity and Mezzanine Fund, LP	178,085
Permira Europe I, LP 5B	367,860
Permira Europe III, LP2	1,146,354
Permira IV, LP 2	4,403,566
Permira U.K. Venture IV	28,166
Perseus-Soros BioPharmaceutical Fund, LP	320,036
Pharos Capital Partners II - A, LP	674,450
Polish Enterprise Fund IV, LP	132,781
Polish Enterprise Fund V, LP	871,581
Polish Enterprise Fund VI, LP	2,802,331
Prospect Venture Partners II, LP	2,051,229
Prospect Venture Partners III, LP	1,246,242
Provender Opportunities Fund II, LP	311,319
Providence Equity Partners V, LP	168,828
Providence Equity Partners VI, LP	4,281,075
Quadrangle Capital Partners II, LP	652,257
Questor Partners Fund II, LP	70,860
Resolute Fund II, LP	2,098,163
RFG Private Equity Group	450,934
Rhone Capital III, LP	1,137,024
Richardson Capital Private Equity LP 2	2,169,890
Ripplewood Partners II, LP	365,952
Rockport Capital Partners II, LP	383,955
Rosewood Capital V, LP	1,220,325
Sacramento Private Equity Partners	1,544,000
Safeguard International Fund, LP	126,742
SAIF Partners III	1,659,782
Sanderling IV Biomedical, LP	808,436
Sanderling V Biomedical, LP	1,406,518
Seaport Capital Partners II, LP	465,550
Silver Lake Partners II, LP	869,415
Silver Lake Partners III, LP	3,767,645
Silver Lake Partners, LP	220,781
Silver Lake Sumeru Fund, LP	2,798,453
SpaceVest Fund, LP	19,655
SPV VCOC, LP	158,000
Stonington Capital Apprec 1994 Fund LP	13,079
T3 Partners II, LP	131,365
TA Subordinated Debt Fund II, LP	224,209
TA X, LP	783,825
Tailwind Capital Partners (PP), LP	302,143
TCW Special Credits Fund V (The Principal Fund)	5,487
Technology Partners Fund V, LP	13,984
Technology Partners Fund VI, LP	516,544
Technology Partners Fund VII, LP	1,145,893
The Central Valley Fund, LP	1,302,217
Thomas H. Lee Equity Fund IV, LP	36,426
Thomas H. Lee Equity Fund V, LP	$590,607
Thomas H. Lee Equity Fund VI, LP	639,606
Thomas Weisel Global Growth Partners II	155,691
Thomas Weisel Global Growth Ptrs Fd (B)	1,593,324
Thomas Weisel Healthcare Ventures	411,252
Thomas Weisel Strategic Opportunities LP	85,350
Thomas Weisel Venture Partners (TWVP), LP	519,138
Ticonderoga E-Services Fund I, LP	1,088,009
Ticonderoga E-Services Fund II, LP	1,034,541
TL Ventures III, LP	64,928
TL Ventures IV, LP	422,722
TL Ventures V, LP	1,488,644
TowerBrook Investors II, LP	4,271,842
TowerBrook Investors, LP	250,403
TPG Asia V, LP	3,833,974
TPG Biotechnology Partners I, LP	826,503
TPG Biotechnology Partners II, LP	1,530,640
TPG Credit Strategies Fund, LP	1,855,199
TPG Partners III, LP	321,155
TPG Partners IV, LP	274,547
TPG Partners V, LP	6,467,946
TPG Star, LP	3,732,438
TPG Ventures, LP	5,158,690
Tricor Pacific Capital (Fund IV), LP	375,982
Trinity Ventures IX, LP	502,674
TSG Capital Fund II, LP	70,283
TSG Capital Fund III, LP	70,248
TWCP, LP	632,263
US Power Fund II	928,376
VantagePoint 2006, LP	1,575,441
VantagePoint Clean Technology, LP	24,412
W Capital Partners II, LP	331,843
W Capital Partners, LP	1,980,309
Wayzata Opportunities Fund II, LLC	1,038,042
Wayzata Opportunities Fund, LLC	334,012
Welsh, Carson, Anderson & Stowe IX, LP	318,884
Welsh, Carson, Anderson & Stowe VI, LP	11,397
Welsh, Carson, Anderson & Stowe VII, LP	42,508
Welsh, Carson, Anderson & Stowe VIII, LP	667,054
Welsh, Carson, Anderson & Stowe X, LP	635,859
Weston Presidio Capital IV, LP	1,331,579
Weston Presidio Capital V, LP	1,087,765
William E. Simon & Sons Special Situation Partners II, LP	9,423
WLR Recovery Fund II, LP	170,438
WLR Recovery Fund III, LP	2,594,295
WLR Recovery Fund IV, LP	1,568,717
WLR Recovery Fund, LP	83,740
Yucaipa American Alliance Fund I, LP	79,188
Yucaipa American Special Situations	830,705
Yucaipa Corporate Initiative Fund	2,438,582
Total	**$376,258,918**

Note:

[1] Fees and costs for the 1-year period ending December 31, 2007.

Schedule of Fees & Costs for **Absolute Return Strategies Program — PERF**

Fund Name	2007 Fees & Costs[1]
Aspect Alternative Fund, LLC	$757,570
Atticus Global, LP	4,638,265
Black River Commodity Multi-Strategy Fund, LLC	4,119,714
Black River Fixed Income Relative Value Opportunity Fund, Ltd.	3,631,153
Brookside Capital Partners Fund, LP	2,637,579
Canyon Special Opportunities	517,468
Canyon Value Realization Fund, LP	6,030,165
Carlyle Multi-Strategy Fund	860,000
Chatham Asset High Yield Offshore Fund, Ltd.	2,789,860
Chatham Asset Leveraged Loan Offshore Fund, Ltd.	2,075,784
CRG Partners, LP	935,048
Deephaven Market Neutral, LLC	2,567,331
Farallon Capital Offshore Investors, Inc. Class E	6,074,652
Lansdowne European Strategic Equity Fund, LP	2,605,819
Liberty Square Offshore Partners, Ltd.	2,188,794
O'Connor Global Quantitative Equity, LLC	1,711,839
OZ Domestic Partners II, LP	5,755,878
PFM Diversified Fund, LP	4,555,868
Platinum Grove Contingent Capital	512,487
Rhapsody Fund, LP	1,143,565
SuttonBrook Capital Partners, LP	772,380
Tennenbaum Multi-Strategy Fund, LLC	3,018,568
Tosca	3,841,080
Tremblant Partners, LP	2,858,069
Wayzata Recovery Fund, LLC	3,728,125
Zaxis Institutional Partners, LP	1,626,167
KBC Asian Fund of Funds	1,340,418
Sparx Blue Diamond Fund, LP	683,066
Vision Blue Diamond Fund, LP	1,297,089
Ermitage Highbury Fund, LP	841,197
AIS Highbury Fund, LP	1,222,969
ERAAM Highbury Fund, LP	817,981
47 Degrees North New Generation 1848 Fund, LP	586,104
Rock Creek 1848 Fund, LP	62,500
PAAMCO 1848 Fund, LP	250,000
Total	**$79,054,552**

Note:

[1] Fees and costs for the 1-year period ending December 31, 2007.

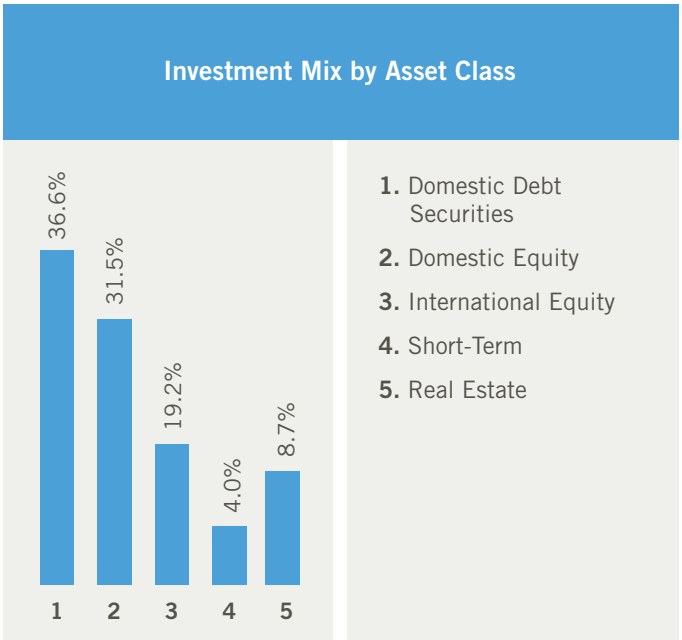
Investment **Performance — JRF II**

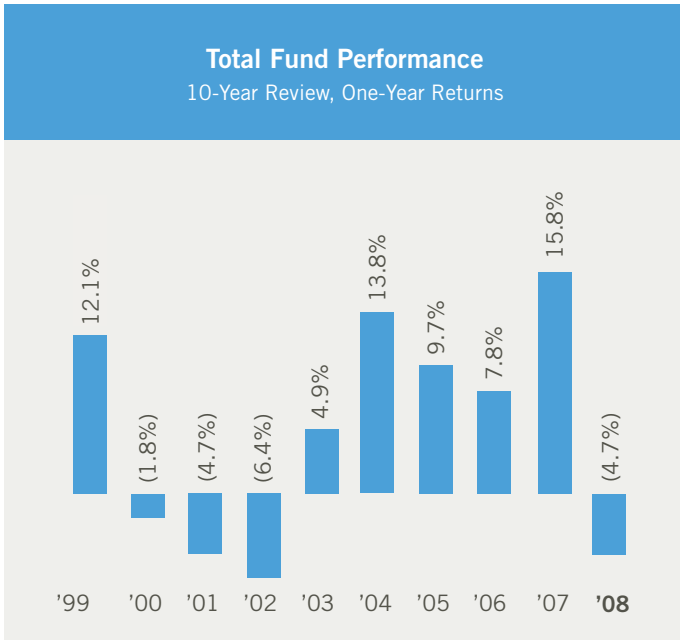
Wilshire Associates, the Board's pension consultant, prepares a Quarterly Report of Investment Performance for the Judges' Retirement Fund II based on performance calculations made by the Fund's custodian, State Street Bank & Trust. The 1-year, 3-year, and 5-year time-weighted rates of return for the year ended June 30, 2008, are:

JRF II Portfolio Comparisons

Category	1-Year Return	3-Year Return	5-Year Return	Index	1-Year Return	3-Year Return	5-Year Return
Total Fund	**(4.7%)**	**5.9%**	**8.4%**	Weighted Policy Benchmark [1]	(5.2%)	6.2%	8.2%
				Actuarial Rate	7.3%	7.3%	7.3%
				Trust Universe Comparison Service (TUCS) Public Fund Median [2]	(4.5%)	6.6%	8.9%
Domestic Equity	(13.4%)	4.2%	7.4%	Custom S&P 500 Index [3]	(13.4%)	4.2%	7.4%
				TUCS Equity Median	(12.5%)	5.0%	9.4%
International Equity	(8.5%)	14.1%	17.6%	FTSE Developed World	(8.6%)	13.9%	17.3%
Domestic Debt Securities	7.0%	2.3%	3.5%	Lehman Long Liability Index	7.8%	3.6%	3.6%
Real Estate	(13.4%)	5.7%	—%	DJ Wilshire Index	(15.4%)	4.8%	14.9%
				TUCS Real Estate Median	6.1%	13.1%	15.6%

Per guidelines recommended by the Chartered Financial Analyst Institute, the Master Custodian for CalPERS computes monthly returns for portfolios, composites, and total plan. For periods greater than a month, a time series of linked monthly returns is used, producing a time-weighted effect.





Notes:

1 The Weighted Policy Benchmark returns for the JRF II are based on asset class index returns, weighted by asset class policy targets.

2 The Trust Universe Comparison Service (TUCS) is a universe of more than 1,000 client portfolio returns, subdivided by client type and asset class.

3 The Custom Tobacco-Free S&P 500 Index is used as the benchmark for the U.S. equity segments of the JRF II, starting with the February 2001 performance.

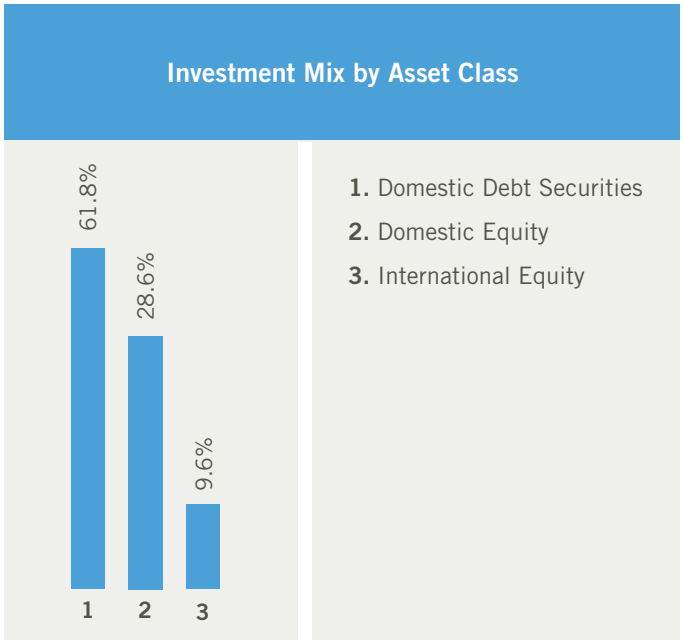
Investment **Performance — LRF**

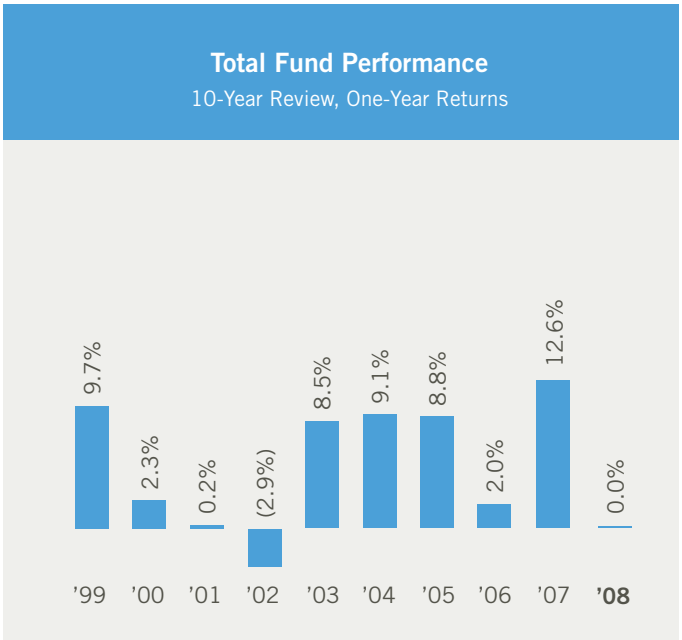
Wilshire Associates, the Board's pension consultant, prepares a Quarterly Report of Investment Performance for the Legislators' Retirement Fund based on performance calculations made by the Fund's custodian, State Street Bank & Trust. The 1-year, 3-year, and 5-year time-weighted rates of return for the year ended June 30, 2008, are:

LRF Portfolio Comparisons

Category	1-Year Return	3-Year Return	5-Year Return	Index	1-Year Return	3-Year Return	5-Year Return
Total Fund	**0.0%**	**4.7%**	**6.6%**	Weighted Policy Benchmark [1]	0.2%	5.1%	6.7%
				Actuarial Rate	7.0%	7.0%	7.0%
				Trust Universe Comparison Service (TUCS) Public Fund Median [2]	(4.5)%	6.6%	8.9%
Domestic Equity	(13.4)%	4.2%	7.4%	Custom S&P 500 Index [3]	(13.3)%	4.2%	7.4%
				TUCS Equity Median	(12.5)%	5.0%	9.4%
International Equity	(8.5)%	14.0%	17.6%	FTSE Developed World Index	(8.6)%	13.9%	17.3%
Domestic Debt Securities	7.0%	2.7%	3.5%	Lehman Long Liability ex-TIPS Index	7.8%	3.6%	4.3%

Per guidelines recommended by the Chartered Financial Analyst Institute, the Master Custodian for CalPERS computes monthly returns for portfolios, composites, and total plan. For periods greater than a month, a time series of linked monthly returns is used, producing a time-weighted effect.





Notes:

[1] The Weighted Policy Benchmark returns for the LRF are based on asset class index returns, weighted by asset class policy targets.

[2] The Trust Universe Comparison Service (TUCS) is a universe of more than 1,000 client portfolio returns, subdivided by client type and asset class.

[3] The Custom Tobacco-Free S&P 500 Index is used as the benchmark for the U.S. equity segments of the LRF, starting with the February 2001 performance.

Actuarial **Section**

Holding the Line

CalPERS strives to minimize and stabilize employer contributions. We reduce the volatility of employer rates by spreading market gains and losses over 15 years; we give early warning to help employers prepare; and we maintain a rainy day fund for reserves.

Actuarial and Employer Services Branch
P.O. Box 942709
Sacramento, CA 94229-2709

September 2008

The Board of Administration of the California Public Employees' Retirement System:

As authorized, the CalPERS actuarial staff perform annual actuarial valuations of the CalPERS State, schools, and public agency plans; the latest such valuations are as of June 30, 2007.

The funding objective for each of these plans is to accumulate assets equal to 100 percent of the accrued liability as measured by the Entry Age Normal Cost method in a manner that keeps contributions approximately level as a percentage of payroll. Unfunded actuarial liabilities or surplus assets (excess assets) are amortized pursuant to Board policy such that the amortization payment is not less than that required to amortize an unfunded liability over 30 years.

The actuarial assumptions and methods used for funding purposes meet the parameters set for disclosures presented in the Financial Section by Governmental Accounting Standards Board Statements No. 25 and No. 43. In our opinion, the actuarial assumptions are internally consistent and produce results which are reasonable in the aggregate.

The valuations are based on the member and financial data as of the valuation date, extracted from the various CalPERS databases. Both the membership and financial data are subject to extensive tests for reasonableness.

Further, information has been provided by us for the completion of (i) the trend data schedules (Required Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through H in the Actuarial Section of the CAFR.

Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.
Enrolled Actuary
Chief Actuary, CalPERS

California Public Employees' Retirement System
Lincoln Plaza 400 Q Street Sacramento, CA 95811

Actuarial Methods

The ultimate cost that a retirement system such as CalPERS incurs is equal to benefits paid plus the expenses resulting from administration and financing. These costs are paid through contributions to the plan and investment earnings on the System's assets.

The actuarial valuations rely upon data extracted from central databases maintained by CalPERS. These databases are created from data supplied by the individual employers. The data was not audited by the actuarial staff, but appears to be reasonable for valuation purposes. Summary information regarding plan membership data for various groups is provided in Exhibits F through H.

Using each plan's schedule of benefits, member data described above, and a set of actuarial assumptions, the plan's actuary estimates the cost of the benefits to be paid. Then, using a particular actuarial funding method, the actuary allocates these costs to the fiscal years within the employee's career.

In the case of the CalPERS plans with pay-related benefits, the financial objective is to fund in a manner which keeps contribution rates approximately as a level percentage of payroll from generation to generation, while accumulating sufficient assets over each member's working career. The primary funding method used to accomplish this objective is the Entry Age Normal Cost Method. This method is used for all defined benefit pay-related plans within CalPERS and for the Judges' Retirement System II (JRS II). It is also used for the Indexed Level of 1959 Survivor Benefits. CalPERS uses the level dollar Aggregate Cost Method for those pay-related plans which are closed and declining in membership. This method is used for the Legislators' Retirement System (LRS) and the Judges' Retirement System (JRS).

For CalPERS non-pay-related plans, the financial objective is to produce annual costs that coincide with the value of benefits earned for that year. The Term Insurance Cost Method is used for the plans within the 1959 Survivor Program that are not indexed and for the State Group Term Life Insurance Program.

Annual actuarial valuations are performed each June 30 using these methods. This report contains information through the most recent valuation date of June 30, 2007. Progress in financing can be found in the Summary of Funding Progress, Exhibits A and B.

The actuarial assumptions and methods used for funding purposes meet the parameters set for disclosures presented in the Financial Section by Governmental Accounting Standards Board Statements No. 25 and No. 43.

Entry Age Normal Cost Method

Under the Entry Age Normal Cost Method, projected benefits are determined for all members. For active members, liabilities are spread in a manner that produces level annual costs 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 inactive 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 value of plan assets is called the unfunded actuarial accrued liability.

The required contribution is then determined by adding the normal cost and an amortization of the unfunded liability as a level percentage of assumed future payroll.

In the CalPERS case, the unfunded liability is broken down into components, or bases, according to their date of origin and the cause that gave rise to that component. A component of the unfunded liability that arose due to a change in plan provisions or in actuarial methods or assumptions is separately tracked and amortized over a declining 20-year period.

The actuarial assumptions discussed in this section are used to determine projected benefits. The effect of differences between those assumptions and the actual experience of the plan is calculated each year when the annual actuarial valuation is performed. These differences are actuarial gains or losses. Gains and losses are tracked separately and amortized over a rolling 30-year period.

A maximum 30-year amortization payment on the entire unfunded liability is enforced on the amortization methods described above. In addition, for those plans in which the amortization methods described above result in either mathematical inconsistencies or unreasonable actuarial results, all unfunded liability components are combined into a single base and amortized over a period of time, as determined by the CalPERS Chief Actuary. There is a minimum employer contribution equal to normal cost, less 30-year amortization of surplus (negative unfunded liability), if any.

Term Insurance Cost Method

The actuarial funding method for non-indexed levels of the 1959 Survivor Program is a modified Term Insurance Cost Method. Under this method, there is no actuarial accrued liability for active members; all liability is due to current beneficiaries. The normal cost is calculated as the amount needed to provide benefits to survivors of deaths expected in the next one-year period.

The Term Insurance Cost Method is also used for the State Group Term Life Insurance Program. The required contributions are calculated as one and one-half times the expected life insurance payments for the coming year less the current assets available to pay those benefits, but not less than zero.

Aggregate Cost Method

The Aggregate Cost Method is used for the LRS and JRS systems. Under this method, the difference between the present value of projected benefits and the assets of the plan is allocated over a specified period of time as a level dollar amount. The amount allocated to the current fiscal year is called the normal cost. There is no actuarial accrued liability calculated using the Aggregate Cost Method.

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 is 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 is then 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. However, in no case will the Actuarial Value of Assets be less than 80 percent or greater than 120 percent of the actual Market Value of Assets. This methodology is used in the valuations for all programs except the JRS, which uses an Actuarial Value of Assets equal to the Market Value of the Fund plus accrued interest.

Actuarial Assumptions

The actuarial assumptions used in determining actuarial liabilities and required employer contributions include both economic and non-economic assumptions. These assumptions represent the actuary's best estimate of anticipated future experience and are reviewed in depth periodically.

Economic Assumptions

The economic assumptions include an assumed inflation assumption of 3.0 percent compounded annually. The inflation assumption is a component of assumed investment return, assumed wage growth, and assumed future post-retirement cost-of-living increases.

Based upon the asset allocation of the Public Employees' Retirement Fund (PERF), the assumed investment return (net of administrative and investment expenses) is 7.75 percent per year, compounded annually. Different asset allocations and lower assumed investment returns apply to LRF, JRF, and JRF II. The assumed investment returns for these three plans are 7.0 percent, 7.0 percent, and 7.25 percent, respectively.

For plans within CalPERS, the overall payroll is assumed to increase 3.25 percent annually. This is based upon the 3.0 percent inflation assumption and a 0.25 percent per annum productivity increase assumption. The overall payroll growth assumption is used to project future payroll over which the unfunded liability is amortized.

For plans within CalPERS, the assumed growth in an individual employee's future pay is composed of the 3.0 percent inflation component, an additional 0.25 percent per annum productivity component, and an annual merit increase based on the member's length of service. The service-based merit increase in an individual's salary recognizes that larger salary increases tend to occur earlier in an employee's career. Pay increase assumptions for individual members are shown for sample lengths of service in Exhibit C.

Non-Economic Assumptions

Non-economic assumptions for plans within the PERF are based upon demographic studies covering the period June 30, 1997 through June 30, 2002. The probabilities of service retirement, withdrawal from service, non-industrial disability, industrial disability, and death-in-service are shown for sample ages in Exhibit D. Individuals hired on or before June 30, 1982, are entitled to subsidized optional benefits. Certain valuation liabilities are increased to reflect this subsidy.

Post-retirement mortality tables are based on CalPERS experience. These tables are used to estimate the value of benefits expected to be paid for service and disability retirements. For disability retirements, impaired longevity is recognized by a separate table. Sample life annuity values based on these tables are shown in Exhibit E.

Changes Since **Prior Valuation**

Changes in Actuarial Methods

There were no changes in actuarial methods since the prior year's actuarial valuation.

Changes in Actuarial Assumptions

There were no changes in actuarial assumptions.

Changes in Plan Provisions

Public agencies can make changes to their plan provisions, and such changes occur on an ongoing basis. A summary of the plan provisions that were used for a specific plan can be found in Appendix B of the plan's annual valuation report.

There were no changes in plan provisions since the prior valuation.

Summary of **Funding Progress**

Unfunded Liability & Funded Ratios

For the plans in CalPERS, unfunded actuarial accrued liabilities are the difference between Entry Age Normal Accrued Liabilities and the assets of the Fund. It is required that these unfunded liabilities be financed systematically over future years.

Because of inflation, comparing the dollar amounts of assets, benefits paid, member salaries, and unfunded actuarial accrued liabilities can be misleading. While no one or two measures can fully describe the financial condition of a plan, the ratio of a pension plan's actuarial value of assets to its liabilities provides a meaningful index. However, a better measure is the funded ratio based on the market value of assets. This is the true measure of a plan's ability to pay benefits. The higher this ratio, the stronger the plan and observation of this ratio over a period of years can give an indication as to the financial strength of the system. Both these measures are presented in Exhibit A.

Solvency Test

Exhibit B, Funding Progress — Solvency Test, demonstrates System solvency as measured under the Governmental Accounting Standards Board Statement No. 25.

Independent Review

To ensure the quality of its valuations, CalPERS contracts with independent consulting actuaries to review the valuations on a triennial basis.

Exhibit A: **Funding Progress — Unfunded Liability & Funded Ratios**

(Dollars in Millions)

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) - Entry Age (2)	Unfunded AAL (UAAL) (2) – (1)	Funded Ratio - Actuarial Value of Assets Basis (1)/(2)	Annual Covered Payroll (3)	UAAL as a % of Covered Payroll [(2) – (1)]/(3)	Market Value of Assets (4)	Funded Ratio - Market Value of Assets Basis [1] (4)/(2)
PERF								
6/30/98	$128,830	$106,938	($21,892)	120.5%	$24,672	(88.9%)	$143,144	133.9%
6/30/99	148,605	115,748	(32,857)	128.4	27,636	(118.9)	159,567	137.9
6/30/00	162,439	135,970	(26,469)	119.5	28,098	(94.2)	172,163	126.6
6/30/01	166,860	149,155	(17,705)	111.9	30,802	(57.5)	156,035	104.6
6/30/02	156,067	163,961	7,894	95.2	32,873	24.0	142,455	86.9
6/30/03	158,596	180,922	22,326	87.7	34,784	64.2	144,330	79.8
6/30/04	169,899	194,609	24,710	87.3	35,078	70.4	167,110	85.9
6/30/05	183,680	210,301	26,621 [1]	87.3	36,045	73.9	189,103	89.9
6/30/06	199,033	228,131	29,098 [2]	87.2	38,047	76.5	211,188	92.6
6/30/07	216,484	248,224	31,739	87.2	40,864	77.7	251,162	101.2
CERBTF								
6/30/07	$11.4	$23.6	$12.2	48.3%	$37.1	32.8%	$11.4	48.3% [1]
6/30/08 [3]	48.4	4,845.0	4,796.6	1.0	5,091.9	94.2	48.4	1.0
LRF [4]								
6/30/07	$141.603	$101.571	($40.032)	139.4%	$2.106	(1,901.0%)	$142.209	140.0%
JRF [4]								
6/30/07	$11.672	$2,713.640	$2,701.968	0.4 %	$119.274	2,265.3%	$11.672	0.4%
JRF II								
6/30/98	$15.120	$15.043	$0.077	100.5%	$33.9	(0.2%)	$16.257	108.1%
6/30/99	27.155	26.921	(.234)	100.9	40.0	(0.6)	28.373	105.4
6/30/00	40.503	41.619	1.116	97.3	43.0	2.6	41.354	99.4
6/30/01	55.955	60.933	4.979	91.8	61.5	8.1	51.982	85.3
6/30/02	71.929	76.459	4.530	94.1	72.8	6.2	65.390	85.5
6/30/03	96.107	105.116	9.009	91.4	87.3	10.3	90.714	86.3
6/30/04	129.153	137.704	8.551	93.8	99.0	8.6	129.316	93.9
6/30/05	167.556	177.761	10.205	94.3	111.8	9.1	171.875	96.7
6/30/06	212.904	220.135	7.231	96.7	125.3	5.8	218.987	99.5
6/30/07	267.604	294.983	27.378	90.7	156.3	17.5	290.733	98.6

Notes:

1 The funded ratio based on the market value of assets is the true measure of the plan's ability to pay benefits.

2 The Unfunded Accrued Liability (the total Actuarial Liability in excess of actuarial value of assets) of the PERF by major employer groups from the June 30, 2007 valuation is as follows: 1) $16,938 for the State of California; 2) $3,190 for Schools; and 3) $11,611 for Public Agencies.

3 The June 30, 2008 financial reporting is based on a total of 72 individual actuarial valuations with valuation dates ranging from January 1, 2006, to June 30, 2008. As a result, the asset values in this schedule will not equal the asset values on June 30, 2008.

4 LRF and JRF are funded using the Aggregate Actuarial Cost Method. The Aggregate Cost Method does not identify actuarial accrued liabilities and funded ratios. For this reason, no funding progress information is available for either the LRF or JRF prior to June 30, 2007. Beginning with the June 30, 2007 actuarial valuation, CalPERS is complying with GASB Statement 50, which requires the funding progress to be disclosed using the Entry Age Actuarial Cost Method.

Exhibit A: **Funding Progress — Unfunded Liability & Funded Ratios** (continued)

Supplemental Schedule of Differences

Reconciliation between the Net Assets Held in Trust for Pension Benefits and the Net Assets Allocated to fund the Pension Benefit Obligation or the Actuarial Liability — June 30, 2008.

	PERF	LRF	JRF	JRF II
Net Assets Held in Trust for Pension Benefits Less:	**$251,122,682,000**	**$142,209,000**	**$11,673,000**	**$290,733,000**
Prior Year Adjustment	(15,432,797)			
Member Additional Contributions	3,200,335	—	—	—
Reserve for Post-Retirement Redeposit	29,650,847	—	—	—
Reserve for Disability Installment Payments	76,514	—	—	—
Reserve for Purchasing Power Protection Account	(3,325)	—	—	—
Reserve for Deficiencies	515,271,411	—	—	—
Reserve for Fiduciary Self-Insurance	40,000,000	—	—	—
Other Reserves & Adjustments	34,926,601	—	1,000	—
Receivables for Tier 1 Conversion & Service Buybacks[1]	(647,092,586)	—	—	—
Difference Between Smoothed Market Value & Fair Value	34,677,785,000	606,000	—	23,129,000
Actuarial Value of Assets	**$216,484,300,000**	**$141,603,000**	**$11,672,000**	**$267,604,000**

Notes:

[1] The market value of assets and the actuarial value of assets used in the actuarial valuation include receivables from members who purchased years of service and are paying for it over time, as well as receivables for State members who would potentially convert their service from Second Tier to First Tier any time prior to retirement.

Exhibit B: **Funding Progress — Solvency Test**

The funding objective for a retirement system is to be able to pay long-term benefit promises through contributions that remain approximately level from year to year as a percent of salaries earned by members. In this way, members and employers in each year pay their fair share for retirement services accrued in that year by the retirement system's members.

If a system follows level contribution rate financing principles, it will pay all promised benefits when due — the ultimate test of financial soundness.

A short-term solvency test is one means of checking a system's funding progress. In a short-term solvency test, the plan's present assets (investments and cash) are compared with 1) member contributions on deposit, 2) the liabilities for future benefits to persons who have retired or terminated, and 3) the liabilities for projected benefits for service already rendered by active members. In a system that has been following the discipline of level contribution rate financing, the liabilities for member contributions on deposit (liability 1) and the liabilities for future benefits to present retirees (liability 2) will be fully covered by present assets, except in rare circumstances.

In addition, the liabilities for service already rendered by members (liability 3) will be partially covered by the remainder of present assets. Generally, if the system has been using level contribution rate financing, the funded portion of liability 3 will increase over time.

Exhibit B illustrates the progress of funding liability of the PERF, JRF, JRF II, and LRF.

Exhibit B: **Funding Progress — Solvency Test** (continued)

Valuation Date	Accrued Liability: Member Contributions [1] (1)	Accrued Liability: Terminated, Retirees & Beneficiaries (2)	Accrued Liability: Employer-Financed Portion of Active Members (3)	Accrued Liability: Total Accrued Liability (1) + (2) + (3)	Valuation Assets	Portion of Actuarial Accrued Liabilities Covered by Valuation Assets (1)	(2)	(3)
PERF (Dollars in Billions)								
6/30/02	$26.3	$73.8	$63.9	$164.0	$156.1	100%	100%	87.6%
6/30/03	27.5	84.0	69.4	180.9	158.6	100	100	67.8
6/30/04	29.4	92.5	72.7	194.6	169.9	100	100	66.0
6/30/05	31.3	103.0	76.0	210.3	183.7	100	100	65.0
6/30/06	31.6	111.4	85.1	228.1	199.0	100	100	65.8
6/30/07	34.1	123.0	91.2	248.2	216.5	100	100	65.2
LRF [2] (Dollars in Millions)								
6/30/07	$1.365	$95.661	$4.546	$101.571	$141.603	100%	100%	980.6%
JRF [2] (Dollars in Millions)								
6/30/07	$118.940	$1,773.682	$821.019	$2,713.640	$11.6 72	10%	0.0%	0.0%
JRF II (Dollars in Millions)								
6/30/02	$19.120	$0.356	$56.983	$76.459	$71.929	100%	100%	92.1%
6/30/03	28.430	0.714	75.972	105.116	96.107	100	100	88.1
6/30/04	37.557	1.223	98.923	137.704	129.153	100	100	91.4
6/30/05	51.211	1.786	124.764	177.761	167.556	100	100	91.8
6/30/06	65.048	5.710	149.376	220.135	212.904	100	100	95.2
6/30/07	81.693	5.340	207.950	294.983	267.604	100	100	86.8

Note:

[1] Includes accrued interest on member contributions.

[2] LRF and JRF are funded using the Aggregate Actuarial Cost Method. The Aggregate Cost Method does not identify actuarial accrued liabilities and funded ratios. For this reason, no funding progress information is available for either the LRF or JRF prior to June 30, 2007. Beginning with the June 30, 2007 actuarial valuation, CalPERS is complying with GASB Statement 50, which requires the funding progress to be disclosed using the Entry Age Actuarial Cost Method.

Exhibit C: **Sample Pay Increase Assumptions for Individual Members**

Annual Percentage Increases Vary by Duration of Service [1]

Duration of Service	State Miscellaneous First & Second Tier			State Industrial First & Second Tier		
	Entry Age 20	Entry Age 30	Entry Age 40	Entry Age 20	Entry Age 30	Entry Age 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	3.55	3.55	3.45	3.85	3.85	3.85
30	3.25	3.25	3.25	3.25	3.25	3.25

Duration of Service	State Safety			State Peace Officer/Firefighter		
	Entry Age 20	Entry Age 30	Entry Age 40	Entry Age 20	Entry Age 30	Entry Age 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	3.65	3.55	3.35	3.55	3.55	3.55
30	3.25	3.25	3.25	3.25	3.25	3.25

Duration of Service	California Highway Patrol			School		
	Entry Age 20	Entry Age 30	Entry Age 40	Entry Age 20	Entry Age 30	Entry Age 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	3.55	3.55	3.55	3.85	3.75	3.45
25	3.45	3.45	3.45	3.55	3.55	3.35
30	3.25	3.25	3.25	3.25	3.25	3.25

Note:

[1] Increase includes the assumed inflation rate of 3.0 percent per year.

Exhibit C: **Sample Pay Increase Assumptions for Individual Members** (continued)

Annual Percentage Increases Vary by Duration of Service [1]

Duration of Service	Public Agency Miscellaneous			Public Agency Fire		
	Entry Age 20	Entry Age 30	Entry Age 40	Entry Age 20	Entry Age 30	Entry Age 40
0	14.45 %	12.65 %	10.05%	10.75 %	10.75 %	10.45 %
3	9.05	8.25	6.95	8.25	7.75	6.25
5	7.25	6.75	5.85	7.15	6.45	4.75
10	5.05	4.85	4.35	5.35	4.85	3.75
15	4.55	4.35	3.85	4.35	4.15	3.65
20	4.15	3.95	3.55	3.95	3.85	3.45
25	3.65	3.65	3.45	3.55	3.55	3.35
30	3.25	3.25	3.25	3.25	3.25	3.25

Duration of Service	Public Agency Police			Public Agency County Peace Officer		
	Entry Age 20	Entry Age 30	Entry Age 40	Entry Age 20	Entry Age 30	Entry Age 40
0	11.15 %	11.15 %	11.15%	13.15 %	13.15 %	13.15 %
3	7.45	7.25	6.65	8.45	7.95	7.35
5	6.15	5.75	5.05	6.85	6.25	5.55
10	4.75	4.45	3.65	4.85	4.45	4.05
15	4.35	4.15	3.55	4.35	4.05	3.85
20	3.95	3.85	3.45	3.95	3.85	3.65
25	3.65	3.55	3.35	3.65	3.55	3.45
30	3.25	3.25	3.25	3.25	3.25	3.25

Note:

[1] Increase includes the assumed inflation rate of 3.0 percent per year.

Exhibit D: **Sample Non-Economic Assumptions**

State Miscellaneous First Tier

Probability of an active member leaving due to:

	Termination with Refund	Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age[1]	5 Years[2]	5 Years[2]	10 Years[2]	25 Years[2]	Male	Female	Male	Female	Male & Female	Male & Female
20	0.02070	0.03520	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.01870	0.03190	N/A	N/A	0.00027	0.00014	0.00020	0.00050	N/A	N/A
30	0.01680	0.02860	N/A	N/A	0.00038	0.00021	0.00030	0.00100	N/A	N/A
35	0.01490	0.02530	N/A	N/A	0.00054	0.00031	0.00050	0.00140	N/A	N/A
40	0.01290	0.02210	N/A	N/A	0.00077	0.00046	0.00120	0.00220	N/A	N/A
45	0.01100	0.00000	N/A	N/A	0.00110	0.00068	0.00220	0.00350	N/A	N/A
50	0.00910	0.00000	0.00880	0.01870	0.00156	0.00102	0.00380	0.00560	N/A	N/A
55	0.00710	0.00000	0.03170	0.06730	0.00221	0.00151	0.00400	0.00700	N/A	N/A
56	0.00680	0.00000	0.02550	0.05410	0.00237	0.00164	0.00380	0.00690	N/A	N/A
57	0.00640	0.00000	0.03220	0.06830	0.00255	0.00178	0.00350	0.00680	N/A	N/A
58	0.00600	0.00000	0.04010	0.08510	0.00273	0.00192	0.00320	0.00650	N/A	N/A
59	0.00560	0.00000	0.04680	0.09940	0.00293	0.00208	0.00290	0.00610	N/A	N/A
60	0.00520	0.00000	0.06970	0.14790	0.00314	0.00226	0.00260	0.00570	N/A	N/A
61	0.00480	0.00000	0.06930	0.14710	0.00337	0.00244	0.00230	0.00530	N/A	N/A
62	0.00440	0.00000	0.12520	0.26590	0.00362	0.00265	0.00210	0.00490	N/A	N/A
63	0.00400	0.00000	0.14970	0.31790	0.00388	0.00287	0.00190	0.00460	N/A	N/A
64	0.00370	0.00000	0.09890	0.20990	0.00416	0.00310	0.00170	0.00420	N/A	N/A
65	0.00330	0.00000	0.14470	0.30730	0.00447	0.00336	0.00150	0.00380	N/A	N/A
70	0.00130	0.00000	0.10680	0.22680	0.00634	0.00500	0.00150	0.00380	N/A	N/A

State Miscellaneous Second Tier

Probability of an active member leaving due to:

	Non-Vested Termination	Termination with Vested Deferred Benefits	Service Retirement[3]		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age[1]	5 Years[2]	10 years[2]	10 Years[2]	25 Years[2]	Male	Female	Male	Female	Male & Female	Male & Female
20	0.08430	0.05890	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.07800	0.05260	N/A	N/A	0.00027	0.00014	0.00020	0.00040	N/A	N/A
30	0.07170	0.04630	N/A	N/A	0.00038	0.00021	0.00030	0.00060	N/A	N/A
35	0.06540	0.04000	N/A	N/A	0.00054	0.00031	0.00030	0.00170	N/A	N/A
40	0.05910	0.00000	N/A	N/A	0.00077	0.00046	0.00230	0.00410	N/A	N/A
45	0.05280	0.00000	N/A	N/A	0.00110	0.00068	0.00420	0.00680	N/A	N/A
50	0.04650	0.00000	0.00880	0.01870	0.00156	0.00102	0.00580	0.00990	N/A	N/A
55	0.04020	0.00000	0.03170	0.06730	0.00221	0.00151	0.00730	0.01230	N/A	N/A
56	0.03900	0.00000	0.02550	0.05410	0.00237	0.00164	0.00750	0.01260	N/A	N/A
57	0.03770	0.00000	0.03220	0.06830	0.00255	0.00178	0.00770	0.01290	N/A	N/A
58	0.03650	0.00000	0.04010	0.08510	0.00273	0.00192	0.00780	0.01310	N/A	N/A
59	0.03520	0.00000	0.04680	0.09940	0.00293	0.00208	0.00800	0.01330	N/A	N/A
60	0.03390	0.00000	0.06970	0.14790	0.00314	0.00226	0.00810	0.01340	N/A	N/A
61	0.03270	0.00000	0.06930	0.14710	0.00337	0.00244	0.00830	0.01340	N/A	N/A
62	0.03140	0.00000	0.12520	0.26590	0.00362	0.00265	0.00840	0.01340	N/A	N/A
63	0.03020	0.00000	0.14970	0.31790	0.00388	0.00287	0.00860	0.01340	N/A	N/A
64	0.02890	0.00000	0.09890	0.20990	0.00416	0.00310	0.00870	0.01340	N/A	N/A
65	0.02770	0.00000	0.14470	0.30730	0.00447	0.00336	0.00890	0.01330	N/A	N/A
70	0.02140	0.00000	0.10680	0.22680	0.00634	0.00500	0.00890	0.01330	N/A	N/A

Notes:

1 Age for Termination with Refund and Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

2 Years of service.

3 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. The assumption is that all Tier 2 members will elect to convert to Tier 1 service.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

California Highway Patrol

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.01150	20	0.00610	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00090
1	0.01110	25	0.00610	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00170
2	0.01080	30	0.00610	N/A	N/A	0.00038	0.00021	0.00010	0.00010	0.00250
3	0.01040	35	0.00610	N/A	N/A	0.00054	0.00031	0.00010	0.00013	0.00330
4	0.01010	40	0.00610	N/A	N/A	0.00077	0.00046	0.00010	0.00017	0.00420
5	0.00360	45	0.00000	N/A	N/A	0.00110	0.00068	0.00020	0.00020	0.00500
6	0.00340	50	0.00000	0.00440	0.01320	0.00156	0.00102	0.00020	0.00023	0.00580
7	0.00320	55	0.00000	0.02800	0.08400	0.00221	0.00151	0.00020	0.00027	0.11890
8	0.00300	56	0.00000	0.02710	0.08130	0.00237	0.00164	0.00020	0.00027	0.11890
9	0.00280	57	0.00000	0.02990	0.08970	0.00255	0.00178	0.00020	0.00028	0.11890
10	0.00260	58	0.00000	0.02990	0.06860	0.00273	0.00192	0.00020	0.00029	0.11890
15	0.00170	59	0.00000	0.04530	0.13580	0.00293	0.00208	0.00020	0.00029	0.11890
20	0.00100	60	0.00000	1.00000	1.00000	0.00314	0.00226	0.00020	0.00030	0.11890
25	0.00050	61	0.00000	1.00000	1.00000	0.00337	0.00244	0.00020	0.00031	0.11890
30	0.00030	62	0.00000	1.00000	1.00000	0.00362	0.00265	0.00020	0.00031	0.11890
35	0.00030	63	0.00000	1.00000	1.00000	0.00388	0.00287	0.00020	0.00032	0.11890
40	0.00030	64	0.00000	1.00000	1.00000	0.00416	0.00310	0.00020	0.00033	0.11890
45	0.00030	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00020	0.00033	0.11890
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00020	0.00037	0.11890

School

Probability of an active member leaving due to:

	Termination with Refund	Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age [3]	5 Years [1]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male	Female	Male & Female	Male & Female
20	0.03470	0.05910	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.03110	0.05310	N/A	N/A	0.00027	0.00014	0.00020	0.00010	N/A	N/A
30	0.02760	0.04700	N/A	N/A	0.00038	0.00021	0.00040	0.00030	N/A	N/A
35	0.02400	0.04100	N/A	N/A	0.00054	0.00031	0.00080	0.00050	N/A	N/A
40	0.02050	0.03490	N/A	N/A	0.00077	0.00046	0.00140	0.00100	N/A	N/A
45	0.01690	0.00000	N/A	N/A	0.00110	0.00068	0.00280	0.00160	N/A	N/A
50	0.01340	0.00000	0.00710	0.01310	0.00156	0.00102	0.00500	0.00300	N/A	N/A
55	0.00980	0.00000	0.03840	0.07070	0.00221	0.00151	0.00720	0.00470	N/A	N/A
56	0.00910	0.00000	0.03140	0.05780	0.00237	0.00164	0.00740	0.00470	N/A	N/A
57	0.00840	0.00000	0.03370	0.06200	0.00255	0.00178	0.00750	0.00470	N/A	N/A
58	0.00770	0.00000	0.04020	0.07390	0.00273	0.00192	0.00740	0.00440	N/A	N/A
59	0.00700	0.00000	0.04570	0.08420	0.00293	0.00208	0.00730	0.00410	N/A	N/A
60	0.00630	0.00000	0.07290	0.13420	0.00314	0.00226	0.00710	0.00370	N/A	N/A
61	0.00560	0.00000	0.07210	0.13280	0.00337	0.00244	0.00690	0.00340	N/A	N/A
62	0.00490	0.00000	0.15120	0.27840	0.00362	0.00265	0.00660	0.00310	N/A	N/A
63	0.00410	0.00000	0.13630	0.25100	0.00388	0.00287	0.00630	0.00270	N/A	N/A
64	0.00340	0.00000	0.10600	0.19510	0.00416	0.00310	0.00600	0.00240	N/A	N/A
65	0.00270	0.00000	0.17970	0.33080	0.00447	0.00336	0.00570	0.00200	N/A	N/A
70	0.00040	0.00000	0.13080	0.24080	0.00634	0.00500	0.00570	0.00200	N/A	N/A

Notes:

[1] Years of service.

[2] Age for Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

[3] Age for Termination with Refund and Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

State Safety

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.14320	20	0.01450	N/A	N/A	0.00019	0.00009	0.00040	0.00003	0.00020
1	0.09160	25	0.01450	N/A	N/A	0.00027	0.00014	0.00060	0.00007	0.00090
2	0.05070	30	0.01450	N/A	N/A	0.00038	0.00021	0.00070	0.00010	0.00180
3	0.04150	35	0.01450	N/A	N/A	0.00054	0.00031	0.00080	0.00013	0.00270
4	0.03230	40	0.01450	N/A	N/A	0.00077	0.00046	0.00080	0.00017	0.00360
5	0.00850	45	0.00000	N/A	N/A	0.00110	0.00068	0.00120	0.00020	0.00440
6	0.00790	50	0.00000	0.01610	0.04170	0.00156	0.00102	0.00240	0.00023	0.00530
7	0.00740	55	0.00000	0.07790	0.20170	0.00221	0.00151	0.00340	0.00027	0.00800
8	0.00690	56	0.00000	0.05590	0.14460	0.00237	0.00164	0.00360	0.00027	0.00800
9	0.00640	57	0.00000	0.05840	0.15110	0.00255	0.00178	0.00380	0.00028	0.00800
10	0.00590	58	0.00000	0.05260	0.13610	0.00273	0.00192	0.00390	0.00029	0.00800
15	0.00380	59	0.00000	0.06260	0.16200	0.00293	0.00208	0.00410	0.00029	0.00800
20	0.00220	60	0.00000	0.06710	0.17350	0.00314	0.00226	0.00430	0.00030	0.00800
25	0.00090	61	0.00000	0.07020	0.18180	0.00337	0.00244	0.00440	0.00031	0.00800
30	0.00050	62	0.00000	0.09290	0.24050	0.00362	0.00265	0.00460	0.00031	0.00800
35	0.00050	63	0.00000	0.08570	0.22180	0.00388	0.00287	0.00480	0.00032	0.00800
40	0.00050	64	0.00000	0.09140	0.23660	0.00416	0.00310	0.00490	0.00033	0.00800
45	0.00050	65	0.00000	0.13180	0.34110	0.00447	0.00336	0.00510	0.00033	0.00800
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00510	0.00037	0.00800

State Peace Officer/Firefighter

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.14320	20	0.01450	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00030
1	0.09160	25	0.01450	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00150
2	0.05070	30	0.01450	N/A	N/A	0.00038	0.00021	0.00010	0.00010	0.00300
3	0.04150	35	0.01450	N/A	N/A	0.00054	0.00031	0.00020	0.00013	0.00450
4	0.03230	40	0.01450	N/A	N/A	0.00077	0.00046	0.00050	0.00017	0.00600
5	0.00850	45	0.00000	N/A	N/A	0.00110	0.00068	0.00080	0.00020	0.00750
6	0.00790	50	0.00000	0.01610	0.04170	0.00156	0.00102	0.00130	0.00023	0.00900
7	0.00740	55	0.00000	0.07790	0.20170	0.00221	0.00151	0.00190	0.00027	0.02080
8	0.00690	56	0.00000	0.05590	0.14460	0.00237	0.00164	0.00200	0.00027	0.02080
9	0.00640	57	0.00000	0.05840	0.15110	0.00255	0.00178	0.00210	0.00028	0.02080
10	0.00590	58	0.00000	0.05260	0.13610	0.00273	0.00192	0.00220	0.00029	0.02080
15	0.00380	59	0.00000	0.06260	0.16200	0.00293	0.00208	0.00240	0.00029	0.02080
20	0.00220	60	0.00000	0.06710	0.17350	0.00314	0.00226	0.00250	0.00030	0.02080
25	0.00090	61	0.00000	0.07020	0.18180	0.00337	0.00244	0.00260	0.00031	0.02080
30	0.00050	62	0.00000	0.09290	0.24050	0.00362	0.00265	0.00270	0.00031	0.02080
35	0.00050	63	0.00000	0.08570	0.22180	0.00388	0.00287	0.00290	0.00032	0.02080
40	0.00050	64	0.00000	0.09140	0.23660	0.00416	0.00310	0.00300	0.00033	0.02080
45	0.00050	65	0.00000	0.13180	0.34110	0.00447	0.00336	0.00310	0.00033	0.02080
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00310	0.00037	0.02080

Notes:

[1] Years of service.

[2] Age for Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

Public Agency 2% at 55 Miscellaneous

Probability of an active member leaving due to:

	Termination with Refund	Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age [1]	5 Years [2]	5 Years [2]	10 Years [2]	25 Years [2]	Male	Female	Male	Female	Male & Female	Male & Female
20	0.02830	0.04820	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.02570	0.04390	N/A	N/A	0.00027	0.00014	0.00020	0.00020	N/A	N/A
30	0.02320	0.03950	N/A	N/A	0.00038	0.00021	0.00020	0.00040	N/A	N/A
35	0.02060	0.03510	N/A	N/A	0.00054	0.00310	0.00080	0.00100	N/A	N/A
40	0.01810	0.03070	N/A	N/A	0.00077	0.00460	0.00150	0.00160	N/A	N/A
45	0.01550	0.00000	N/A	N/A	0.00110	0.00068	0.00240	0.00230	N/A	N/A
50	0.01290	0.00000	0.01840	0.03070	0.00156	0.00102	0.00370	0.00350	N/A	N/A
55	0.01040	0.00000	0.06040	0.10080	0.00221	0.00151	0.00490	0.00410	N/A	N/A
56	0.00990	0.00000	0.05020	0.08380	0.00237	0.00164	0.00510	0.00410	N/A	N/A
57	0.00930	0.00000	0.05420	0.09050	0.00255	0.00178	0.00530	0.00410	N/A	N/A
58	0.00880	0.00000	0.06010	0.10030	0.00273	0.00192	0.00530	0.00400	N/A	N/A
59	0.00830	0.00000	0.06480	0.10820	0.00293	0.00208	0.00540	0.00390	N/A	N/A
60	0.00780	0.00000	0.09080	0.15160	0.00314	0.00226	0.00550	0.00390	N/A	N/A
61	0.00730	0.00000	0.09080	0.15160	0.00337	0.00244	0.00550	0.00380	N/A	N/A
62	0.00680	0.00000	0.01620	0.27040	0.00362	0.00265	0.00550	0.00370	N/A	N/A
63	0.00630	0.00000	0.16360	0.27310	0.00388	0.00287	0.00550	0.00360	N/A	N/A
64	0.00580	0.00000	0.11820	0.19740	0.00416	0.00310	0.00540	0.00350	N/A	N/A
65	0.00520	0.00000	0.22090	0.36880	0.00447	0.00336	0.00540	0.00330	N/A	N/A
70	0.00270	0.00000	0.15550	0.25960	0.00634	0.00500	0.00540	0.00330	N/A	N/A

Public Agency 2.5% at 55 Miscellaneous

Probability of an active member leaving due to:

	Termination with Refund	Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age [1]	5 Years [2]	5 Years [2]	Male	Female	Male	Female	Male	Female	Male & Female	Male & Female
20	0.02830	0.04820	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.02570	0.04390	N/A	N/A	0.00027	0.00014	0.00020	0.00020	N/A	N/A
30	0.02320	0.03950	N/A	N/A	0.00038	0.00021	0.00020	0.00040	N/A	N/A
35	0.02060	0.03510	N/A	N/A	0.00054	0.00310	0.00080	0.00100	N/A	N/A
40	0.01810	0.03070	N/A	N/A	0.00077	0.00460	0.00150	0.00160	N/A	N/A
45	0.01550	0.00000	N/A	N/A	0.00110	0.00068	0.00240	0.00230	N/A	N/A
50	0.01290	0.00000	0.05000	0.07000	0.00156	0.00102	0.00370	0.00350	N/A	N/A
55	0.01040	0.00000	0.08000	0.09000	0.00221	0.00151	0.00490	0.00410	N/A	N/A
56	0.00990	0.00000	0.06000	0.07000	0.00237	0.00164	0.00510	0.00410	N/A	N/A
57	0.00930	0.00000	0.07000	0.06000	0.00255	0.00178	0.00530	0.00410	N/A	N/A
58	0.00880	0.00000	0.08000	0.10000	0.00273	0.00192	0.00530	0.00400	N/A	N/A
59	0.00830	0.00000	0.09000	0.09000	0.00293	0.00208	0.00540	0.00390	N/A	N/A
60	0.00780	0.00000	0.16000	0.12000	0.00314	0.00226	0.00550	0.00390	N/A	N/A
61	0.00730	0.00000	0.15000	0.10000	0.00337	0.00244	0.00550	0.00380	N/A	N/A
62	0.00680	0.00000	0.26000	0.21000	0.00362	0.00265	0.00550	0.00370	N/A	N/A
63	0.00630	0.00000	0.22000	0.18000	0.00388	0.00287	0.00550	0.00360	N/A	N/A
64	0.00580	0.00000	0.15000	0.13000	0.00416	0.00310	0.00540	0.00350	N/A	N/A
65	0.00520	0.00000	0.25000	0.25000	0.00447	0.00336	0.00540	0.00330	N/A	N/A
70	0.00270	0.00000	1.00000	1.00000	0.00634	0.00500	0.00540	0.00330	N/A	N/A

Notes:

[1] Age for Termination with Refund and Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

[2] Years of service.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

Public Agency 2.7% at 55 Miscellaneous

Probability of an active member leaving due to:

	Termination with Refund	Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age[1]	5 Years[2]	5 Years[2]	Male	Female	Male	Female	Male	Female	Male & Female	Male & Female
20	0.02830	0.04820	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.02570	0.04390	N/A	N/A	0.00027	0.00014	0.00020	0.00020	N/A	N/A
30	0.02320	0.03950	N/A	N/A	0.00038	0.00021	0.00020	0.00040	N/A	N/A
35	0.02060	0.03510	N/A	N/A	0.00054	0.00031	0.00080	0.00100	N/A	N/A
40	0.01810	0.03070	N/A	N/A	0.00077	0.00046	0.00150	0.00160	N/A	N/A
45	0.01550	0.00000	N/A	N/A	0.00110	0.00068	0.00240	0.00230	N/A	N/A
50	0.01290	0.00000	0.05000	0.07000	0.00156	0.00102	0.00370	0.00350	N/A	N/A
55	0.01040	0.00000	0.09000	0.10000	0.00221	0.00151	0.00490	0.00410	N/A	N/A
56	0.00990	0.00000	0.07000	0.08000	0.00237	0.00164	0.00510	0.00410	N/A	N/A
57	0.00930	0.00000	0.08000	0.07000	0.00255	0.00178	0.00530	0.00410	N/A	N/A
58	0.00880	0.00000	0.08000	0.10000	0.00273	0.00192	0.00530	0.00400	N/A	N/A
59	0.00830	0.00000	0.10000	0.09000	0.00293	0.00208	0.00540	0.00390	N/A	N/A
60	0.00830	0.00000	0.17000	0.13000	0.00314	0.00226	0.00550	0.00390	N/A	N/A
61	0.00830	0.00000	0.16000	0.11000	0.00337	0.00244	0.00550	0.00380	N/A	N/A
62	0.00830	0.00000	0.28000	0.23000	0.00362	0.00265	0.00550	0.00370	N/A	N/A
63	0.00830	0.00000	0.23000	0.20000	0.00388	0.00287	0.00550	0.00360	N/A	N/A
64	0.00830	0.00000	0.16000	0.14000	0.00416	0.00310	0.00540	0.00350	N/A	N/A
65	0.00830	0.00000	0.27000	0.27000	0.00447	0.00336	0.00540	0.00330	N/A	N/A
70	0.00830	0.00000	1.00000	1.00000	0.00634	0.00500	0.00540	0.00330	N/A	N/A

Public Agency 3% at 60 Miscellaneous

Probability of an active member leaving due to:

	Termination with Refund	Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability		Industrial Death	Industrial Disability
Age[1]	5 Years[2]	5 Years[2]	Male	Female	Male	Female	Male	Female	Male & Female	Male & Female
20	0.02830	0.04820	N/A	N/A	0.00019	0.00009	0.00010	0.00010	N/A	N/A
25	0.02570	0.04390	N/A	N/A	0.00027	0.00014	0.00020	0.00020	N/A	N/A
30	0.02320	0.03950	N/A	N/A	0.00038	0.00021	0.00020	0.00040	N/A	N/A
35	0.02060	0.03510	N/A	N/A	0.00054	0.00031	0.00080	0.00100	N/A	N/A
40	0.01810	0.03070	N/A	N/A	0.00077	0.00046	0.00150	0.00160	N/A	N/A
45	0.01550	0.00000	N/A	N/A	0.00110	0.00068	0.00240	0.00230	N/A	N/A
50	0.01290	0.00000	0.05000	0.07000	0.00156	0.00102	0.00370	0.00350	N/A	N/A
55	0.01040	0.00000	0.08000	0.09000	0.00221	0.00151	0.00490	0.00410	N/A	N/A
56	0.00940	0.00000	0.07000	0.08000	0.00237	0.00164	0.00510	0.00410	N/A	N/A
57	0.00930	0.00000	0.08000	0.07000	0.00255	0.00178	0.00530	0.00410	N/A	N/A
58	0.00880	0.00000	0.09000	0.11000	0.00273	0.00192	0.00530	0.00400	N/A	N/A
59	0.00830	0.00000	0.11000	0.10000	0.00293	0.00208	0.00530	0.00390	N/A	N/A
60	0.00780	0.00000	0.19000	0.15000	0.00314	0.00226	0.00540	0.00390	N/A	N/A
61	0.00730	0.00000	0.17000	0.12000	0.00337	0.00244	0.00550	0.00380	N/A	N/A
62	0.00680	0.00000	0.31000	0.25000	0.00362	0.00265	0.00550	0.00370	N/A	N/A
63	0.00630	0.00000	0.26000	0.22000	0.00388	0.00287	0.00550	0.00360	N/A	N/A
64	0.00580	0.00000	0.18000	0.16000	0.00416	0.00310	0.00550	0.00350	N/A	N/A
65	0.00520	0.00000	0.30000	0.30000	0.00447	0.00336	0.00540	0.00330	N/A	N/A
70	0.00270	0.00000	1.00000	1.00000	0.00634	0.00500	0.00540	0.00330	N/A	N/A

Notes:

[1] Age for Termination with Refund and Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

[2] Years of service.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

Public Agency 2% at 50 Police

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.12990	20	0.01870	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00060
1	0.08160	25	0.01870	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00280
2	0.03480	30	0.01870	N/A	N/A	0.00038	0.00021	0.00020	0.00010	0.00560
3	0.03310	35	0.01870	N/A	N/A	0.00054	0.00031	0.00030	0.00013	0.00840
4	0.03140	40	0.01870	N/A	N/A	0.00077	0.00046	0.00040	0.00017	0.01120
5	0.01100	45	0.00000	N/A	N/A	0.00110	0.00068	0.00050	0.00020	0.01400
6	0.01010	50	0.00000	0.01380	0.02530	0.00156	0.00102	0.00080	0.00023	0.01670
7	0.00920	55	0.00000	0.08990	0.16450	0.00221	0.00151	0.00130	0.00027	0.05810
8	0.00840	56	0.00000	0.06380	0.11660	0.00237	0.00164	0.00150	0.00027	0.05810
9	0.00760	57	0.00000	0.07110	0.13000	0.00255	0.00178	0.00160	0.00028	0.05810
10	0.00680	58	0.00000	0.06280	0.11490	0.00273	0.00192	0.00180	0.00029	0.05810
15	0.00350	59	0.00000	0.13960	0.17350	0.00293	0.00208	0.00200	0.00029	0.05810
20	0.00220	60	0.00000	0.13960	0.17190	0.00314	0.00226	0.00200	0.00030	0.05810
25	0.00150	61	0.00000	0.13960	0.17190	0.00337	0.00244	0.00200	0.00031	0.05810
30	0.00120	62	0.00000	0.13960	0.17190	0.00362	0.00265	0.00200	0.00031	0.05810
35	0.00120	63	0.00000	0.13960	0.17190	0.00388	0.00287	0.00200	0.00032	0.05810
40	0.00120	64	0.00000	0.13960	0.17190	0.00416	0.00310	0.00200	0.00033	0.05810
45	0.00120	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00200	0.00033	0.05810
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00200	0.00037	0.05810

Public Agency 2% at 50 Fire

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.09470	20	0.01620	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00020
1	0.07390	25	0.01620	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00100
2	0.05310	30	0.01620	N/A	N/A	0.00038	0.00021	0.00010	0.00010	0.00210
3	0.03230	35	0.01620	N/A	N/A	0.00054	0.00031	0.00010	0.00013	0.00310
4	0.02900	40	0.01620	N/A	N/A	0.00077	0.00046	0.00010	0.00017	0.00410
5	0.00950	45	0.00000	N/A	N/A	0.00110	0.00068	0.00020	0.00020	0.00510
6	0.00800	50	0.00000	0.00650	0.01010	0.00156	0.00102	0.00050	0.00023	0.00620
7	0.00660	55	0.00000	0.08680	0.13360	0.00221	0.00151	0.00100	0.00027	0.06010
8	0.00530	56	0.00000	0.07790	0.12000	0.00237	0.00164	0.00110	0.00027	0.06010
9	0.00410	57	0.00000	0.09010	0.13870	0.00255	0.00178	0.00130	0.00028	0.06010
10	0.00290	58	0.00000	0.07900	0.12170	0.00273	0.00192	0.00150	0.00029	0.06010
15	0.00210	59	0.00000	0.07290	0.11230	0.00293	0.00208	0.00150	0.00029	0.06010
20	0.00160	60	0.00000	0.11350	0.17470	0.00314	0.00226	0.00150	0.00030	0.06010
25	0.00100	61	0.00000	0.11360	0.17490	0.00337	0.00244	0.00150	0.00031	0.06010
30	0.00090	62	0.00000	0.11360	0.17490	0.00362	0.00265	0.00150	0.00031	0.06010
35	0.00090	63	0.00000	0.11360	0.17490	0.00388	0.00287	0.00150	0.00032	0.06010
40	0.00090	64	0.00000	0.11360	0.17490	0.00416	0.00310	0.00150	0.00033	0.06010
45	0.00090	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00150	0.00033	0.06010
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00150	0.00037	0.06010

Notes:

[1] Years of service.

[2] Age for Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

Public Agency 3% at 50 Police

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male and Female
0	0.12990	20	0.01870	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00060
1	0.08160	25	0.01870	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00280
2	0.03480	30	0.01870	N/A	N/A	0.00038	0.00021	0.00020	0.00010	0.00560
3	0.03310	35	0.01870	N/A	N/A	0.00054	0.00031	0.00030	0.00013	0.00840
4	0.03140	40	0.01870	N/A	N/A	0.00077	0.00046	0.00040	0.00017	0.01120
5	0.01100	45	0.00000	N/A	N/A	0.00110	0.00068	0.00050	0.00020	0.01400
6	0.01010	50	0.00000	0.04350	0.12080	0.00156	0.00102	0.00080	0.00023	0.01670
7	0.00920	55	0.00000	0.08980	0.24970	0.00221	0.00151	0.00130	0.00027	0.05810
8	0.00840	56	0.00000	0.06870	0.19100	0.00237	0.00164	0.00150	0.00027	0.05810
9	0.00760	57	0.00000	0.08030	0.22320	0.00255	0.00178	0.00160	0.00028	0.05810
10	0.00680	58	0.00000	0.07910	0.21980	0.00273	0.00192	0.00180	0.00029	0.05810
15	0.00350	59	0.00000	0.08200	0.22790	0.00293	0.00208	0.00200	0.00029	0.05810
20	0.00220	60	0.00000	1.00000	1.00000	0.00314	0.00226	0.00200	0.00030	0.05810
25	0.00150	61	0.00000	1.00000	1.00000	0.00337	0.00244	0.00200	0.00031	0.05810
30	0.00120	62	0.00000	1.00000	1.00000	0.00362	0.00265	0.00200	0.00031	0.05810
35	0.00120	63	0.00000	1.00000	1.00000	0.00388	0.00287	0.00200	0.00032	0.05810
40	0.00120	64	0.00000	1.00000	1.00000	0.00416	0.00310	0.00200	0.00033	0.05810
45	0.00120	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00200	0.00033	0.05810
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00200	0.00037	0.05810

Public Agency 3% at 50 Fire

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.09470	20	0.01620	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00020
1	0.07390	25	0.01620	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00100
2	0.05310	30	0.01620	N/A	N/A	0.00038	0.00021	0.00010	0.00010	0.00210
3	0.03230	35	0.01620	N/A	N/A	0.00054	0.00031	0.00010	0.00013	0.00310
4	0.02900	40	0.01620	N/A	N/A	0.00077	0.00046	0.00010	0.00017	0.00410
5	0.00950	45	0.00000	N/A	N/A	0.00110	0.00068	0.00020	0.00020	0.00510
6	0.00800	50	0.00000	0.03410	0.06790	0.00156	0.00102	0.00050	0.00023	0.00620
7	0.00660	55	0.00000	0.12650	0.25160	0.00221	0.00151	0.00100	0.00027	0.06010
8	0.00530	56	0.00000	0.12100	0.24070	0.00237	0.00164	0.00110	0.00027	0.06010
9	0.00410	57	0.00000	0.10100	0.20100	0.00255	0.00178	0.00130	0.00028	0.06010
10	0.00290	58	0.00000	0.11840	0.23540	0.00273	0.00192	0.00150	0.00029	0.06010
15	0.00210	59	0.00000	0.10020	0.19930	0.00293	0.00208	0.00150	0.00029	0.06010
20	0.00160	60	0.00000	1.00000	1.00000	0.00314	0.00226	0.00150	0.00030	0.06010
25	0.00100	61	0.00000	1.00000	1.00000	0.00337	0.00244	0.00150	0.00031	0.06010
30	0.00090	62	0.00000	1.00000	1.00000	0.00362	0.00265	0.00150	0.00031	0.06010
35	0.00090	63	0.00000	1.00000	1.00000	0.00388	0.00287	0.00150	0.00032	0.06010
40	0.00090	64	0.00000	1.00000	1.00000	0.00416	0.00310	0.00150	0.00033	0.06010
45	0.00090	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00150	0.00033	0.06010
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00150	0.00037	0.06010

Notes:

[1] Years of service.

[2] Age for Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

Public Agency 3% at 55 Police

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.12990	20	0.01870	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00060
1	0.08160	25	0.01870	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00280
2	0.03480	30	0.01870	N/A	N/A	0.00038	0.00021	0.00020	0.00010	0.00560
3	0.03310	35	0.01870	N/A	N/A	0.00054	0.00031	0.00030	0.00013	0.00840
4	0.03140	40	0.01870	N/A	N/A	0.00077	0.00046	0.00040	0.00017	0.01120
5	0.01100	45	0.00000	N/A	N/A	0.00110	0.00068	0.00050	0.00020	0.01400
6	0.01010	50	0.00000	0.01930	0.03970	0.00156	0.00102	0.00080	0.00023	0.01670
7	0.00920	55	0.00000	0.11640	0.23970	0.00221	0.00151	0.00130	0.00027	0.05810
8	0.00840	56	0.00000	0.07560	0.15560	0.00237	0.00164	0.00150	0.00027	0.05810
9	0.00760	57	0.00000	0.05810	0.11960	0.00255	0.00178	0.00160	0.00028	0.05810
10	0.00680	58	0.00000	0.05080	0.10450	0.00273	0.00192	0.00180	0.00029	0.05810
15	0.00350	59	0.00000	0.06250	0.12870	0.00293	0.00208	0.00200	0.00029	0.05810
20	0.00220	60	0.00000	1.00000	1.00000	0.00314	0.00226	0.00200	0.00030	0.05810
25	0.00150	61	0.00000	1.00000	1.00000	0.00337	0.00244	0.00200	0.00031	0.05810
30	0.00120	62	0.00000	1.00000	1.00000	0.00362	0.00265	0.00200	0.00031	0.05810
35	0.00120	63	0.00000	1.00000	1.00000	0.00388	0.00287	0.00200	0.00032	0.05810
40	0.00120	64	0.00000	1.00000	1.00000	0.00416	0.00310	0.00200	0.00033	0.05810
45	0.00120	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00200	0.00033	0.05810
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00200	0.00037	0.05810

Public Agency 3% at 55 Fire

Probability of an active member leaving due to:

	Termination with Refund		Termination with Vested Deferred Benefits	Service Retirement		Non-Industrial Death		Non-Industrial Disability	Industrial Death	Industrial Disability
Years [1]	Vary by Service	Age [2]	5 Years [1]	10 Years [1]	25 Years [1]	Male	Female	Male & Female	Male & Female	Male & Female
0	0.09470	20	0.01620	N/A	N/A	0.00019	0.00009	0.00010	0.00003	0.00020
1	0.07390	25	0.01620	N/A	N/A	0.00027	0.00014	0.00010	0.00007	0.00100
2	0.05310	30	0.01620	N/A	N/A	0.00038	0.00021	0.00010	0.00010	0.00210
3	0.03230	35	0.01620	N/A	N/A	0.00054	0.00031	0.00010	0.00013	0.00310
4	0.02900	40	0.01620	N/A	N/A	0.00077	0.00046	0.00010	0.00017	0.00410
5	0.00950	45	0.00000	N/A	N/A	0.00110	0.00068	0.00020	0.00020	0.00510
6	0.00800	50	0.00000	0.00240	0.00550	0.00156	0.00102	0.00050	0.00023	0.00620
7	0.00660	55	0.00000	0.09150	0.21090	0.00221	0.00151	0.00100	0.00027	0.06010
8	0.00530	56	0.00000	0.08110	0.18680	0.00237	0.00164	0.00110	0.00027	0.06010
9	0.00410	57	0.00000	0.09960	0.22950	0.00255	0.00178	0.00130	0.00028	0.06010
10	0.00290	58	0.00000	0.08140	0.18740	0.00273	0.00192	0.00150	0.00029	0.06010
15	0.00210	59	0.00000	0.07750	0.17840	0.00293	0.00208	0.00150	0.00029	0.06010
20	0.00160	60	0.00000	1.00000	1.00000	0.00314	0.00226	0.00150	0.00030	0.06010
25	0.00100	61	0.00000	1.00000	1.00000	0.00337	0.00244	0.00150	0.00031	0.06010
30	0.00090	62	0.00000	1.00000	1.00000	0.00362	0.00265	0.00150	0.00031	0.06010
35	0.00090	63	0.00000	1.00000	1.00000	0.00388	0.00287	0.00150	0.00032	0.06010
40	0.00090	64	0.00000	1.00000	1.00000	0.00416	0.00310	0.00150	0.00033	0.06010
45	0.00090	65	0.00000	1.00000	1.00000	0.00447	0.00336	0.00150	0.00033	0.06010
50	0.00000	70	0.00000	1.00000	1.00000	0.00634	0.00500	0.00150	0.00037	0.06010

Notes:

[1] Years of service.

[2] Age for Termination with Vested Deferred Benefits means Entry Age. For all other decrements, age means Attained Age.

Exhibit D: **Sample Non-Economic Assumptions** (continued)

Post-Retirement Mortality

Rates vary by age and sex. These rates are used for all plans.

	Healthy Recipients		Non-Industrially Disabled (Not Job Related)		Industrially Disabled (Job Related)	
Age	Male	Female	Male	Female	Male	Female
50	0.00245	0.00136	0.01459	0.01129	0.00546	0.00388
55	0.00429	0.00253	0.02115	0.01481	0.00616	0.00568
60	0.00721	0.00442	0.02870	0.01884	0.01016	0.00818
65	0.01302	0.00795	0.03617	0.02356	0.01853	0.01214
70	0.02135	0.01276	0.04673	0.03020	0.03369	0.01760
75	0.03716	0.02156	0.06552	0.04298	0.05768	0.02774
80	0.06256	0.03883	0.09481	0.06514	0.08670	0.04690
85	0.10195	0.07219	0.14041	0.10269	0.13032	0.08262
90	0.17379	0.12592	0.20793	0.16189	0.19588	0.13984
95	0.25917	0.21773	0.30792	0.25522	0.29444	0.23566
100	0.34724	0.32036	0.45599	0.40236	0.44259	0.35341

Exhibit E: **Single Life Retirement Values**

Present value of $1 monthly increasing 2 percent annually after two-year waiting period.

Interest Rate of 7.75 Percent

Sample Attained Ages	Service Retirement		Non-Industrial Disability Retirement		Industrial Disability Retirement	
	Male	Female	Male	Female	Male	Female
50	165.521	174.244	135.257	148.232	156.682	166.398
51	163.311	172.352	132.953	146.352	154.435	164.484
52	161.021	170.384	130.637	144.446	152.085	162.506
53	158.664	168.337	128.319	142.512	149.611	160.464
54	156.230	166.208	126.006	140.549	146.993	158.356
55	153.703	164.000	123.703	138.553	144.226	156.181
56	151.085	161.713	121.416	136.518	141.307	153.938
57	148.364	159.337	119.141	134.443	138.256	151.619
58	145.535	156.891	116.876	132.324	135.100	149.237
59	142.621	154.371	114.613	130.160	131.863	146.791
60	139.644	151.743	112.340	127.948	128.556	144.253
61	136.587	149.026	110.048	125.686	125.179	141.636
62	133.534	146.224	107.726	123.367	121.743	138.943
63	130.430	143.324	105.363	120.987	118.253	136.163
64	127.215	140.356	102.950	118.538	114.716	133.314
65	123.939	137.321	100.479	116.014	111.144	130.397
70	106.509	121.097	87.219	102.144	93.361	114.726
75	88.409	102.761	72.937	86.467	76.557	97.060
80	70.189	82.996	58.900	70.227	61.616	78.251
85	53.609	63.697	45.752	54.499	47.825	59.984
90	39.105	46.331	34.182	40.363	35.636	43.609
95	29.196	32.701	24.408	28.311	25.324	30.547
100	21.418	22.847	16.466	18.558	16.958	20.932

Exhibit F: **History of Member Salary Data**

Valuation Date	Number of Active Members	Annual Covered Payroll (In Millions)	Average Annual Salary	% Increase In Average Pay
6/30/02	766,824	$32,873	$42,869	2.8%
6/30/03	778,203	34,784	44,697	4.3
6/30/04	760,498	35,078	46,126	3.2
6/30/05	756,234	36,045	47,664	3.3
6/30/06	767,127	38,047	49,597	4.0
6/30/07	793,164	40,864	51,521	3.9

Exhibit G: **Members in Valuation**

By Attained Age & Years of Service – June 30, 2007

State Miscellaneous First Tier

Distribution of Active Members by Age & Service

	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	1,225	14	—	—	—	—	1,239	$39,443,083
25-29	4,915	1,380	11	—	—	—	6,306	246,263,283
30-34	4,973	4,796	455	21	—	—	10,245	497,818,967
35-39	5,048	6,949	2,043	842	43	—	14,925	807,694,046
40-44	4,518	6,914	2,914	3,756	1,008	—	19,110	1,095,641,596
45-49	4,063	7,228	3,180	4,908	5,354	108	24,841	1,462,263,177
50-54	3,727	6,301	2,997	4,992	8,342	2,276	28,635	1,735,496,679
55-59	2,799	4,575	2,438	4,045	6,687	3,669	24,213	1,520,476,076
60-64	1,481	2,432	1,350	2,090	3,054	2,152	12,559	800,445,855
65 & Up	657	1,028	546	716	891	592	4,430	278,092,652
Total	**33,406**	**41,617**	**15,934**	**21,370**	**25,379**	**8,797**	**146,503**	**$8,483,635,414**

State Miscellaneous Second Tier

Distribution of Active Members by Age & Service

	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	4	—	—	—	—	—	4	$178,262
25-29	29	77	—	—	—	—	106	4,197,668
30-34	40	433	98	3	—	—	574	26,166,524
35-39	57	595	484	160	—	—	1,296	61,761,190
40-44	47	577	585	442	62	—	1,713	82,871,450
45-49	46	497	515	460	301	2	1,821	90,887,487
50-54	48	411	407	392	355	96	1,709	85,415,160
55-59	22	248	291	256	219	144	1,180	60,461,818
60-64	22	159	130	136	85	95	627	30,921,342
65 & Up	26	81	54	45	24	32	262	12,584,989
Total	**341**	**3,078**	**2,564**	**1,894**	**1,046**	**369**	**9,292**	**$455,445,891**

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.

Exhibit G: **Members in Valuation** (continued)

By Attained Age & Years of Service – June 30, 2007

State Industrial First & Second Tier

Distribution of Active Members by Age & Service

	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	82	2	—	—	—	—	84	$2,593,702
25-29	364	91	—	—	—	—	455	15,373,951
30-34	382	282	46	—	—	—	710	27,795,808
35-39	468	423	181	52	1	—	1,125	48,782,895
40-44	494	434	254	157	29	—	1,368	61,981,733
45-49	505	468	319	221	117	1	1,631	77,736,569
50-54	453	415	296	225	162	17	1,568	77,787,209
55-59	300	311	217	178	120	17	1,143	58,674,517
60-64	130	159	140	94	49	8	580	31,055,390
65 & Up	36	66	48	25	15	5	195	11,322,319
Total	**3,214**	**2,651**	**1,501**	**952**	**493**	**48**	**8,859**	**$413,104,094**

State Safety

Distribution of Active Members by Age & Service

	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	328	—	—	—	—	—	328	$11,960,218
25-29	1,092	74	—	—	—	—	1,166	51,809,763
30-34	1,485	260	13	—	—	—	1,758	93,438,377
35-39	1,704	511	134	14	—	—	2,363	134,954,887
40-44	1,832	658	311	85	4	—	2,890	174,501,045
45-49	1,954	865	496	260	88	1	3,664	223,990,246
50-54	1,928	1,171	613	421	202	5	4,340	283,647,512
55-59	1,427	895	587	359	186	11	3,465	238,325,449
60-64	710	546	393	220	107	8	1,984	145,141,238
65 & Up	266	298	170	100	54	6	894	77,802,874
Total	**12,726**	**5,278**	**2,717**	**1,459**	**641**	**31**	**22,852**	**$1,435,571,609**

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.

Exhibit G: **Members in Valuation** (continued)

By Attained Age & Years of Service – June 30, 2007

California Highway Patrol

Distribution of Active Members by Age & Service

Attained Age	Years of Service at Valuation Date 0-4	5-9	10-14	15-19	20-24	25 & Up	Total	Total Valuation Payroll
15-24	106	—	—	—	—	—	106	$5,321,791
25-29	430	177	—	—	—	—	607	42,443,560
30-34	398	683	194	1	—	—	1,276	97,958,457
35-39	201	644	683	126	1	—	1,655	132,457,876
40-44	23	82	409	585	155	—	1,254	106,925,436
45-49	—	4	78	351	723	—	1,156	106,780,413
50-54	—	1	45	54	602	6	708	67,444,934
55-59	—	—	14	7	117	18	156	14,837,089
60-64	—	—	—	—	3	5	8	876,303
65 & Up	—	—	—	—	—	—	—	—
Total	**1,158**	**1,591**	**1,423**	**1,124**	**1,601**	**29**	**6,926**	**$575,045,858**

State Peace Officer/Firefighter

Distribution of Active Members by Age & Service

Attained Age	Years of Service at Valuation Date 0-4	5-9	10-14	15-19	20-24	25 & Up	Total	Total Valuation Payroll
15-24	1,771	1	—	—	—	—	1,772	$60,168,271
25-29	3,690	622	1	—	—	—	4,313	221,764,760
30-34	2,846	2,866	408	—	—	—	6,120	392,051,053
35-39	2,050	2,528	2,696	290	—	—	7,564	538,155,651
40-44	1,372	1,668	2,321	1,776	767	—	7,904	597,641,817
45-49	924	1,102	1,662	1,783	2,498	2	7,971	638,671,473
50-54	514	648	1,045	1,079	1,891	85	5,262	432,812,506
55-59	220	330	558	599	935	87	2,729	226,583,587
60-64	88	138	207	257	298	27	1,015	83,211,035
65 & Up	13	24	47	63	59	8	214	17,195,998
Total	**13,488**	**9,927**	**8,945**	**5,847**	**6,448**	**209**	**44,864**	**$3,208,256,151**

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 valuation group. This does not result in double counting of liabilities.

Exhibit G: **Members in Valuation** (continued)

By Attained Age & Years of Service – June 30, 2007

Schools

	Distribution of Active Members by Age & Service							
	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	10,008	48	—	—	—	—	10,056	$191,104,290
25-29	17,869	2,751	—	—	—	—	20,620	520,907,387
30-34	15,256	7,490	52	—	—	—	22,798	688,928,986
35-39	16,073	11,235	144	25	—	—	27,477	874,444,803
40-44	20,733	16,592	202	81	23	—	37,631	1,220,121,360
45-49	21,962	24,405	246	126	124	—	46,863	1,600,796,752
50-54	20,359	30,067	370	179	221	11	51,207	1,831,912,573
55-59	14,603	26,592	370	153	201	21	41,940	1,569,456,218
60-64	7,692	14,812	206	93	115	11	22,929	842,111,983
65 & Up	3,749	4,853	69	32	41	14	8,758	274,932,184
Total	**148,304**	**138,845**	**1,659**	**689**	**725**	**57**	**290,279**	**$9,614,716,536**

Public Agency Miscellaneous

	Distribution of Active Members by Age & Service							
	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	7,058	50	—	—	—	—	7,108	$210,562,373
25-29	13,930	2,491	30	—	—	—	16,451	683,079,209
30-34	12,560	6,609	941	33	—	—	20,143	1,016,401,835
35-39	11,426	8,174	3,061	1,179	52	—	23,892	1,338,363,984
40-44	10,319	8,468	4,113	3,854	1,375	100	28,229	1,679,111,325
45-49	10,178	8,826	4,954	5,662	3,516	1,709	34,845	2,173,585,754
50-54	8,447	7,956	4,699	5,502	4,296	4,300	35,200	2,281,068,390
55-59	5,877	5,992	3,662	4,363	3,170	4,314	27,378	1,799,547,708
60-64	2,847	3,197	2,032	2,252	1,587	1,975	13,890	884,674,893
65 & Up	1,142	1,259	730	762	435	600	4,928	266,031,747
Total	**83,784**	**53,022**	**24,222**	**23,607**	**14,431**	**12,998**	**212,064**	**$12,332,427,219**

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.

By Attained Age & Years of Service – June 30, 2007

Public Agency Safety

Distribution of Active Members by Age & Service

	Years of Service at Valuation Date							
Attained Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25 & Up**	**Total**	**Total Valuation Payroll**
15-24	1,579	7	—	—	—	—	1,586	$83,112,506
25-29	5,638	848	1	—	—	—	6,487	420,315,997
30-34	4,248	3,716	449	—	—	—	8,413	629,212,831
35-39	2,815	3,881	2,588	653	2	—	9,939	818,292,269
40-44	1,328	1,958	2,134	2,876	800	7	9,103	823,658,176
45-49	613	986	1,091	2,088	2,366	952	8,096	786,546,468
50-54	330	518	478	854	1,177	2,031	5,388	545,563,280
55-59	144	207	182	274	315	768	1,890	184,274,729
60-64	61	65	82	89	67	163	527	47,039,648
65 & Up	12	20	15	18	9	22	96	8,110,957
Total	**16,768**	**12,206**	**7,020**	**6,852**	**4,736**	**3,943**	**51,525**	**$4,346,126,861**

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.

Exhibit H: **Schedule of Retirees & Beneficiaries Added to & Removed from Rolls**

	Added to Rolls		Removed from Rolls		Rolls - End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowance
PERF								
6/30/03	26,901	$777,170,000	13,892	$183,532,000	396,151	$7,232,218,000	8.9%	$18,256
6/30/04	31,407	945,374,000	14,586	199,427,000	412,972	7,978,465,000	10.3	19,320
6/30/05	33,761	865,883,000	15,482	221,581,000	431,161	8,867,359,000	11.1	20,566
6/30/06	32,166	842,092,000	15,643	230,973,000	447,684	9,590,857,000	8.2	21,423
6/30/07	29,821	828,676,000	15,881	251,559,000	465,386	10,421,160,000	8.7	22,392
JRF								
6/30/03	103	$10,266,000	53	$4,054,000	1,523	$116,242,000	5.6%	$76,325
6/30/04	98	7,262,000	64	4,743,000	1,557	121,941,000	4.9	78,267
6/30/05	122	9,586,000	73	5,973,000	1,606	130,712,000	7.2	81,390
6/30/06	109	8,207,000	55	4,358,000	1,660	140,796,000	7.7	84,817
6/30/07	98	8,854,000	56	5,018,000	1,702	158,429,000	12.5	93,084
JRF II								
6/30/03	3	$279,000	—	$ —	3	$279,000	N/A	$93,000
6/30/04	3	223,000	—	—	6	647,000	131.9%	107,833
6/30/05	3	314,000	—	—	9	961,000	48.5	106,778
6/30/06	6	549,000	2	276,000	13	1,226,000	27.6	94,308
6/30/07	—	—	1	144,000	12	968,000	(21.0)	80,666
LRF								
6/30/03	11	$608,000	10	$199,000	264	$7,076,000	6.1%	$26,804
6/30/04	11	502,000	13	433,000	262	7,146,000	1.0	27,274
6/30/05	13	416,000	9	290,000	266	7,534,000	5.4	28,323
6/30/06	12	192,000	15	421,000	263	7,464,000	0.2	28,380
6/30/07	18	374,000	12	314,000	269	7,608,000	2.0	28,282

Note:
These total counts and allowances are for service, disability, and industrial retirement, special death, 1957 Survivor, Pre-Retirement Option 2, and 1959 Survivor beneficiaries and non-members. This information was reviewed by the CalPERS Actuarial staff and appears to be reasonable.

Judges' Retirement System

April 2008

Actuarial Certification
As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Judges' Retirement System; the latest such valuation is as of June 30, 2007.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the actuarial funded condition of the Judges' Retirement System, as of June 30, 2007. Based on the employee data provided by the CalPERS Judges' and Legislators' Office, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits as outlined in Appendix B, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods, as prescribed by the CalPERS Board of Administration, are reasonable for the System.

Further, information has been provided by us for the completion of (i) the trend data schedules (Required Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through H in the Actuarial Section of the CAFR.

Gale D. Patrick, F.S.A., M.A.A.A.
Enrolled Actuary
Senior Pension Actuary, CalPERS

Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.
Enrolled Actuary
Chief Actuary, CalPERS

Judges' Retirement System II

April 2008

Actuarial Certification
As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Judges' Retirement System II; the latest such valuation is as of June 30, 2007.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the actuarial funded condition of the Judges' Retirement System II, as of June 30, 2007. Based on the employee data provided by the Judges' Retirement System administrative staff at CalPERS, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits as outlined in Appendix B, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods are reasonable for this plan.

Further, information has been provided by us for the completion of (i) the trend data schedules (Required Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through H in the Actuarial Section of the CAFR.

Ray Lane, A.S.A., M.A.A.A.
Enrolled Actuary
Senior Pension Actuary, CalPERS

Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.
Enrolled Actuary
Chief Actuary, CalPERS

Legislators' Retirement System

April 2008

Actuarial Certification
As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Legislators' Retirement System; the latest such valuation is as of June 30, 2007.

To the best of our knowledge, this report is complete a nd accurate and contains sufficient information to fully and fairly disclose the actuarial funded condition of the Legislators' Retirement System. Based on the employee data provided by the CalPERS Judges' and Legislators' Office, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits plans as outlined in Appendix B, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods are reasonable for the System.

Further, information has been provided by us for the completion of (i) the trend data schedules (Required Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through H in the Actuarial Section of the CAFR.

David Clement, A.S.A., M.A.A.A.
Enrolled Actuary
Senior Pension Actuary, CalPERS

Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.
Enrolled Actuary
Chief Actuary, CalPERS

The actuarial report and supporting documents for the Judges' Retirement System, Judges' Retirement System II, and Legislators' Retirement System can be obtained through the CalPERS Actuarial and Employer Services Division, P.O. Box 942709, Sacramento, CA 94229-2709.

Statistical **Section**

Meeting Obligations

CalPERS is resilient. We've provided pension benefits since our inception during the Great Depression. We've never missed a benefit payout. We are a buy-and-hold, long-term investor, and our long-term horizon enables us to be patient.

Expenses by Type — **Retirement Programs**

10-Year Review

	Benefit Payments	Contribution Refunds	Administrative Expenses [1]	Total
PERF				
2007/08	$10,884,416,870	$182,415,410	$402,340,309	$11,469,172,589
2006/07	10,070,554,756	181,574,063	278,453,496	10,530,582,315
2005/06	9,236,073,498	170,929,432	250,251,822	9,657,254,752
2004/05	8,434,118,614	155,236,438	208,965,422	8,798,320,474
2003/04	7,639,085,017	151,526,342	188,361,466	7,978,972,825
2002/03	6,991,913,800	114,024,930	214,274,159	7,320,212,889
2001/02	6,431,019,116	103,385,701	208,687,613	6,743,092,430
2000/01	5,792,948,968	128,865,380	183,865,981	6,105,680,329
1999/00	5,176,073,695	140,644,318	175,050,565	5,491,768,578
1998/99	4,776,869,300	160,841,290	145,814,177	5,083,524,767
LRF				
2007/08	$7,620,849	$309,281	$397,078	$8,327,208
2006/07	7,666,423	91,859	322,568	8,080,850
2005/06	7,313,656	823,190	294,578	8,431,424
2004/05	7,791,569	979,315	318,547	9,089,431
2003/04	7,051,153	214,184	280,835	7,546,172
2002/03	6,851,580	247,755	220,020	7,319,355
2001/02	6,716,646	—	244,854	6,961,500
2000/01	6,782,467	169,520	234,926	7,186,913
1999/00	6,630,188	163,535	206,000	6,999,723
1998/99	6,855,856	175,155	203,580	7,234,591
JRF				
2007/08	$168,304,471	$136,204	$972,764	$169,413,439
2006/07	151,058,884	—	701,378	151,760,262
2005/06	133,587,831	323,254	171,406	134,082,491
2004/05	126,608,787	88,239	1,061,257	127,758,283
2003/04	121,603,708	238,097	719,312	122,561,117
2002/03	113,937,606	82,530	506,224	114,526,360
2001/02	109,543,399	—	391,760	109,935,159
2000/01	99,423,624	—	379,818	99,803,442
1999/00	90,170,743	—	360,000	90,530,743
1998/99	82,503,531	49,456	354,000	82,906,987

Note:

[1] Excludes investment advisor fees; includes other expenses.

Expenses by Type — **Retirement Programs** (continued)

10-Year Review

	Benefit Payments	Contribution Refunds	Administrative Expenses [1]	Total
JRF II				
2007/08	$963,823	$2,134,018	$597,318	$3,695,159
2006/07	1,004,875	980,602	451,270	2,436,747
2005/06	859,449	750,206	406,157	2,015,812
2004/05	903,641	339,940	425,157	1,668,738
2003/04	584,375	203,219	414,258	1,201,852
2002/03	307,365	891,986	320,226	1,519,577
2001/02	117,545	91,536	289,622	498,703
2000/01	142,234	34,369	283,767	460,370
1999/00	225,607	22,198	175,213	423,018
1998/99	192,697	—	172,000	364,697
SPOFF				
2007/08	$11,625,633	$ —	$2,157,014	$13,782,647
2006/07	10,827,742	—	—	10,827,742
2005/06	6,578,589	—	—	6,578,589
2004/05	5,352,708	—	—	5,352,708
2003/04	4,350,947	—	—	4,350,947
2002/03	4,084,127	—	—	4,084,127
2001/02	3,361,147	—	—	3,361,147
2000/01	1,879,169	—	—	1,879,169
1999/00	—	—	—	—
1998/99	—	—	—	—
CERBTF [2]				
2006/07	$ —	$ —	$ —	$ —
2007/08	—	—	1,833,404	1,833,404

Note:

[1] Excludes investment advisor fees.

[2] CERBTF was created in the 2006/07 fiscal year, therefore data for prior years are not available.

Revenues by Source — **Retirement Programs**

10-Year Review

	Member Contributions	Employer Contributions	Investment Income/(Loss)	Miscellaneous Income	Total
PERF					
2007/08	$3,512,074,936	$7,242,802,001	($12,499,109,624)	$6,201,589	($1,738,031,098)
2006/07	3,262,699,076	6,442,383,868	40,748,261,708	9,118,984	50,462,463,636
2005/06	3,080,878,521	6,095,029,424	22,041,265,666	—	31,217,173,611
2004/05	3,176,780,369	5,774,120,281	21,893,728,292	473,234	30,845,102,176
2003/04	2,266,445,429	4,261,347,422	24,265,850,297	6,722,984	30,800,366,132
2002/03	1,887,925,497	1,925,043,858	5,474,083,608	8,647,960	9,295,700,923
2001/02	2,154,742,532	800,964,553	(9,704,478,936)	4,686,138	(6,744,085,713)
2000/01	1,766,256,113	321,618,826	(12,255,822,322)	7,480,923	(10,160,466,460)
1999/00	1,751,290,172	362,614,344	16,579,088,181	3,569,729	18,696,562,426
1998/99	1,522,507,527	1,598,316,666	17,621,490,197	1,036,725	20,743,351,115
LRF					
2007/08	$14,318	$ —	$223,556	$ —	$237,874
2006/07	128,548	—	16,529,733	—	16,658,281
2005/06	160,343	—	3,808,413	—	3,968,756
2004/05	19,687	—	12,575,845	504	12,596,036
2003/04	55,639	—	11,094,703	—	11,150,342
2002/03	21,946	—	10,274,104	—	10,296,050
2001/02	14,161	—	(3,781,146)	—	(3,766,985)
2000/01	33,461	—	280,786	—	314,247
1999/00	178,860	339,351	9,788,721	—	10,306,932
1998/99	290,360	661,086	14,141,442	—	15,092,888
JRF					
2007/08	$9,569,327	$163,205,650	$384,435	$3,827,046	$176,986,458
2006/07	10,397,656	131,371,947	1,186,370	2,590,659	145,546,632
2005/06	10,314,771	120,576,080	959,163	2,874,216	134,724,230
2004/05	10,417,159	127,077,837	233,433	2,663,340	140,391,769
2003/04	11,262,935	107,317,942	58,874	4,020,398	122,660,149
2002/03	11,109,214	98,584,637	11,722	4,337,501	114,043,074
2001/02	11,713,777	65,319,883	1,002,742	4,521,326	82,557,728
2000/01	11,377,068	91,019,008	3,754,582	4,509,380	110,660,038
1999/00	11,251,836	74,079,308	2,513,315	4,354,631	92,199,090
1998/99	11,098,731	84,352,990	1,776,583	4,121,354	101,349,658

Revenues by Source — **Retirement Programs** (continued)

10-Year Review

	Member Contributions	Employer Contributions	Investment Income/(Loss)	Miscellaneous Income	Total
JRF II					
2007/08	$13,807,651	$36,760,924	($12,184,458)	$ —	$38,384,117
2006/07	11,694,132	27,062,441	35,426,481	—	74,183,054
2005/06	9,584,229	24,069,471	15,473,801	—	49,127,501
2004/05	8,217,015	21,195,508	14,815,759	—	44,228,282
2003/04	8,131,412	18,239,777	13,431,593	—	39,802,782
2002/03	6,717,482	15,322,632	4,803,138	—	26,843,252
2001/02	5,290,599	12,487,052	(3,870,979)	—	13,906,672
2000/01	4,196,862	9,754,298	(2,863,230)	—	11,087,930
1999/00	3,209,544	7,460,518	2,734,601	—	13,404,663
1998/99	2,733,245	7,354,353	2,393,724	—	12,481,322
SPOFF					
2007/08	$ —	$51,475,396	($18,362,841)	$ —	$33,112,555
2006/07	—	48,948,255	37,812,916	—	86,761,171
2005/06	—	8,932,917	16,516,723	—	25,449,640
2004/05	—	41,406,166	15,284,243	—	56,690,409
2003/04	—	40,894,189	17,971,153	—	58,865,342
2002/03	—	35,047,115	5,069,041	—	40,116,156
2001/02	—	34,171,776	(7,286,207)	—	26,885,569
2000/01	—	33,236,879	(4,457,441)	—	28,779,438
1999/00	—	30,011,229	2,205,566	—	32,216,795
1998/99	—	15,518,376	529,477	—	16,047,853
CERBTF[1]					
2006/07	$ —	$11,468,611	($28,856)	$ —	$11,439,755
2007/08	—	655,030,544	(20,997,571)	—	634,032,973

Note:

[1] CERBTF was created in the 2006/07 fiscal year, therefore data for prior years are not available.

Changes in Net Assets — **Retirement Programs**

10-Year Review (Dollars in Thousands)

	Additions	Deductions	Net Change	Net Assets Beginning of Year	Net Assets End of Year
PERF					
2007/08	($1,738,031)	$11,469,172	($13,207,203)	$251,122,682	$237,915,479
2006/07	50,462,463	10,530,582	39,931,881	211,190,801	251,122,682
2005/06	31,217,173	9,657,253	21,559,920	189,630,881	211,190,801
2004/05	30,845,102	8,798,320	22,046,782	167,584,099	189,630,881
2003/04	30,800,365	7,978,972	22,821,393	144,762,706	167,584,099
2002/03	9,295,701	7,320,213	1,975,488	142,787,218	144,762,706
2001/02	(6,744,086)	6,743,093	(13,487,179)	156,274,397	142,787,218
2000/01	(10,160,466)	6,105,681	(16,266,147)	172,540,544	156,274,397
1999/00	18,696,562	5,513,803	13,182,759	159,357,785	172,540,544
1998/99	20,743,350	5,083,524	15,659,826	143,697,959	159,357,785
LRF					
2007/08	$237	$8,327	$(8,090)	$142,209	$134,119
2006/07	16,659	8,081	8,578	133,631	142,209
2005/06	3,968	8,432	(4,464)	138,095	133,631
2004/05	12,596	9,089	3,507	134,588	138,095
2003/04	11,150	7,546	3,604	130,984	134,588
2002/03	10,296	7,319	2,977	128,007	130,984
2001/02	(3,767)	6,962	(10,729)	138,736	128,007
2000/01	314	7,186	(6,872)	145,608	138,736
1999/00	10,307	7,000	3,307	142,301	145,608
1998/99	15,093	7,234	7,859	134,442	142,301
JRF					
2007/08	$176,986	$169,413	$7,573	$11,673	$19,246
2006/07	145,547	151,760	(6,213)	17,886	11,673
2005/06	134,724	134,082	642	17,244	17,886
2004/05	140,392	127,758	12,634	4,610	17,244
2003/04	122,659	122,561	98	4,512	4,610
2002/03	114,043	114,526	(483)	4,995	4,512
2001/02	82,558	109,935	(27,377)	32,372	4,995
2000/01	110,660	99,804	10,856	21,516	32,372
1999/00	92,199	90,531	1,668	19,848	21,516
1998/99	101,351	82,907	18,444	1,404	19,848

Changes in Net Assets — **Retirement Programs** (continued)

10-Year Review (Dollars in Thousands)

	Additions	Deductions	Net Change	Net Assets Beginning of Year	Net Assets End of Year
JRF II					
2007/08	$38,385	$3,695	$34,690	$290,732	$325,422
2006/07	74,183	2,437	71,746	218,986	290,732
2005/06	49,127	2,015	47,112	171,874	218,986
2004/05	44,228	1,669	42,559	129,315	171,874
2003/04	39,802	1,201	38,601	90,714	129,315
2002/03	26,843	1,519	25,324	65,390	90,714
2001/02	13,907	499	13,408	51,982	65,390
2000/01	11,088	460	10,628	41,354	51,982
1999/00	13,404	423	12,981	28,373	41,354
1998/99	12,481	365	12,116	16,257	28,373
SPOFF					
2007/08	$33,112	$13,783	$19,329	$335,378	$354,707
2006/07	86,761	10,828	75,933	259,445	335,378
2005/06	25,450	6,578	18,872	240,573	259,445
2004/05	56,691	5,353	51,338	189,235	240,573
2003/04	58,865	4,351	54,514	134,721	189,235
2002/03	40,116	4,084	36,032	98,689	134,721
2001/02	26,885	3,361	23,524	75,165	98,689
2000/01	29,166	2,266	26,900	48,265	75,165
1999/00	32,431	214	32,217	16,048	48,265
1998/99	16,048	—	16,048	—	16,048

Membership & Retirement Data — **Retirement Programs**

10-Year Review

Public Employees' Retirement System

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Active & Inactive Members										
State Members										
Miscellaneous	222,806	219,101	214,721	219,919	227,096	231,693	227,522	219,095	208,227	196,811
University of California	93	103	111	127	92	244	258	281	347	420
Industrial	11,862	10,815	11,695	11,032	10,607	11,000	10,997	11,390	10,960	9,970
ARP	19,086	16,608	13, 955	—	—	—	—	—	—	—
Highway Patrol	7,133	6,987	6,968[1]	11,359	10,236	11,959	11,754	6,668	6,542	6,529
Safety	28,763	26,099	23,129	21,750	16,714	17,782	17,478	16,390	15,521	15,183
Peace Officer/Firefighter	51,371	48,722	46,605	46,485	44,740	46,599	45,801	42,950	40,675	39,790
Total State Members	**341,114**	**328,435**	**317,184**	**310,672**	**309,485**	**319,277**	**313,810**	**296,774**	**282,272**	**268,703**
Public Agency Members										
Schools	426,686	409,675	394,911	380,374	372,614	373,171	358,837	337,160	316,862	295,421
Cities	175,240	171,546	166,192	161,515	158,884	160,155	154,871	144,557	136,705	131,593
Counties	98,395	95,177	92,013	88,717	87,468	89,838	87,887	80,743	74,921	70,442
Districts & Other Public Agencies	84,698	82,067	78,595	75,704	73,616	71,919	66,772	57,398	53,021	50,353
Total Public Agency Members	**785,019**	**758,465**	**731,711**	**706,310**	**692,582**	**695,083**	**688,367**	**619,858**	**581,509**	**547,809**
Total Active & Inactive Members	**1,126,133**	**1,086,900**	**1,048,895**	**1,016,982**	**1,002,067**	**1,014,360**	**982,177**	**916,632**	**863,781**	**816,512**
Benefit Recipients										
Service Retirement	393,328	380,162	367,737	353,212	341,348	326,163	313,762	303,427	292,402	282,771
Disability Retirement	42,813	42,965	42,383	41,857	42,064	41,808	41,036	40,207	38,925	37,389
Industrial Disability Retirement	32,757	32,081	31,157	30,025	29,320	28,180	26,948	25,644	24,363	23,181
Industrial Death	1,039	1,013	995	972	958	946	931	928	914	890
1957 Survivor Benefit	3,246	3,164	3,074	2,960	2,881	2,802	2,714	2,625	2,568	2,520
1959 Survivor Benefit	3,069	2,985	2,295	2,875	2,880	2,841	2,735	2,709	2,656	2,491
Total Benefit Recipients	**476,252[2]**	**462,370**	**448,271**	**431,901**	**419,451**	**402,740**	**388,126**	**375,540**	**361,828**	**349,242**
Total Members	**1,602,385**	**1,549,270**	**1,497,166**	**1,448,883**	**1,421,518**	**1,417,100**	**1,370,303**	**1,292,172**	**1,225,609**	**1,165,754**

Legislators' Retirement System

Active & Inactive Members										
Members of the Legislature	18	23	27	28	35	38	47	48	58	62
Constitutional Officers	18	19	15	15	18	18	15	16	18	16
Legislative Statutory Officers	4	4	4	4	4	4	4	4	4	4
Total Active & Inactive Members	**40**	**46**	**46**	**47**	**57**	**60**	**66**	**68**	**80**	**82**
Benefit Recipients										
Members of the Legislature										
Service Retirement	222	228	227	228	221	219	219	223	213	211
Disability Retirement	11	11	6	6	7	7	7	8	9	9
Pre-Retirement Option 2	—	—	—	—	—	2	2	2	2	2
Total Members of the Legislature	**233**	**239**	**233**	**234**	**228**	**228**	**228**	**233**	**224**	**222**
Constitutional Officers										
Service Retirement	21	22	22	23	25	26	25	29	31	32
Disability Retirement	1	1	1	1	1	1	1	1	1	1
Pre-Retirement Option 2	2	2	2	2	2	2	2	2	2	2
Total Constitutional Officers	**24**	**25**	**25**	**26**	**28**	**29**	**28**	**32**	**34**	**35**
Legislative Statutory Officers										
Service Retirement	5	5	5	6	6	7	7	7	7	7
Disability Retirement	—	—	—	—	—	—	—	—	—	—
Pre-Retirement Option 2	—	—	—	—	—	—	—	—	—	—
Total Legislative Statutory Officers	**5**	**5**	**5**	**6**	**6**	**7**	**7**	**7**	**7**	**7**
Total Benefit Recipients	**262**	**269**	**263**	**266**	**262**	**264**	**263**	**272**	**265**	**264**
Total Members	**302**	**315**	**309**	**313**	**319**	**324**	**329**	**340**	**345**	**346**

10-Year Review

Judges' Retirement System

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Active & Inactive Members										
Active Judges & Deferred Retirement Judges	682	756	825	917	983	1,039	1,125	1,164	1,241	1,294
Total Active & Inactive Members	**682**	**756**	**825**	**917**	**983**	**1,039**	**1,125**	**1,164**	**1,241**	**1,294**
Benefit Recipients										
Service Retirement	619	610	607	612	610	609	601	598	576	565
Disability Retirement	47	52	50	48	48	51	52	55	57	58
Deferred Retirement	604	611	618	673	672	667	654	650	645	633
Optional Settlement Benefit	390	352	306	196	154	120	92	70	53	47
Pre-Retirement Survivor	75	77	79	77	74	76	77	76	78	79
Total Benefit Recipients	**1,735**	**1,702**	**1,660**	**1,606**	**1,558**	**1,523**	**1,476**	**1,449**	**1,409**	**1,382**
Total Members	**2,417**	**2,458**	**2,485**	**2,523**	**2,541**	**2,562**	**2,601**	**2,613**	**2,650**	**2,676**

Judges' Retirement System II

Active & Inactive Members										
Active Judges	979	915	831	748	690	624	531	462	353	334
Total Active & Inactive Members	**979**	**915**	**831**	**748**	**690**	**624**	**531**	**462**	**353**	**334**
Benefit Recipients										
Service Retirement	3	4	1	1	2	—	—	—	—	—
Disability Retirement	5	3	2	1	—	—	—	—	—	—
Optional Settlement Benefit	4	—	3	—	—	—	—	—	—	—
Pre-Retirement Survivor	2	4	7	7	4	3	1	1	2	2
Total Benefit Recipients	**14**	**11**	**13**	**9**	**6**	**3**	**1**	**1**	**2**	**2**
Total Members	**993**	**926**	**844**	**757**	**696**	**627**	**532**	**463**	**355**	**336**

Notes:

[1] Starting with the June 30, 2006 Comprehensive Annual Financial Report, CalPERS changed the mechanism for reporting this category.

[2] This total differs from Total Benefit Recipients on pages 42 and 147. Total Benefit Recipients shown here include Active Death Benefits paid as a result of a member death prior to retirement.

Primary Benefits

Benefits are paid according to the category of employment and the type of benefit coverage provided by an employer. Local agencies have variations in benefits due to their specific contract obligations with CalPERS.

The four categories of membership are:

Miscellaneous Members — staff, operational, supervisory, and all other eligible employees who are not in special membership categories.

Safety Members — California Highway Patrol officers, police officers, firefighters, and other employees whose principal duties are in active law enforcement or fire prevention and suppression work, or who occupy positions designated by law as safety member positions.

State Industrial Members — employees of the Department of Corrections and the California Youth Authority who have the same service retirement and other benefits as miscellaneous members, but who also have industrial death and disability benefits under certain limited circumstances.

State Peace Officer/Firefighter Members — State employees who are involved in law enforcement, firefighting and fire suppression, public safety, protective services, or the management and supervision thereof, whose positions are defined as State peace officer/firefighter members in the Government Code or by the Department of Personnel Administration.

Separation from Employment/Refunds

At permanent separation from employment, members may either leave their contributions on deposit and defer retirement[1] or terminate membership by electing to take a refund of member contributions plus interest (compounded annually). With a refund election, CalPERS is required to deduct federal withholding of 20 percent from the untaxed portion of the refund, unless the taxable portion is directly rolled over to a qualified plan or IRA.

Service Retirement

State Miscellaneous & State Industrial Members (First Tier), School Members & University Members 2 Percent at 55 Formula

Service not coordinated with Social Security — A guarantee of 2 percent of final compensation[2] at age 55 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 55 with an increased benefit rate to age 63.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

School members with service credit rendered after January 1, 2001: final compensation will not be reduced by $133.33.

State Miscellaneous & State Industrial Members Separated from Service Prior to January 1, 2000 2 Percent at 60 Formula

Service not coordinated with Social Security — A guarantee of 2 percent of final compensation at age 60 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 60 with an increased benefit rate to age 63.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

State Miscellaneous & State Industrial Members (Second Tier) 1.25 Percent at 65 Formula

A guarantee of 1.25 percent of final compensation at age 65 for each year of service credit. Retirement may begin at age 55, or as early as age 50 (if there is a combination of First Tier and Second Tier service; a reduced benefit rate will apply).

Notes:

1 A member who has less than the required amount of service credit must return to CalPERS-covered employment to obtain the minimum service credit required to be eligible for retirement.

2 The term "final compensation" appears throughout this section. It means the average payrate and special compensation over the last three consecutive years of employment (or one year for State and school members or as a contract option for local members) unless the member elects a different period with a higher average.

Local Miscellaneous Members 2 Percent at 60 Formula

Service not coordinated with Social Security — A guarantee of 2 percent of final compensation at age 60 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 60 with an increased benefit rate to age 63.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

Local Miscellaneous Members 2 Percent at 55 Formula

Service not coordinated with Social Security — A guarantee of 2 percent of final compensation at age 55 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 55 with an increased benefit rate to age 63.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

Local Miscellaneous Members 2.5 Percent at 55 Formula

Service not coordinated with Social Security — A guarantee of 2.5 percent of final compensation at age 55 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

Local Miscellaneous Members 2.7 Percent at 55 Formula

Service not coordinated with Social Security — A guarantee of 2.7 percent of final compensation at age 55 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

Local Miscellaneous Members 3 Percent at 60 Formula

Service not coordinated with Social Security — A guarantee of 3 percent of final compensation at age 60 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate.

Service coordinated with Social Security — Same basic benefit rate; however, there is a reduction of $133.33 from the final compensation before benefits are determined.

Local Safety Members 2 Percent at 50 Formula

2 percent of final compensation for each year of service for retirement at age 50, with an increased benefit rate to age 55. The maximum allowance payable is 90 percent of final compensation.

State Safety Members & Local Safety Members 2 Percent at 55 Formula

2 percent of final compensation for each year of service for retirement at age 55. The maximum allowance payable is 90 percent of final compensation. Retirement may begin at age 50 with a reduced benefit rate.

Local Safety Members Half Pay at 55 Formula

This benefit is no longer available as a contract amendment. Only a small number of local agencies are still covered under this formula which guarantees one-half of final compensation at age 55 with 20 or more years of service credit. Retirement may begin at age 50 with a reduced benefit rate.

State Safety Members & Local Safety Members 2.5 Percent at 55 Formula

This benefit is no longer available as a contract amendment. It provides 2.5 percent of final compensation for each year of service for retirement at age 55. The maximum allowance payable is 80 percent of final compensation for State safety members and 90 percent for local safety members. Retirement may begin at age 50 with a reduced benefit rate.

State Patrol Members, Local Safety Members & State Peace Officer/Firefighter Members 3 Percent at 50 Formula

3 percent of final compensation for each year of service for retirement at age 50. The maximum allowance payable is 90 percent of final compensation for State patrol members, local safety members, and State peace officer/firefighters.

State Peace Officer/Firefighter Members & Local Safety Members 3 Percent at 55 Formula

3 percent of final compensation for each year of service for retirement at age 55. The maximum allowance payable is 90 percent for State peace officer/firefighter members and local safety members. Retirement may begin at age 50 with a reduced benefit rate.

Disability Retirement

For Most Members

A monthly allowance of 1.8 percent of final compensation for each year of service, improved under certain conditions to 33 1/3 percent of final compensation, applicable to members with at least five years of service credit.

By Contract Amendment Only for Local Agencies

A monthly allowance of 30 percent of final compensation, plus an additional 1 percent for each year of service over five years to a maximum of 50 percent.

For State Second Tier Members

A monthly allowance of 1.125 percent of final compensation for each year of service, improved under certain conditions to 33 1/3 percent of final compensation, applicable to members with at least 10 years of service credit or five years if credited as of January 1, 1985.

For Local Public Agency Members

A monthly allowance of 1.35 percent of final compensation for each year of service, improved under certain conditions to 33⅓ percent of final compensation, applicable to members with at least five years of service credit.

Industrial Disability Retirement

For Most Members

A monthly allowance of 50 percent of final compensation, applicable to patrol members, State and local safety members, State peace officer/firefighter members, State industrial members, local miscellaneous members (by contract amendment only), and certain State miscellaneous members defined by law. The member must be serving in one of these categories at the time the industrial disability occurs. California Highway Patrol members may be entitled to an enhanced benefit if specific qualifying factors are met.

By Contract Amendment Only for Local Agencies

A monthly allowance of 75 percent of final compensation, if found totally disabled.

By Contract Amendment Only for Local Agencies

A monthly allowance of 50 percent to 90 percent of final compensation, depending on the disability rating by the Workers' Compensation Appeals Board.

Death Benefits (Before Retirement)

Basic Death Benefit — All Members Except State Employees

Eligible to retire or not — A return of member contributions plus interest (compounded annually) and an employer-paid portion equal to one month's compensation earnable for each year of current service to a maximum of six months.

Basic Death Benefit — State Employees Only

Eligible to retire or not eligible to retire with 20 years or more of State service credit — A return of member contributions plus interest (compounded annually) and a State-paid portion equal to six months' pay (50 percent of the member's earnable pay for the 12 months prior to the member's death).

Not eligible to retire with less than 20 years of State service credit — A return of only the member contributions plus interest (compounded annually).

Insurance Benefit — State Employees Only

Eligible to retire or not eligible to retire with 20 years or more of State service credit — $5,000 in a lump sum.

Not eligible to retire with less than 20 years of State service credit — $5,000 in a lump sum plus six months' pay (50 percent of annual compensation).

Alternate Death Benefit [1] — For State Members in Bargaining Units Contracting for this Benefit, Who are Not Eligible to Retire, With 20 Years or More of State Service Credit

A monthly allowance payable to a surviving spouse or registered domestic partner until death, then to children under age 18. It is calculated similarly to pre-retirement Option 2W (if the beneficiary is a spouse or registered domestic partner), or like a 1957 Survivor Benefit (if the beneficiary is a minor child), as though the member had been old enough to retire. A spouse or registered domestic partner or minor child may receive continued health and dental insurance with the Alternate Death Benefit.

Alternate Death Benefit for Firefighters — Local Agency Employers Contracting for this Benefit, With 20 Years or More of Total Service Credit

A monthly non-job-related allowance payable to a surviving spouse or registered domestic partner until death, then to children under age 18. It is calculated similarly to Pre-Retirement Option 2W (if the beneficiary is a spouse or registered domestic partner, even if the agency does not contract separately for the Pre-Retirement Option 2W benefit), or like a 1957 Survivor Benefit (if the beneficiary is a minor child), as though the member had either been old enough to retire (if the member died before reaching retirement age), or based on the member's actual age if the member was eligible to retire at the time of death. This benefit applies to all service credit earned by the member, including service that may have been earned with a local agency that does not contract for the Alternate Death Benefit, as long as the member was employed at the time of death by a local agency that provides this benefit in their contract.

Pre-Retirement Option 2W Benefit — Local Agencies by Contract, Married, or Registered Domestic Partnership

A monthly allowance payable to the surviving spouse or registered domestic partner until death, then to children under age 18, equal to what the deceased member would have received had they retired on the date of their death and elected Option 2W.

Pre-Retirement Option 2W Benefit [1] — For All State Members, Married, or Registered Domestic Partnership

A monthly allowance payable to the surviving spouse or registered domestic partner until death, then to children under age 18, equal to what the deceased member would have received had they retired on the date of their death and elected Option 2W.

1957 Survivor Benefit [1] — Local Members, Married, or Registered Domestic Partnership

For all members eligible to retire who are married or in a registered domestic partnership, a monthly allowance payable to the surviving spouse or registered domestic partner until death, then to children under age 18, equal to one-half of the highest allowance (unmodified) the member would have received had they retired on the date of death.

1957 Survivor Benefit [1] — All Members, Not Married, or No Registered Domestic Partnership

For all members eligible to retire who are not married or in a registered domestic partnership, a monthly allowance payable to the unmarried surviving minor children until age 18, equal to one-half of the highest allowance (unmodified) the member would have received had they retired on the date of death. Once allowance stops, the total allowance paid is compared to the Basic Death Benefit amount, and any difference is paid in a lump sum to all of the member's surviving children.

Note:

[1] The surviving spouse or registered domestic partner of other than a State member, or a guardian of a minor child, may elect the Basic Death Benefit or the 1957 Survivor Benefit. The surviving spouse or registered domestic partner of a State member may elect the Basic Death Benefit or the Pre-Retirement Option 2W Death Benefit.

1959 Survivor Benefit — State & School Members & by Contract Option, Local Agency Members Not Coordinated With Social Security

A monthly benefit paid to survivors of deceased members who died prior to retirement. This benefit is similar to the Social Security Survivor Benefit and is paid in addition to any other applicable pre-retirement death benefit, except the Special Death Benefit.

Special Death Benefit [1] — Survivors of Patrol, State & Local Safety, State Industrial & State Peace Officer/Firefighter Members, State Miscellaneous [2] & Local Miscellaneous by Contract Amendment [2]

A monthly allowance equal to 50 percent of final compensation payable to the surviving spouse or registered domestic partner until death, or if no spouse, to natural or adopted unmarried children up to age 22. The monthly allowance is recalculated annually on October 1 based on the salary rates for employees who work in the position the member held at the time of death until such time as the member would have attained age 50.

Special Death Benefit [1] — Violent Death

Provides increased benefits (up to 75 percent of final compensation) based upon the number of surviving children, if the member's death is the result of external violence or physical force.

Death Benefits (After Retirement)

Retired Death Benefit — State Members Only

A $2,000 lump sum payable in addition to any optional settlement elected.

Retired Death Benefit — Local & School Members

A $500, $600, $2,000, $3,000, $4,000, or $5,000 lump sum (depending on the employer contract) payable in addition to any optional settlement elected.

Survivor Continuance Benefit — State Members, School Members & by Contract Option, Local Agency Members

Service not coordinated with Social Security — 50 percent of the deceased member's unmodified retirement allowance amount will continue to an eligible survivor.

Service coordinated with Social Security — 25 percent of the deceased member's unmodified retirement allowance amount will continue to an eligible survivor.

Optional Settlements

For All Members

All the disability and service retirement allowances discussed in this section are the highest (unmodified) allowances payable to a retired member. There are six optional settlements to allow a member to reduce their allowance to provide a benefit to a named beneficiary at the member's death. Under two of these options, if the beneficiary predeceases the member, the member's allowance will be increased to the higher (unmodified) amount.

Cost-of-Living Adjustments (COLA)

For All Members — Except State Second Tier

A maximum of 2 percent compounded annually (up to 5 percent maximum as a contract option for retired members of local agencies).

For State Second Tier Members Only

A fixed 3 percent compounded annually.

Notes:

[1] The Special Death Benefit is payable if the member's death is job related.

[2] The survivor of a State or local miscellaneous member qualifies for the Special Death Benefit if the member was killed or fatally injured while performing their official duties.

Active & Inactive Members

Employer/Category	Active	Inactive	Total
State Miscellaneous — First Tier	143,776	46,170	189,946
State Miscellaneous — Second Tier	8,950	23,910	32,860
State Industrial — First Tier	8,917	973	9,890
State Industrial — Second Tier	948	1,024	1,972
State ARP [1]	16,239	2,847	19,086
Highway Patrol	6,869	264	7,133
State Safety	24,608	4,155	28,763
Peace Officer/Firefighter	46,071	5,300	51,371
University of California [2]	2	91	93
Total State Members	**256,380**	**84,734**	**341,114**
School — Miscellaneous	314,098	111,812	425,910
School — Safety	591	185	776
Total School Members	**314,689**	**111,997**	**426,686**
Public Agency — Miscellaneous	215,549	82,694	298,243
Public Agency — Safety	50,296	9,794	60,090
Total Public Agency Members	**265,845**	**92,488**	**358,333**
Total Members	836,914	289,219	1,126,133

Benefit Payments by Type

Category	Amount Paid
Service Retirement	$8,989,399,878
Disability Retirement	508,340,191
Industrial Disability Retirement	1,141,230,969
PPPA Payments [3]	59,612,434
Total	**$10,698,583,472**
Basic Death Benefit/Group Term Life Insurance	$37,488,504
1957 Survivor Benefit	60,762,855
1959 Survivor Benefit	31,383,843
Industrial Death Allowance	33,600,164
Option 1, Temporary Annuity, Other Lump-Sum Death Benefits & Other Prior Year Adjustments	22,598,032
Total	**$185,833,398**
Grand Total	$10,884,416,870

Benefit Recipients by Employer Category [4]

Employer	Retired Members	Survivors & Beneficiaries	Total
State Miscellaneous — First Tier	105,576	19,665	125,241
State Miscellaneous — Second Tier	2,515	440	2,955
State Industrial — First Tier	3,898	558	4,456
State Industrial — Second Tier	125	15	140
Highway Patrol	5,832	908	6,740
State Safety	24,921	2,888	27,809
Peace Officer/Firefighter	2,924	226	3,150
Total State	**145,791**	**24,700**	**170,491**
School — Miscellaneous	137,154	19,418	156,572
School — Safety	—	—	—
Total School	**137,154**	**19,418**	**156,572**
Public Agency — Miscellaneous	90,611	12,652	103,263
Public Agency — Safety	34,470	4,102	38,572
Total Public Agency	**125,081**	**16,754**	**141,835**
Grand Total	408,026	60,872	468,898

Notes:

1 The Alternate Retirement Program (ARP) is a mandated savings plan for State miscellaneous and industrial members hired after August 11, 2004, during their first two years of employment. While contributing to ARP during that period, they are also "non-contributing" CalPERS members.

2 The number of University of California members continues to decline since new employees must join the University of California Retirement System (UCRS).

3 These payments were made from the Purchasing Power Protection Account, which is structured to maintain current benefit levels and to restore CalPERS allowances to 75 percent of their original purchasing power (80 percent for public agencies).

4 The actual number of benefit recipients is by the employer category from which they retired, regardless of whether they had service in other employer categories. The total includes only those recipients receiving a monthly allowance, and does not include recipients of one-time only payments.

Benefit Payments by Type

Six-Year Review

Category	2008	2007	2006	2005	2004	2003
Service Retirement	$8,989,399,878	$8,233,421,767	$7,550,688,820	$6,837,660,779	$6,126,399,264	$5,517,803,137
Disability Retirement	508,340,191	498,297,616	469,318,366	452,965,751	436,760,071	414,169,213
Industrial Disability Retirement	1,141,230,969	1,073,697,728	986,653,060	918,589,118	846,201,803	788,510,695
PPPA Payments	59,612,434	63,851,575	64,455,662	65,678,127	71,005,179	78,716,677
Total	**$10,698,583,472**	**$9,869,268,686**	**$9,071,115,908**	**$8,274,893,775**	**$7,480,366,317**	**$6,799,199,722**
Basic Death Benefit/ Group Term Life Insurance	$37,488,504	$35,794,846	$35,912,639	$34,336,821	$35,499,195	$50,135,006
1957 Survivor Benefit	60,762,855	57,449,587	53,953,626	51,027,429	48,007,229	45,509,640
1959 Survivor Benefit	31,383,843	30,354,099	29,628,567	28,553,418	27,997,780	28,548,728
Industrial Death Allowance	33,600,164	31,351,295	28,785,227	27,095,550	25,302,686	24,347,863
Option 1, Temporary Annuity, Other Lump-Sum Death Benefits & Other Prior Year Adjustments	22,598,032	46,336,380	16,677,530	18,211,621	21,911,810	44,172,841
Total	**$185,833,398**	**$201,286,207**	**$164,957,589**	**$159,224,839**[1]	**$158,718,700**	**$192,714,078**
Refunds	$182,415,410	$181,574,603	$170,929,432	$155,236,438	$151,526,342	$114,024,929
Grand Total	**$11,066,832,280**	**$10,252,129,496**	**$9,407,002,930**	**$8,589,355,052**	**$7,790,611,359**	**$7,105,938,729**

Note:

[1] Includes "penalty interest" of $2,767 for pre-retirement and $6,098 for post-retirement death payments. Penalty interest is required when CalPERS is unable to pay death benefits within 45 days of receiving all documents establishing entitlement. The penalty interest rate is paid for each day exceeding the 45-day time limit, based on the interest crediting rate or the net earnings rate (including capital gains and losses) whichever is greater.

Average Benefit Payments — As of June 30, 2007

Six-Year Review

Retirement Effective Dates	Years of Credited Service						
	0-5	5-10	10-15	15-20	20-25	25-30	30+
2006/07							
Average Monthly Allowance [1]	$601	$753	$1,222	$1,801	$2,624	$3,917	$5,115
Average Final Compensation	$6,125	$4,294	$4,356	$4,632	$5,182	$5,925	$6,539
Number of Recipients [1]	648	3,943	3,536	4,059	3,738	3,606	4,467
2005/06							
Average Monthly Allowance [1]	$487	$682	$1,134	$1,654	$2,372	$3,610	$4,870
Average Final Compensation	$6,040	$4,012	$4,144	$4,405	$4,858	$5,689	$6,294
Number of Recipients [1]	560	3,624	3,788	4,462	3,807	3,650	5,249
2004/05							
Average Monthly Allowance [1]	$473	$687	$1,109	$1,606	$2,360	$3,439	$4,750
Average Final Compensation	$5,534	$3,926	$4,017	$4,289	$4,837	$5,488	$6,132
Number of Recipients [1]	549	3,487	4,032	4,668	3,861	3,859	5,876
2003/04							
Average Monthly Allowance [1]	$510	$693	$1,082	$1,560	$2,192	$3,308	$4,553
Average Final Compensation	$5,443	$3,835	$3,863	$4,171	$4,492	$5,254	$5,915
Number of Recipients [1]	545	3,489	4,254	4,465	3,822	3,499	4,831
2002/03							
Average Monthly Allowance [1]	$573	$678	$1,074	$1,475	$2,110	$3,261	$4,625
Average Final Compensation	$4,996	$3,609	$3,752	$3,936	$4,350	$5,156	$5,888
Number of Recipients [1]	529	2,834	3,825	3,678	3,281	3,116	4,650
2001/02							
Average Monthly Allowance [1]	$671	$674	$1,038	$1,421	$1,962	$3,125	$4,381
Average Final Compensation	$4,837	$3,543	$3,615	$3,878	$4,164	$5,015	$5,653
Number of Recipients [1]	503	2,518	3,667	3,152	3,074	2,951	4,284

Note:

[1] These averages and totals are for retired members, beneficiaries, and community property recipients.

Contract Actions Summary

On June 30, 2008, 1,571 public agency contracts provided retirement, death, and survivor benefits for employees of 57 county superintendents of schools; four school district offices; 448 cities and towns; 36 counties; and 1,026 districts and other public agencies. The 57 county superintendents of schools contracts provide benefits for 1,048 school districts, bringing the total number of public agency employers to 2,619.

	Added	Merged	Terminated	Total
County Superintendents of Schools (for 1,048 school districts)	—	—	—	57
Los Angeles City Schools and Community College Districts	—	—	—	2
Los Angeles County Superintendents of Schools and San Diego County Superintendent of Schools	—	—	—	2
Cities/Towns	1	—	—	448
Counties	—	—	—	36
Districts and Other Public Agencies	22	-9	-3	1,026
Total Public Agency Contracts	**23**	**-9**	**-3**	**1,571**

Amendments

Public agency contracts vary depending upon the member categories covered, the formula the agency elects to provide, and the optional benefit provisions selected from a group of approximately 51 benefits. These optional benefits may be provided at the time the original contract is established or they may be added later through the contract amendment process.

During the 2007-08 fiscal year, 244 benefit changes were made through 193 contract amendments. The benefit formula changes for public agencies included: 55 to provide the 2.5% at 55 formula for active miscellaneous members; 34 to provide the 2.7% at 55 formula for active miscellaneous members; six to provide 3% at 60 formula for active miscellaneous members; nine to provide 2% at 55 for miscellaneous members; 16 to provide 3% at 50 formula for safety members; 14 to provide 3% at 55 formula for safety members; and two to provide 2% at 50 formula for safety members.

Two Years of Additional Service Credit — The Golden Handshake

Contracting agencies may amend their contracts to provide additional service credit if there are impending mandatory transfers, layoffs, or demotions. Eligible employees who retire within a 90- to 180-day window period established by the employer receive two years additional service credit. The county schools may also contract for this benefit when there is an impending curtailment of, or change in the manner of performing services, and their best interest would be served by granting the additional service credit. Once the contract is amended, the employer may establish additional window periods.

In the 2007-08 fiscal year, seven public agencies amended their contracts to provide the two years of additional service credit and 21 additional window periods were established. The County Offices of Education established 35 additional window periods for the Golden Handshake benefit.

Popular Benefit Amendments

2.5% at 55 Miscellaneous Formula	55 amendments
2.7% at 55 Miscellaneous Formula	34 amendments
One Year Final Compensation	26 amendments
Fourth Level of 1959 Survivor Benefits	11 amendments
3% at 60 Miscellaneous Formula	3 amendments
3% at 50 Safety Formula	15 amendments
3% at 55 Safety Formula	14 amendments
Pre-Retirement Optional Settlement 2 Death Benefit	16 amendments
Different Level of Benefits	5 amendments

Mergers

Riverview Water District merged into Lakeside Water District on November 16, 2006, contract effective September 1, 2007.

Galt Fire Protection District merged into Cosumnes Community Services District on November 9, 2006, contract effective September 1, 2007.

Crockett-Valona Sanitary District was succeeded by the newly created Crockett Community Services District effective October 1, 2007.

San Pablo City Housing Authority, an inactive agency, was assumed by the City of San Pablo effective October 16, 2007.

The dispatch function from the Rancho Santa Fe Fire Protection District was transferred to a new agency, North County Dispatch Joint Powers Authority, as of October 30, 2002, contract effective November 11, 2007.

Elsinore Valley Municipal Water District was assumed by the newly created Water Employee Services Authority as of September 11, 2003, contract effective December 15, 2007.

The water function from Local Government Services Authority was transferred to a new agency, San Francisco Bay Area Water Transit Authority, on September 1, 2007, contract effective December 16, 2007.

Lower Lake Fire Protection District and Lakeshore Fire Protection District were assumed by Lake County Fire Protection District as of July 1, 2001, contracts effective January 1, 2008.

Point Montara Fire Protection District and Half Moon Bay Fire Protection District merged into Coastside Fire Protection District on October 1, 2007, contracts effective June 21, 2008.

Terminations

Weaverville Fire Protection District, effective January 14, 2008.

Bay Area Library and Information System, effective October 1, 2007.

Placer Consolidated Fire Protection District, effective November 28, 2007.

Largest Participating Employers

Employer	Number of Employees
State of California	341,114
Los Angeles County Schools	79,289
Los Angeles Unified School District	45,233
San Diego County Schools	26,976
Riverside County	25,093
Orange County Schools	22,367
Santa Clara County	20,733
San Bernardino County Schools	19,659
Riverside County Schools	17,845
Santa Clara County Schools	13,482

New Contracts

During the 2007-08 fiscal year, 22 additional agencies contracted with CalPERS for retirement, death, and survivor benefits. The new contracting agencies are:

Effective Date	Public Agency	Miscellaneous Member Formula	Safety Member Formula
7/1/07	Trindel Insurance Fund	2.5% at 55	
7/2/07	Calaveras Council of Governments	2% at 55	
7/2/07	Kings County Association of Governments	2% at 55	
7/3/07	Sonoma Marin Area Rail Transit District	2% at 55	
7/7/07	Tahoe Resource Conservation District	2% at 60	
7/15/07	Exposition Metro Line Construction Authority	2.5% at 55	
7/16/07	Nevada County Resource Conservation District	2.5% at 55	
8/1/07	Blue Lake Fire Protection District		3% at 50
9/1/07	Mammoth Lakes Mosquito Abatement District	3% at 60	
10/1/07	Crockett Community Services District	2% at 60	
10/1/07	San Bernardino City Unified School District		3% at 50
11/11/07	North County Dispatch Joint Powers Authority	2.7% at 55	
11/14/07	Yuba Community College District		2% at 55
11/19/07	Shasta Local Agency Formation Commission	2.5% at 55	
12/16/07	San Francisco Bay Area Water Transit Authority	2.5% at 55	
12/29/07	Water Employee Services Authority	2.7% at 55	
1/1/08	Lake County Fire Protection District	3% at 60	3% at 55
1/1/08	Butte Local Agency Formation Commission	2% at 55	
1/19/08	Golden Hills Community Services District	2% at 60	
2/1/08	Napa County Transportation Planning Agency	2.5% at 55	
4/26/08	City of Colfax	2% at 60	
6/29/08	South Feather Water and Power Agency	3% at 60	

Reciprocal Systems

Reciprocity is a valuable addition to the CalPERS benefit package. Its purpose is to encourage career public service, by allowing members to move between employers under different public retirement systems without losing their retirement and related benefits. The following retirement systems have reciprocity with CalPERS.

The University of California Retirement Plan (UCRP)

Counties Under the County Employees' Retirement Law of 1937

Alameda	Sacramento
Contra Costa	San Bernardino
Fresno	San Diego
Imperial	San Joaquin
Kern	San Mateo
Los Angeles	Santa Barbara
Marin	Sonoma
Mendocino	Stanislaus
Merced	Tulare
Orange	Ventura

Reciprocal Public Retirement Systems

California Administrative Services Authority
Concord, City of
Contra Costa Water District
Costa Mesa, City of (safety only)
East Bay Municipal Utility District
East Bay Regional Park District (safety only)
Fresno, City of
Long Beach Schools Business Management Authority
Los Angeles City Employees' Retirement Plan
Los Angeles County Metropolitan Transportation Authority (Non-Contract Employees' Retirement Income Plan)
Oakland, City of (non-safety only)
Pasadena, City of (fire and police only)
Sacramento, City of
San Clemente, City of (non-safety only)
San Diego, City of
San Francisco, City & County of
San Jose, City of
San Luis Obispo, County of

Systems with Limited Reciprocity

Judges' Retirement System
Judges' Retirement System II
Legislators' Retirement System
California State Teachers' Retirement System

Participating Public Agencies by Type

Total number of CalPERS members for each agency follows its name.

County Superintendents of Schools

Alameda - 11,274
Alpine - 42
Amador - 209
Butte - 2,493
Calaveras - 486
Colusa - 271
Contra Costa - 7,604
Del Norte - 199
El Dorado - 1,732
Fresno - 9,586
Glenn - 417
Humboldt - 1,618
Imperial - 2,183
Inyo - 242
Kern - 9,995
Kings - 1,456
Lake - 646
Lassen - 363
Los Angeles - 79,289
Madera - 1,380
Marin - 1,786
Mariposa - 182
Mendocino - 1,358
Merced - 3,419
Modoc - 172
Mono - 161
Monterey - 4,330
Napa - 1,425
Nevada - 744
Orange - 22,367
Placer - 3,050
Plumas - 285
Riverside - 17,845
Sacramento - 12,525
San Benito - 564
San Bernardino - 19,659
San Diego - 26,979
San Joaquin - 6,681
San Luis Obispo - 2,345
San Mateo - 4,786
Santa Barbara - 3,747
Santa Clara - 13,482
Santa Cruz - 2,428
Shasta - 2,068
Sierra - 33
Siskiyou - 717
Solano - 3,127
Sonoma - 3,977
Stanislaus - 5,924
Sutter - 842
Tehama - 846
Trinity - 271
Tulare - 5,489
Tuolumne - 448
Ventura - 6,469
Yolo - 1,589
Yuba - 1,087

Total - 57

School District Offices

Los Angeles Unified School District - 44,233
Los Angeles Community College District - 3,131
Los Angeles County Office of Education - 3,523
San Diego County Office of Education - 1,130

Total - 4

Counties

Alpine - 125
Amador - 640
Butte - 2,712
Calaveras - 741
Colusa - 439
Del Norte - 745
El Dorado - 2,695
Glenn - 688
Humboldt - 2,603
Inyo - 580
Kings - 1,782
Lake - 1,358
Lassen - 694
Madera - 2,041
Mariposa - 539
Modoc - 619
Mono - 439
Monterey - 6,445
Napa - 1,732
Nevada - 1,346
Placer - 3,311
Plumas - 619
Riverside - 25,093
San Benito - 655
San Francisco City & County[1] - 1,321
Santa Clara - 20,733
Santa Cruz - 3,427
Shasta - 2,302
Sierra - 158
Siskiyou - 993
Solano - 3,802
Sutter - 1,249
Tehama - 1,181
Trinity - 556
Tuolumne - 1,568
Yolo - 2,485
Yuba - 1,300

Total - 36

Cities & Towns

Adelanto - 212
Agoura Hills - 48
Alameda - 832
Albany - 110
Alhambra - 662
Aliso Viejo - 22
Alturas - 30
American Canyon - 96
Anaheim - 3,377
Anderson - 75
Angels - 53
Antioch - 499
Apple Valley - 167
Arcadia - 472
Arcata - 146
Arroyo Grande - 118
Artesia - 56
Arvin - 71
Atascadero - 202
Atherton - 78
Atwater - 164
Auburn - 118
Avalon - 83
Avenal - 40
Azusa - 433
Bakersfield - 1,803
Baldwin Park - 648
Banning - 280
Barstow - 185
Beaumont - 174
Bell - 250
Bell Gardens - 225
Bellflower - 139
Belmont - 188
Belvedere - 27
Benicia - 312
Berkeley - 2,016
Beverly Hills - 1,152
Biggs - 12
Bishop - 42
Blue Lake - 17
Blythe - 139
Bradbury - 3
Brawley - 188
Brea - 492
Brentwood - 356
Brisbane - 138
Buellton - 27
Buena Park - 416
Burbank - 1,732
Burlingame - 312
Calabasas - 157
Calexico - 296
California City - 110
Calimesa - 19
Calipatria - 23
Calistoga - 73
Camarillo - 175
Campbell - 207
Canyon Lake - 8

Note:
[1] This agency has both City and County employees and is listed in both areas; however, it is included only in the "total" count of the Cities & Towns category.

Cities & Towns

Capitola - 112
Carlsbad - 862
Carmel-by-the-Sea - 110
Carpinteria - 52
Carson - 628
Cathedral City - 296
Cerritos - 530
Chico - 471
Chino - 616
Chowchilla - 104
Chula Vista - 1,458
Citrus Heights - 219
Claremont - 296
Clayton - 37
Clearlake - 84
Cloverdale - 73
Clovis - 948
Coachella City - 106
Colfax - 11
Colma - 65
Colton - 532
Colusa - 53
Commerce - 197
Compton - 673
Concord - 704
Corcoran - 108
Corning - 60
Corona - 1,048
Coronado - 390
Corte Madera - 85
Costa Mesa - 971
Cotati - 67
Covina - 296
Crescent City - 97
Cudahy - 31
Culver City - 893
Cupertino - 198
Cypress - 242
Daly City - 806
Dana Point - 96
Davis - 631
Del Mar - 82
Del Rey Oaks - 13
Delano - 48
Desert Hot Springs - 121
Diamond Bar - 75
Dinuba - 272
Dixon - 147
Dos Palos - 36
Downey - 586
Duarte - 73
Dublin - 117
Dunsmuir - 15
East Palo Alto - 114
El Cajon - 712
El Centro - 353
El Cerrito - 256
El Monte - 515
El Segundo - 444
Elk Grove - 275
Emeryville - 79
Encinitas - 320
Escalon - 58
Escondido - 1,182
Etna - 8
Eureka - 335
Exeter - 45
Fairfax - 59
Fairfield - 705
Farmersville - 48
Fillmore - 59
Firebaugh - 66
Folsom - 677
Fontana - 886
Fort Bragg - 89
Fortuna - 94
Fountain Valley - 295
Fowler - 41
Fremont - 1,157
Fullerton - 856
Galt - 231
Garden Grove - 924
Gardena - 545
Gilroy - 336
Glendale - 2,636
Glendora - 288
Goleta - 58
Gonzales - 56
Grand Terrace - 88
Grass Valley - 152
Greenfield - 62
Gridley - 72
Grover Beach - 108
Guadalupe - 72
Gustine - 31
Half Moon Bay - 72
Hanford - 315
Hawaiian Gardens - 101
Hawthorne - 520
Hayward - 1,070
Healdsburg - 172
Hemet - 449
Hercules - 215
Hermosa Beach - 221
Hesperia - 170
Hidden Hills - 5
Highland - 48
Hillsborough - 137
Hollister - 170
Hughson - 49
Huntington Beach - 1,341
Huntington Park - 242
Imperial - 65
Imperial Beach - 119
Indian Wells - 55
Indio - 337
Industry - 30
Inglewood - 1,099
Ione - 27
Irvine - 1,076
Irwindale - 113
Jackson - 42
Kerman - 70
King City - 66
Kingsburg - 94
La Canada Flintridge - 47
La Habra - 575
La Habra Heights - 29
La Mesa - 334
La Mirada - 126
La Palma - 98
La Puente - 63
La Quinta - 132
La Verne - 219
Laguna Beach - 319
Laguna Hills - 57
Laguna Niguel - 122
Laguna Woods - 12
Lake Elsinore - 108
Lake Forest - 93
Lakeport - 60
Lakewood - 385
Lancaster - 724
Larkspur - 74
Lathrop - 128
Lawndale - 122
Lemon Grove - 96
Lemoore - 167
Lincoln - 248
Lindsay - 131
Live Oak - 26
Livermore - 650
Livingston - 103
Lodi - 599
Loma Linda - 125
Lomita - 68
Lompoc - 490
Long Beach - 6,610
Loomis - 17
Los Alamitos - 72
Los Altos - 180
Los Altos Hills - 22
Los Banos - 208
Los Gatos - 243
Loyalton - 4
Lynwood - 320
Madera - 403
Malibu - 99
Mammoth Lakes - 152
Manhattan Beach - 367
Manteca - 475
Marina - 137
Martinez - 54
Marysville - 98
Maywood - 105
Menlo Park - 386
Merced - 650
Mill Valley - 234
Millbrae - 210
Milpitas - 542
Mission Viejo - 196
Modesto - 1,451
Monrovia - 358
Montague - 7
Montclair - 327
Monte Sereno - 10
Montebello - 718
Monterey - 645
Monterey Park - 521
Moorpark - 93
Moraga - 51
Moreno Valley - 735
Morgan Hill - 271
Morro Bay - 131
Mountain View - 853
Mt. Shasta - 53
Murrieta - 343
Napa - 505
National City - 446
Needles - 157
Nevada City - 41
Newark - 301
Newman - 62
Newport Beach - 1,123
Norco - 158
Norwalk - 332
Novato - 308
Oakdale - 136
Oakland - 5,319
Oakley - 41
Oceanside - 1,319
Ojai - 47

Cities & Towns

Ontario - 1,242
Orange - 894
Orange Cove - 23
Orland - 44
Oroville - 152
Oxnard - 2,790
Pacific Grove - 146
Pacifica - 279
Palm Desert - 211
Palm Springs - 644
Palmdale - 469
Palo Alto - 1,339
Palos Verdes Estates - 95
Paradise - 136
Paramount - 138
Parlier - 45
Pasadena - 2,450
Paso Robles - 241
Patterson - 118
Perris - 113
Petaluma - 508
Pico Rivera - 202
Piedmont - 134
Pinole - 179
Pismo Beach - 136
Pittsburg - 343
Placentia - 168
Placerville - 127
Pleasant Hill - 194
Pleasanton - 625
Pomona - 892
Port Hueneme - 178
Porterville - 386
Portola - 23
Portola Valley - 16
Poway - 335
Rancho Cordova - 75
Rancho Cucamonga - 660
Rancho Mirage - 116
Rancho Palos Verdes - 160
Rancho Santa Margarita - 23
Red Bluff - 142
Redding - 950
Redlands - 581
Redondo Beach - 673
Redwood City - 892
Reedley - 152
Rialto - 511
Richmond - 1,035
Ridgecrest - 171
Rio Vista - 73
Ripon - 28
Riverbank - 84
Riverside - 2,794
Rocklin - 442
Rohnert Park - 276
Rolling Hills - 5
Rolling Hills Estates - 38
Rosemead - 108
Roseville - 1,511
Ross - 30
Sacramento - 6,189
Salinas - 646
San Anselmo - 105
San Bernardino - 1,861
San Bruno - 325
San Buenaventura - 910
San Carlos - 191
San Clemente - 47
San Dimas - 104
San Fernando - 166
San Francisco - 1,321
San Gabriel - 210
San Jacinto - 103
San Joaquin - 19
San Jose - 13
San Leandro - 544
San Luis Obispo - 547
San Marcos - 279
San Marino - 182
San Mateo - 726
San Pablo - 181
San Ramon - 363
Sand City - 32
Sanger - 171
Santa Ana - 1,998
Santa Barbara - 1,565
Santa Clara - 1,069
Santa Clarita - 630
Santa Cruz - 1,098
Santa Fe Springs - 264
Santa Maria - 681
Santa Monica - 2,833
Santa Paula - 209
Santa Rosa - 1,588
Santee - 198
Saratoga - 97
Sausalito - 162
Scotts Valley - 103
Seal Beach - 118
Seaside - 264
Sebastopol - 58
Selma - 194
Shafter - 166
Shasta Lake - 64
Sierra Madre - 101
Signal Hill - 181
Simi Valley - 772
Solana Beach - 91
Soledad - 97
Solvang - 47
Sonoma - 106
Sonora - 64
South El Monte - 97
South Gate - 571
South Lake Tahoe - 291
South Pasadena - 237
South San Francisco - 577
St. Helena - 102
Stanton - 80
Stockton - 2,333
Suisun City - 137
Sunnyvale - 1,252
Susanville - 91
Sutter Creek - 22
Taft - 196
Tehachapi - 72
Temecula - 280
Temple City - 56
Thousand Oaks - 529
Tiburon - 64
Torrance - 1,734
Tracy - 606
Truckee - 158
Tulare - 508
Tulelake - 20
Turlock - 565
Tustin - 433
Twentynine Palms - 54
Ukiah - 254
Union City - 423
Upland - 430
Vacaville - 677
Vallejo - 563
Vernon - 435
Victorville - 809
Villa Park - 6
Visalia - 684
Vista - 481
Walnut - 87
Walnut Creek - 663
Wasco - 85
Waterford - 23
Watsonville - 501
Weed - 45
West Covina - 521
West Hollywood - 301
West Sacramento - 544
Westlake Village - 21
Westminster - 379
Westmorland - 6
Whittier - 523
Williams - 41
Willits - 72
Willows - 45
Windsor - 137
Winters - 41
Woodlake - 59
Woodland - 454
Woodside - 27
Yorba Linda - 162
Yountville - 33
Yreka - 77
Yuba City - 394
Yucaipa - 73
Yucca Valley - 90

Total - 448

Districts & Other Public Agencies

Academic Senate for California Community Colleges - 21
Access Services Incorporated - 124
Agoura Hills & Calabasas Community Center - 16
Alameda Alliance for Health - 263
Alameda Corridor Transportation Authority - 19
Alameda County Congestion Management Agency - 24
Alameda County Fire Department - 336
Alameda County Law Library - 16
Alameda County Mosquito Abatement District - 15
Alameda County Schools Insurance Group - 10
Alameda County Transportation Improvement Authority - 12
Alameda County Waste Management Authority - 43
Alameda County Water District - 248
Albany Municipal Services Joint Powers Authority - 28
Alhambra Redevelopment Agency - 9
Aliso Water Management Agency - 0
Alliance of Schools for Cooperative Insurance Programs - 23
Alpine Fire Protection District - 21
Alta California Regional Center, Inc. - 475
Alta Irrigation District - 40
Altadena Library District - 24
Amador County Transportation Commission - 3
Amador Regional Transit District - 43
Amador Water Agency - 77
American Canyon Fire Protection District - 15
American River Flood Control District - 9
Anderson Cemetery District - 1
Anderson Fire Protection District - 8
Angiola Water District - 7
Antelope Valley Mosquito & Vector Control District - 5
Antelope Valley Schools Transportation Agency - 310
Antelope Valley Transit Authority - 34
Apple Valley Fire Protection District - 74
Aptos/La Selva Fire Protection Agency - 43
Arbuckle-College City Fire Protection District - 4
Arcade Creek Recreation & Park District - 11
Arcata Fire Protection District - 20
Area 12 Agency on Aging - 36
Armona Community Services District - 2
Aromas Water District - 7
Arrowbear Park County Water District - 5
Arroyo Grande District Cemetery - 5
Associated Students, California State University, San Bernardino - 2
Association of Bay Area Governments - 138
Association of California Water Agencies - 72
Association of California Water Agencies -
Joint Powers Insurance Authority - 49
Association of Monterey Bay Area Governments - 31
Atascadero Cemetery District - 4
Auburn Area Recreation & Park District - 95
Auburn Public Cemetery District - 8
Avila Beach Community Services District - 1
Aztec Shops, Ltd. - 113
BETA Health Care Group Risk Management Authority - 65
Baldwin Park Unified School District - 889
Baldy Mesa Water District - 2
Bard Water District - 25
Bardsdale Cemetery District - 4
Barstow Cemetery District - 5
Bay Area Air Quality Management District - 438
Bay Area Water Supply & Conservation Agency - 8
Beach Cities Health District - 144
Bear Mountain Recreation & Park District - 8
Bear Valley Community Services District - 52
Beaumont District Library - 11
Beaumont-Cherry Valley Recreation & Park District - 23
Beaumont-Cherry Valley Water District - 39
Bella Vista Water District - 29
Belmont-San Carlos Fire Department - 59
Belvedere-Tiburon Library Agency - 19
Ben Lomond Fire Protection District - 1
Benicia City Housing Authority - 17
Bennett Valley Fire Protection District - 8
Big Bear Area Regional Wastewater Agency - 22
Big Bear City Airport District - 7
Big Bear City Community Services District - 82
Big Bear Municipal Water District - 12
Bighorn-Desert View Water Agency - 14
Black Gold Cooperative Library System - 19
Blanchard/Santa Paula Public Library District - 10
Blue Lake Fire Protection District - 1
Bodega Bay Fire Protection District - 23
Bolinas Community Public Utility District - 7
Bolinas Fire Protection District - 2
Bonita-Sunnyside Fire Protection District - 19
Boron Community Services District - 2
Borrego Springs Fire Protection District - 30
Borrego Water District - 15
Boulder Creek Fire Protection District - 1
Branciforte Fire Protection District - 2
Brannan-Andrus Levee Maintenance District - 1
Broadmoor Police Protection District - 17
Brooktrails Township Community Services District - 15
Browns Valley Irrigation District - 12
Buena Park Library District - 27
Burney Basin Mosquito Abatement District - 1
Burney Fire District - 10
Burney Water District - 11
Butte County Air Quality Management District - 13
Butte County Association of Governments - 9
Butte County In-Home Supportive Services Public Authority - 5
Butte County Mosquito & Vector Control District - 18
Butte Local Agency Formation Commission - 4
Butte Schools Self-Funded Programs - 2
Butte-Glenn Community College District - 469
Byron-Bethany Irrigation District - 19
Cabrillo College Foundation - 7
Cachuma Operation & Maintenance Board - 20
Cal Poly Corporation - 477
Cal Poly Pomona Foundation, Inc. - 428
Calaveras Council of Governments - 3
Calaveras County Water District - 97
Calaveras Public Utility District - 8
California Association for Park & Recreation Insurance - 4
California Authority of Racing Fairs - 22
California Bear Credit Union - 101

Districts & Other Public Agencies

California Fair Services Authority - 54
California Fairs Financing Authority - 47
California Firefighter's Joint Apprenticeship Committee - 38
California Interscholastic Federation, Central Coast Section - 6
California Interscholastic Federation, Central Section - 2
California Interscholastic Federation North Coast Section - 9
California Interscholastic Federation, Northern Section - 2
California Interscholastic Federation, Sac-Joaquin Section - 5
California Interscholastic Federation, San Diego Section - 3
California Interscholastic Federation, Southern Section - 18
California Interscholastic Federation, State Office - 16
California Joint Powers Insurance Authority - 25
California Joint Powers Risk Management Authority - 7
California Maritime Academy Foundation, Inc. - 2
California Municipal Utilities Association - 3
California Pines Community Services District - 12
California Redevelopment Association Foundation - 15
California School Boards Association - 187
California Special Districts Association - 23
California State & Federal Employees No. 20 Credit Union - 16
California State University, Bakersfield Foundation - 71
California State University, Fresno Association, Inc. - 220
California State University, Fresno Athletic Corporation - 140
California State University, Sacramento Foundation - 0
California State University, Stanislaus Auxiliary & Business Services - 56
Callayomi County Water District - 3
Calleguas Municipal Water District - 77
Camarillo Health Care District - 74
Cambria Cemetery District - 1
Cambria Community Health Care District - 16
Cambria Community Services District - 42
Cameron Park Community Services District - 16
Camrosa Water District - 28
Capitol Area Development Authority - 56
Carmel Area Wastewater District - 25
Carmel Highlands Fire Protection District of Monterey County - 1
Carmel Regional Fire Ambulance Authority - 5
Carmel Valley Fire Protection District - 16
Carmichael Water District - 37
Carpinteria Sanitary District - 17
Carpinteria Valley Water District - 20
Casitas Municipal Water District - 60
Castaic Lake Water Agency - 118
Castro Valley Sanitary District - 17
Castroville Community Services District - 7
Cawelo Water District - 18
Cayucos Sanitary District - 8
Cayucos-Morro Bay Cemetery District - 4
Centerville Community Services District - 5
Central Basin Municipal Water District - 48
Central Calaveras Fire & Rescue Protection District - 8
Central Coast Computing Authority - 8
Central Coast Water Authority - 42
Central Contra Costa Transit Authority - 417
Central Fire Protection District of Santa Cruz County - 56
Central Marin Sanitation Agency - 45
Central Sierra Child Support Agency - 30
Central Sierra Planning Council - 0
Central Valley Regional Center, Inc. - 400
Central Water District - 4
Chester Fire Protection District - 10
Chester Public Utility District - 4
Chico Area Recreation & Park District - 81
Chino Basin Watermaster - 12
Chino Valley Independent Fire District - 140
Citrus Heights Water District - 28
Clear Creek Community Services District - 12
Clearlake Oaks County Water District - 28
Clearlake Oaks Fire Protection District - 3
Cloverdale Citrus Fair - 6
Cloverdale Fire Protection District - 5
Clovis Cemetery District - 14
Coachella Valley Association of Governments - 25
Coachella Valley Mosquito Abatement District - 82
Coachella Valley Public Cemetery District - 6
Coachella Valley Water District - 607
Coalinga-Huron Cemetery District - 2
Coalinga-Huron Mosquito Abatement District - 0
Coalinga-Huron Recreation & Park District - 23
Coalinga-Huron Unified School District Library District - 9
Coast Life Support District - 9
Coastal Developmental Services Foundation, DBA Westside Regional Center - 275
Coastal Municipal Water District - 0
Coastside County Water District - 26
Coastside Fire Protection District - 0
Colfax Cemetery District - 3
College Town - 0
College of the Canyons Foundation - 2
Colusa County One-Stop Partnership - 21
Colusa Mosquito Abatement District - 4
Community College League of California - 30
Community Development Commission of Los Angeles County - 1,211
Community Development Commission of Mendocino County - 42
Community Development Commission of the City of National City - 46
Compton Creek Mosquito Abatement District - 1
Compton Unified School District - 1,873
Conejo Recreation & Park District - 275
Consolidated Area Housing, Sutter County - 39
Consolidated Mosquito Abatement District - 23
Contra Costa Community College District - 985
Contra Costa County Law Library - 4
Contra Costa County Schools Insurance Group - 68
Contra Costa Transportation Authority - 24
Cooperative Organization for the Development of Employee Selection Procedures - 12
Cooperative Personnel Services - 483
Copperopolis Fire Protection District - 11
Cordelia Fire Protection District of Solano County - 7
Cordova Recreation & Park District - 49
Corning Water District - 5
Costa Mesa Sanitary District - 13
Cosumnes Community Services District - 624
Cottonwood Fire Protection District - 4
Cottonwood Water District - 3
Crescent City Harbor District - 14

Districts & Other Public Agencies

Crescenta Valley Water District - 37
Crestline Lake Arrowhead Water Agency - 12
Crestline Village Water District - 13
Crockett-Community Services District - 3
CSAC Excess Insurance Authority - 65
Cucamonga Valley Water District - 153
Cutler Public Utility District - 4
Cutler-Orosi Joint Powers Wastewater Authority - 3
Cuyama Valley Recreation District - 1
Dairy Council of California - 107
Daly City Redevelopment Agency - 0
Davis Cemetery District - 5
Deer Springs Fire Protection District - 0
De Luz Community Services District - 4
Del Norte County Library District - 3
Del Paso Manor Water District - 4
Del Puerto Water District - 5
Del Rey Community Services District - 3
Delano Mosquito Abatement District - 6
Delta Diablo Sanitation District - 80
Delta Vector Control District - 20
Denair Community Services District - 6
Desert Water Agency - 93
Diablo Water District - 16
Diamond Springs/El Dorado Fire Protection District - 24
Dixon Public Library District - 17
Donald P. & Katherine B. Loker University Student Union, Inc. - 12
Dougherty Regional Fire Authority - 10
Downey Cemetery District - 0
Dublin San Ramon Services District - 143
Durham Mosquito Abatement District - 1
East Bay Dischargers Authority - 2
East Bay Regional Park District - 692
East Contra Costa Irrigation District - 18
East County Fire Protection District - 51
East Kern Airport District - 30
East Orange County Water District - 10
East Palo Alto Sanitary District - 13
East Quincy Services District - 6
East San Gabriel Valley Human Services Consortium - 81
East Valley Water District - 80
Eastern Municipal Water District - 726
Eastern Sierra Transit Authority - 39
Ebbetts Pass Fire Protection District - 29
El Dorado County Fire Protection District - 97
El Dorado County Transit Authority - 97
El Dorado County Transportation Commission - 6
El Dorado Hills Community Services District - 64
El Dorado Hills County Water District - 65
El Dorado Irrigation District - 368
Encina Wastewater Authority - 93
Esparto Community Services District - 8
Esparto Fire Protection District - 2
Estero Municipal Improvement District - 283
Exeter District Ambulance - 21
Exposition Metro Line Construction Authority - 6
Fair Oaks Recreation & Park District - 60
Fair Oaks Water District - 55
Fairfield-Suisun Sewer District - 0
Fall River Mills Community Services District - 4
Fallbrook Public Utility District - 82
Far Northern Regional Center - 211
Feather River Air Quality Management District - 12
Feather River Recreation & Park District - 30
Feather Water District - 4
Felton Fire Protection District - 2
Fern Valley Water District - 5
Florin County Water District - 9
Florin Resource Conservation District/Elk Grove Water Works - 34
Fontana Unified School District - 1,636
Foothill Municipal Water District - 11
Foresthill Public Utility District - 13
Forestville County Water District - 3
Forestville Fire Protection District - 7
Fort Bragg Fire Protection Authority - 4
Fort Ord Reuse Authority - 18
Foundation for California Community Colleges - 149
Fresno City Housing Authority - 159
Fresno County Housing Authority - 147
Fresno County Law Library - 6
Fresno Westside Mosquito Abatement District - 7
Fruitridge Fire Protection District - 0
Fullerton California State University, Associated Students - 78
Fulton-El Camino Recreation & Parks District - 21
Garden Valley Fire Protection District - 6
Georgetown Divide Public Utility District - 24
Georgetown Fire Protection District - 16
Gilsizer County Drainage District - 5
Glen Ellen Fire Protection District - 5
Glendale College, Associated Students - 19
Glendale Community College District - 456
Glenn County Mosquito & Vector Control District - 1
Gold Coast Transit - 225
Gold Ridge Fire Protection District - 8
Gold Ridge Resource Conservation District - 4
Golden Gate Bridge Highway & Transportation District - 600
Golden Hills Community Services District - 13
Golden Sierra Job Training Agency - 33
Goleta Sanitary District - 49
Goleta Water District - 75
Goleta West Sanitary District - 9
Grant Elementary School District - 58
Great Basin Unified Air Pollution Control District - 34
Greater Anaheim Special Education Local Plan Area - 72
Greater Los Angeles County Vector Control District - 68
Greater Vallejo Recreation District - 50
Green Valley County Water District - 2
Greenfield Fire Protection District - 4
Gridley Biggs Cemetery District - 5
Grossmont Health Care District - 7
Grossmont Schools Federal Credit Union - 28
Grossmont-Cuyamaca Community College District - 678
Groveland Community Services District - 42
Gualala Community Services District - 6

Districts & Other Public Agencies

Hacienda La Puente Unified School District - 1,455
Hamilton Branch Fire Protection District - 1
Happy Camp Sanitary District - 2
Happy Homestead Cemetery District - 2
Happy Valley Fire District - 3
Hayward Area Recreation & Park District - 173
Hayward California State University, Auxiliary Foundation, Inc. - 200
Heartland Communications Facility Authority - 46
Heber Public Utility District - 14
Helix Water District - 184
Henry Miller Reclamation District No. 2131 - 46
Herald Fire Protection District - 1
Heritage Ranch Community Services District - 14
Hesperia County Water District - 77
Hesperia Fire Protection District - 46
Hi-Desert Water District - 63
Hidden Valley Lake Community Services District - 21
Higgins Area Fire Protection District - 23
Hilton Creek Community Services District - 2
Hopland Public Utility District - 2
Housing Authority of the City of Calexico - 29
Housing Authority of the City of Eureka - 25
Housing Authority of the City of Livermore - 22
Housing Authority of the City of Los Angeles - 1,422
Housing Authority of the City of Madera - 56
Housing Authority of the City of San Buenaventura - 49
Housing Authority of the City of San Luis Obispo - 45
Housing Authority of the City of South San Francisco - 4
Housing Authority of the County of Butte - 50
Housing Authority of the County of Santa Cruz - 86
Hub Cities Consortium - 47
Human Rights/Fair Housing Commission of the City & County of Sacramento - 33
Humboldt Bay Harbor Recreation & Conservation District - 20
Humboldt Bay Municipal Water District - 26
Humboldt Community Services District - 25
Humboldt County Association of Governments - 3
Humboldt No. 1 Fire Protection District of Humboldt County - 22
Humboldt State College University Center - 78
Humboldt Transit Authority - 60
Humboldt Waste Management Authority - 38
Idyllwild Fire Protection District - 11
Independent Cities Association, Inc. - 0
Indian Wells Valley Water District - 39
Inland Counties Regional Center, Inc. - 745
Inland Empire Health Plan - 576
Inland Empire Resource Conservation District - 19
Inland Empire Utilities Agency - 402
Intelecom Intelligent Telecommunications - 48
Intergovernmental Training & Development Center - 10
Inverness Public Utility District - 3
Ironhouse Sanitary District - 33
Irvine Child Care Project - 0
Irvine Ranch Water District - 391
Isla Vista Recreation & Park District - 18
Jackson Valley Irrigation District - 2
Jamestown Sanitary District - 4
Janesville Fire Protection District - 1
June Lake Public Utility District - 10
Jurupa Area Recreation & Park District - 17
Jurupa Community Services District - 118
Kaweah Delta Water Conservation District - 25
Kelseyville Fire Protection District - 18
Kensington Community Service District - 13
Kentfield Fire Protection District - 16
Kenwood Fire Protection District - 2
Kern County Public Cemetery District No. 1 - 9
Kern County Council of Governments - 21
Kern County Housing Authority - 151
Kern County Law Library - 5
Kern County Local Agency Formation Commission - 1
Kern Health Systems - 263
Kern River Valley Cemetery District - 3
Kettleman City Community Services District - 5
Kings County Area Public Transit Agency - 20
Kings County Association of Governments - 4
Kings County In-Home Supportive Services Public Authority - 3
Kings Mosquito Abatement District - 12
Kings Waste & Recycling Authority - 87
Kinneloa Irrigation District - 3
Kirkwood Meadows Public Utilities District - 16
Konocti County Water District - 9
La Branza Water District - 0
La Habra Heights County Water District - 13
La Puente Valley County Water District - 18
Laguna Beach County Water District - 47
Lake Arrowhead Community Services District - 68
Lake County Fire Protection District - 29
Lake County Vector Control District - 9
Lake Don Pedro Community Services District - 9
Lake Hemet Municipal Water District - 64
Lake Oroville Area Public Utility District - 9
Lake Shastina Community Services District - 20
Lake Valley Fire Protection District - 37
Lakeport County Fire Protection District - 19
Lakeside Fire Protection District - 70
Lakeside Water District - 22
Lamont Public Utility District - 2
Las Gallinas Valley Sanitary District of Marin County - 16
Las Virgenes Municipal Water District - 165
Lassen County Waterworks District No. 1 - 1
League of California Cities - 131
Leucadia Wastewater District - 26
Levee District No. 1 of Sutter County - 2
Linda County Water District - 12
Linda Fire Protection District - 14
Linden-Peters Rural County Fire Protection District - 11
Lindsay Strathmore Public Cemetery District - 5
Little Lake Fire Protection District - 4
Littlerock Creek Irrigation District - 6
Live Oak Cemetery District - 3
Livermore/Amador Valley Transit Authority - 22
Local Agency Formation Commission of Monterey County - 3
Local Government Services Authority, a Joint Powers Authority - 40

Districts & Other Public Agencies

Lompico County Water District - 3
Long Beach City College, Associated Student Body Enterprises - 31
Long Beach State University, Associated Students - 74
Long Beach State University, Forty-Niner Shops, Inc. - 76
Los Alamos Community Services District - 7
Los Angeles City Community Redevelopment Agency - 298
Los Angeles County Area 'E' Civil Defense & Disaster Board - 1
Los Angeles County Housing Authority - 0
Los Angeles County Law Library - 53
Los Angeles County Sanitation District No. 2 - 2,221
Los Angeles County West Vector Control District - 44
Los Angeles Memorial Coliseum Commission - 40
Los Angeles Regionalized Insurance Services Authority - 0
Los Angeles to Pasadena Metro Blue Line Construction Authority - 14
Los Gatos-Saratoga Department of Community Education & Recreation - 52
Los Osos Community Services District - 31
Lower Lake Cemetery District - 4
Lower Lake County Waterworks District No. 1 - 5
Lower Tule River Irrigation District - 36
Lucerne Recreation & Park District - 5
Madera Cemetery District - 18
Madera County Economic Development Commission - 1
Madera County Mosquito & Vector Control District - 11
Main San Gabriel Basin Watermaster - 12
Majestic Pines Community Services District - 3
Mammoth Lakes Fire District - 18
Mammoth Lakes Mosquito Abatement District - 1
Management of Emeryville Services Authority - 150
March Joint Powers Authority - 22
Marin Children & Families Commission - 8
Marin Community College District - 266
Marin County Housing Authority - 105
Marin County In-Home Supportive Services Public Authority - 7
Marin County Sanitary District No. 1 - 21
Marin Health Care District - 1
Marin Municipal Water District - 302
Marina Coast Water District - 43
Marinwood Community Services District - 26
Mariposa Public Utility District - 6
Maxwell Public Utility District - 5
McCloud Community Services District - 13
McFarland Recreation & Park District - 6
McKinleyville Community Services District - 32
Meeks Bay Fire Protection District - 6
Meiners Oaks County Water District - 5
Mendocino City Community Services District - 4
Mendocino Transit Authority - 67
Menlo Park Fire Protection District - 112
Merced County Housing Authority - 83
Merced County Mosquito Abatement District - 16
Merced Irrigation District - 236
Merritt College Associated Students, Inc. - 0
Mesa Consolidated Water District - 81
Metropolitan Cooperative Library System - 21
Metropolitan Transportation Commission - 200
Metropolitan Water District of Southern California - 2,244
Mid-City Development Corporation - 1
Mid-Peninsula Water District - 26
Mid-Placer Public Schools Transportation Agency - 105
Mid-Peninsula Regional Open Space District - 138
Midway City Sanitary District - 42
Millview County Water District - 7
Minter Field Airport District - 13
Mission Springs Water District - 70
Mojave Water Agency - 40
Mokelumne Rural Fire District - 11
Monte Vista County Water District - 46
Montecito Fire Protection District - 54
Montecito Sanitary District of Santa Barbara County - 20
Montecito Water District - 31
Monterey Bay Unified Air Pollution Control District - 43
Monterey County Water Resources Agency - 67
Monterey Peninsula Airport District - 66
Monterey Peninsula Regional Park District - 15
Monterey Peninsula Water Management District - 36
Monterey Regional Waste Management District - 178
Monterey Regional Water Pollution Control Agency - 99
Monterey-Salinas Transit - 346
Montezuma Fire Protection District - 9
Morongo Basin Transit Authority - 59
Mother Lode Job Training Agency - 30
Moulton-Niguel Water District - 130
Mountain-Valley Library System - 0
Mountains Recreation & Conservation Authority - 275
Mt. View Sanitary District of Contra Costa County - 20
Mt. San Antonio College Auxiliary Services - 59
Municipal Water District of Orange County - 36
Murphys Sanitary District - 6
Murrieta Fire Protection District - 60
Murrieta Valley Cemetery District - 3
Napa County Mosquito Abatement District - 7
Napa County Resource Conservation District - 17
Napa County Transportation Planning Agency - 2
Napa Sanitation District - 52
National Orange Show - 121
Natomas Fire Protection District - 0
Nevada Cemetery District - 3
Nevada County Consolidated Fire District - 56
Nevada County Local Agency Formation Commission - 3
Nevada County Resource Conservation District - 4
Nevada Irrigation District - 199
Nevada-Sierra Regional IHSS Public Authority - 11
Newcastle, Rocklin, Gold Hill Cemetery District - 7
Newhall County Water District - 49
Newport Beach City Employees Federal Credit Union - 6
Nice Community Services District - 7
Niland Fire District - 1
Niland Sanitary District - 0
Nipomo Community Services District - 16
North Bay Cooperative Library System - 11
North Bay Regional Center - 236
North Bay Schools Insurance Authority - 32
North Central Counties Consortium - 18
North Coast County Water District - 26
North Coast Railroad Authority - 2

Districts & Other Public Agencies

North Coast Unified Air Quality Management District - 15
North County Dispatch Joint Powers Authority - 28
North County Fire Protection District of Monterey County - 31
North County Fire Protection District of San Diego County - 98
North County Transit District - 825
North Kern Cemetery District - 6
North Kern Water Storage District - 36
North Kern-South Tulare Hospital District - 218
North Los Angeles County Regional Center, Inc. - 582
North Marin Water District - 75
North of the River Municipal Water District - 10
North of the River Recreation & Park District - 287
North State Cooperative Library System - 6
North Tahoe Fire Protection District - 59
Northern California Power Agency - 178
Northern California Special Districts Insurance Authority - 2
Northern Sierra Air Quality Management District - 7
Northstar Community Services District - 42
Northwest Mosquito & Vector Control District - 24
Novato Sanitary District - 32
Oakdale Irrigation District - 90
Oakdale Rural Fire Protection District - 21
Oakland City Housing Authority - 385
Oakland Unified School District - 2,965
Oceano Community Services District - 23
Ojai Valley Sanitary District - 23
Olcese Water District - 1
Olivenhain Municipal Water District - 114
Omnitrans - 1,016
Ophir Hill Fire Protection District - 6
Orange County Health Authority (CalOptima) - 688
Orange County Transportation Authority - 10
Orange County Vector Control District - 57
Orange Cove Fire Protection District of Fresno & Tulare Counties - 0
Orchard Dale County Water District - 8
Orland Cemetery District - 3
Oro Loma Sanitary District - 56
Orosi Public Utility District - 5
Oroville Cemetery District - 8
Oroville Mosquito Abatement District - 1
Otay Water District - 251
Oxnard Drainage District No. 2 - 0
Oxnard Harbor District - 33
Pacific Fire Protection District - 1
Padre Dam Municipal Water District - 162
Pajaro Valley Fire Protection Agency - 1
Pajaro Valley Public Cemetery District - 10
Pajaro Valley Water Management Agency - 25
Palm Ranch Irrigation District - 4
Palmdale Water District - 115
Palo Verde Cemetery District - 11
Palo Verde Valley District Library - 5
Palos Verdes Library District - 67
Paradise Recreation & Park District - 27
Pasadena City College Bookstore - 10
Pasadena Unified School District - 1,580
Paso Robles City Housing Authority - 10
Patterson Irrigation District - 15
Pauma Valley Community Services District - 30
Peardale Chicago Park Fire Protection District - 2
Pebble Beach Community Services District - 13
Peninsula Fire Protection District - 12
Peninsula Traffic Congestion Relief Alliance - 14
Penn Valley Fire Protection District - 23
Personal Assistance Services Council - 27
Pico Water District - 18
Pine Cove Water District - 5
Pine Grove Mosquito Abatement District - 1
Pinedale County Water District - 11
Pioneer Cemetery District - 4
Pixley Irrigation District - 6
Placer County Cemetery District No. 1 - 6
Placer County Resource Conservation District - 3
Placer County Transportation Commission - 8
Placer County Water Agency - 193
Placer Hills Fire Protection District - 20
Placer Mosquito Abatement District - 12
Planning & Service Area II Area Agency on Aging - 7
Pleasant Hill-Martinez Joint Facilities Agency - 164
Pleasant Hill Recreation & Park District - 67
Pleasant Valley County Water District - 5
Pleasant Valley Recreation & Park District - 103
Plumas Eureka Community Services District - 4
Plumas Local Agency Formation Commission - 1
Pomerado Cemetery District - 6
Pomona Valley Transportation Authority - 4
Pomona, California State Polytechnic University, Associated Students, Inc. - 66
Port San Luis Harbor District - 34
Porter Vista Public Utility District - 2
Porterville Irrigation District - 4
Porterville Public Cemetery District - 9
Provident Central Credit Union - 1
Public Agency Risk Sharing Authority of California - 5
Public Entity Risk Management Authority - 8
Public Transportation Services Corporation - 2,260
Pupil Transportation Cooperative - 180
Purissima Hills County Water District - 10
Quartz Hill Water District - 19
Quincy Community Services District - 14
Rag Gulch Water District - 7
Rainbow Municipal Water District - 72
Ramona Municipal Water District - 75
Rancho Adobe Fire Protection District - 32
Rancho California Water District - 155
Rancho Cucamonga Fire Protection District - 120
Rancho Murieta Community Services District - 58
Rancho Santa Fe Fire Protection District - 68
Rancho Santiago Community College, Associated Students - 1
Rancho Simi Recreation & Park District - 236
Reclamation District No. 3 - 2
Reclamation District No. 833 - 2
Reclamation District No. 999 - 4
Reclamation District No. 1000 - 9
Reclamation District No. 1001 - 12
Reclamation District No. 1660 - 0

Districts & Other Public Agencies

Red Bluff Cemetery District - 6
Redevelopment Agency of City of Fresno - 17
Redwood Coast Regional Center - 137
Redwood Empire Municipal Insurance Fund - 14
Redwood Empire School Insurance Group - 25
Reedley Cemetery District - 8
Regional Center of Orange County - 531
Regional Center of the East Bay - 491
Regional Council of Rural Counties - 70
Regional Water Authority - 3
Rescue Fire Protection District - 8
Resort Improvement District No. 1 - 17
Richardson Bay Sanitary District - 5
Rincon Del Diablo Municipal Water District - 25
Rincon Valley Fire Protection District - 28
Rio Alto Water District - 9
Rio Linda Elverta Community Water District - 17
Rio Vista Cemetery District - 3
Riverbank City Housing Authority - 1
Riverside County Air Pollution Control District - 0
Riverside County Citrus Pest Control District No. 2 - 2
Riverside County Flood Control & Water Conservation District - 265
Riverside County Law Library - 11
Riverside County Regional Park & Open Space District - 136
Riverside County Transportation Commission - 54
Riverside County Waste Resources Management District - 80
Riverside Transit Agency - 557
Rockville Cemetery District - 9
Rosamond Community Services District - 42
Rose Bowl Operating Company - 25
Rosedale-Rio Bravo Water Storage District - 7
Roseville Public Cemetery District - 11
Ross Valley Fire Service - 29
Rowland Water District - 28
Rubidoux Community Services District - 23
Running Springs Water District - 44
Russian River Fire Protection District - 22
Sacramento Area Council of Governments - 75
Sacramento City Housing Authority - 386
Sacramento County Public Law Library - 30
Sacramento Metropolitan Air Quality Management District - 124
Sacramento Metropolitan Cable Television Commission - 17
Sacramento Metropolitan Fire District - 719
Sacramento Municipal Utility District - 2,705
Sacramento Public Library Authority - 422
Sacramento Regional Fire/EMS Communications Center - 78
Sacramento Suburban Water District - 62
Sacramento Transportation Authority - 4
Sacramento-Yolo Mosquito & Vector Control District - 100
Salida Fire Protection District - 11
Salinas Rural Fire District - 34
Salinas Valley Solid Waste Authority - 29
Salton Community Services District - 28
Samoa Peninsula Fire Protection District - 0
San Andreas Regional Center, Inc. - 353
San Andreas Sanitary District - 6
San Benito County Water District - 37
San Bernardino City Unified School District - 2,684
San Bernardino County Housing Authority - 164
San Bernardino County Transportation Authority - 0
San Bernardino Economic Development Agency - 28
San Bernardino Valley Municipal Water District - 29
San Bernardino Valley Water Conservation District - 11
San Bernardino, California State University, Foundation - 315
San Bernardino, California State University, Student Union - 21
San Diego Association of Governments - 241
San Diego County Law Library - 59
San Diego County Water Authority - 364
San Diego Metropolitan Transit Development Board - 166
San Diego Pooled Insurance Program Authority - 1
San Diego Rural Fire Protection District - 11
San Diego State University, Associated Students - 30
San Diego Trolley, Inc. - 741
San Diego Unified School District - 10,246
San Dieguito Water District - 15
San Elijo Joint Powers Authority - 25
San Francisco Bay Area Rapid Transit District - 3,744
San Francisco Bay Area Water Transit Authority - 5
San Francisco City & County Housing Authority - 338
San Francisco City & County Redevelopment Agency - 170
San Francisco Community College District Bookstore Auxiliary - 18
San Francisco County Law Library - 12
San Francisco County Transportation Authority - 48
San Francisco Health Authority - 193
San Francisquito Creek Joint Powers Authority - 4
San Gabriel County Water District - 17
San Gabriel Valley Council of Governments - 18
San Gabriel Valley Mosquito & Vector Control District - 32
San Gabriel Valley Municipal Water District - 10
San Gorgonio Pass Water Agency - 5
San Jacinto Valley Cemetery District - 8
San Joaquin County Housing Authority - 110
San Joaquin County IHSS Public Authority - 9
San Joaquin Delta Community College District - 599
San Joaquin County Local Health District - 0
San Joaquin Health Plan - 161
San Juan Water District - 52
San Lorenzo Valley Water District - 32
San Luis Obispo, Cal Poly, Associated Students, Inc. - 112
San Luis Obispo Council of Governments - 20
San Luis Obispo Regional Transit Authority - 7
San Luis Water District - 20
San Mateo County Harbor District - 54
San Mateo County In-Home Supportive Services Public Authority - 8
San Mateo County Law Library - 4
San Mateo County Schools Insurance Group - 11
San Mateo County Transit District - 987
San Mateo Local Agency Formation Commission - 1
San Miguel Community Services District - 7
San Miguel Consolidated Fire Protection District - 89
San Simeon Community Services District - 1
Sanger Cemetery District - 7
Sanitary District No. 5 of Marin County - 12
Santa Ana River Flood Protection Agency - 0
Santa Ana Unified School District - 2,555
Santa Ana Watershed Project Authority - 26

Districts & Other Public Agencies

Santa Barbara County Law Library - 3
Santa Barbara County Special Education Local Plan Area - 265
Santa Barbara Regional Health Authority - 208
Santa Clara County Central Fire Protection District - 274
Santa Clara County Health Authority - 202
Santa Clara County Law Library - 7
Santa Clara County Open Space Authority - 17
Santa Clara County Schools Insurance Group - 9
Santa Clara County Traffic Authority - 2
Santa Clara Valley Transportation Authority - 837
Santa Clara Valley Water District - 894
Santa Clarita Valley School Food Services Agency - 153
Santa Cruz Consolidated Emergency Communications Center - 92
Santa Cruz County Law Library - 4
Santa Cruz County Regional Transportation Commission - 23
Santa Cruz Local Agency Formation Commission - 1
Santa Cruz Metropolitan Transit District - 405
Santa Fe Irrigation District - 57
Santa Margarita Water District - 175
Santa Maria Public Airport District - 17
Santa Monica Community College District - 637
Santa Nella County Water District - 6
Santa Paula City Housing Authority - 9
Santa Ynez River Water Conservation District, Improvement District No. 1 - 17
Saratoga Fire Protection District - 30
Sausalito-Marin City Sanitary District - 10
School Risk & Insurance Management Group - 8
Schools Excess Liability Fund - 11
Schools Insurance Authority - 89
Scotts Valley Fire Protection District - 30
Scotts Valley Water District - 18
Selma Cemetery District - 10
Selma-Kingsburg-Fowler County Sanitation District - 33
Serrano Water District - 14
Sewer Authority Mid-Coastside - 21
Sewerage Commission-Oroville Region - 10
Shafter Wasco Irrigation District - 10
Shasta Area Safety Communications Agency - 71
Shasta Community Services District - 5
Shasta Lake Fire Protection District - 12
Shasta Local Agency Formation Commission - 2
Shasta Mosquito & Vector Control District - 15
Shasta Valley Cemetery District - 3
Shiloh Public Cemetery District - 5
Sierra Lakes County Water District - 5
Sierra-Sacramento Valley Emergency Medical Services Agency - 11
Silicon Valley Animal Control Authority - 19
Silveyville Cemetery District - 5
Solano County Mosquito Abatement District - 9
Solano County Water Agency - 14
Solano Irrigation District - 110
Solano Transportation Authority - 22
Soledad Community Health Care District - 0
Sonoma County Library - 185
Sonoma Marin Area Rail Transit District - 6
Sonoma State Enterprises, Inc. - 13
Sonoma Student Union Corporation - 12
Soquel Creek Water District - 45
South Bay Regional Public Communications Authority - 95
South Bayside System Authority - 77
South Central Los Angeles Regional Center for Developmentally Disabled Persons - 328
South Coast Water District - 106
South East Regional Reclamation Authority - 0
South Feather Water & Power Agency - 5
South Kern Cemetery District - 4
South Lake County Fire Protection District - 2
South Orange County Wastewater Authority - 83
South Placer Fire District - 68
South Placer Municipal Utility District - 24
South San Joaquin Irrigation District - 97
South San Luis Obispo County Sanitation District - 13
South Tahoe Public Utility District - 120
Southeast Area Social Services Funding Authority - 75
Southern California Association of Governments - 235
Southern California Public Power Authority - 9
Southern California Regional Rail Authority - 248
Southern San Joaquin Municipal Utility District - 14
Southern Sonoma County Resource Conservation District - 6
Southwest Transportation Agency - 149
Special District Risk Management Authority - 25
Squaw Valley Public Service District - 32
Stallion Springs Community Services District - 17
Stanislaus Consolidated Fire Protection District - 57
Stanislaus County Housing Authority - 116
State Bar of California - 833
State Water Contractors - 9
Stege Sanitary District - 14
Stinson Beach County Water District - 12
Stockton East Water District - 43
Stockton Unified School District - 1,527
Strawberry Recreation District - 11
Suisun Fire Protection District - 2
Suisun Resource Conservation District - 13
Suisun-Fairfield Cemetery District - 2
Summit Cemetery District - 11
Sunnyslope County Water District - 20
Susanville Consolidated Sanitary District - 10
Sutter Cemetery District - 16
Sweetwater Authority - 170
Sweetwater Springs Water District - 13
Sylvan Cemetery District - 5
Tahoe City Public Utility District - 62
Tahoe Resource Conservation District - 35
Tahoe Transportation District - 0
Tahoe-Truckee Sanitation Agency - 68
Tehachapi-Cummings County Water District - 21
Tehachapi Valley Recreation & Park District - 4
Tehama County Mosquito Abatement District - 7
Templeton Community Services District - 23
Thermalito Water & Sewer District - 12
Three Arch Bay Community Services District - 0
Three Rivers Community Services District - 1
Three Valleys Municipal Water District - 27
Tiburon Fire Protection District - 27

Districts & Other Public Agencies

Torrance City Redevelopment Agency - 0
Trabuco Canyon Water District - 44
Tracy Rural County Fire Protection District - 3
Transportation Agency for Monterey County - 14
Treasure Island Development Authority - 0
Tri-City Mental Health Center - 248
Tri-Counties Association for the Developmentally Disabled - 417
Tri-County Schools Insurance Group - 9
Tri-Dam Housing & Personnel Agency - 22
Trindel Insurance Fund - 2
Trinity County Waterworks District No. 1 - 5
Trinity Public Utilities District - 25
Truckee Donner Public Utility District - 78
Truckee Fire Protection District - 44
Truckee Sanitary District - 45
Truckee Tahoe Airport District - 41
Tulare Mosquito Abatement District - 5
Tulare Public Cemetery District - 10
Tuolumne Utilities District - 87
Turlock Mosquito Abatement District - 14
Twain Harte Community Services District - 15
Twentynine Palms Water District - 37
Twin Cities Police Authority - 59
Ukiah Valley Fire District - 12
Union Public Utility District - 8
Union Sanitary District - 163
United Water Conservation District - 84
Upland City Housing Authority - 35
Upper Lake Fire Protection District - 0
Upper San Gabriel Valley Municipal Water District - 11
Vacaville Fire Protection District - 10
Vacaville-Elmira Cemetery District - 10
Vallecitos Water District - 119
Vallejo Sanitation & Flood Control District - 94
Valley Center Municipal Water District - 82
Valley County Water District - 31
Valley Mountain Regional Center, Inc. - 434
Valley Sanitary District - 23
Valley Springs Public Utility District - 4
Valley of the Moon Water District - 21
Valley-Wide Recreation & Park District - 127
Vandenberg Village Community Services District - 11
Ventura College Foundation - 8
Ventura County Law Library - 6
Ventura County Schools Business Services Authority - 12
Ventura County Schools Self-Funding Authority - 7
Ventura County Transportation Commission - 23
Ventura Port District - 47
Ventura River County Water District - 10
Veterans Home of California Post Fund - 26
Victor Valley Wastewater Reclamation Authority - 57
Victor Valley Water District - 25
Visalia Public Cemetery District - 10
Vista Irrigation District - 118
Walnut Valley Water District - 70
Walton Fire Protection District - 0
Wasco Recreation & Park District - 9
Washington Colony Cemetery District - 4
Water Employee Services Authority - 202
Water Facilities Authority - 9
Water Replenishment District of Southern California - 45
Weaverville Community Services District - 8
Weaverville Sanitary District - 3
West Almanor Community Services District - 2
West Basin Municipal Water District - 35
West Bay Sanitary District - 36
West Cities Communication Center - 29
West Contra Costa Integrated Waste Management Authority - 4
West County Transportation Agency - 141
West County Wastewater District - 65
West End Communications Authority - 0
West Kern Water District - 43
West Stanislaus Irrigation District - 20
West Valley Mosquito & Vector Control District - 19
West Valley Sanitation District of Santa Clara County - 29
West Valley Water District - 63
West Valley-Mission Community College District - 514
Westborough Water District - 6
Western Contra Costa Transit Authority - 6
Western Municipal Water District - 155
Western Riverside Council of Governments - 38
Westlands Water District - 140
Westwood Community Services District - 7
Wheeler Ridge-Maricopa Water Storage District - 52
Wildomar Cemetery District - 3
Willow County Water District - 4
Willow Creek Community Services District - 6
Willows Cemetery District - 4
Wilton Fire Protection District - 2
Windsor Fire Protection District - 20
Winterhaven Water District - 4
Winters Cemetery District - 4
Winters Fire Protection District - 9
Winton Water & Sanitary District - 10
Woodbridge Rural County Fire Protection District - 48
Woodlake Fire District - 3
Woodside Fire Protection District - 51
Yolo County Communications Emergency Services Agency - 63
Yolo County Federal Credit Union - 107
Yolo County Housing Authority - 55
Yolo County In-Home Supportive Services Public Authority - 6
Yolo County Public Agency Risk Management Insurance Authority - 7
Yolo County Transportation District - 15
Yolo-Solano Air Quality Management District - 30
Yorba Linda Water District - 84
Yuba Community College District - 271
Yuba County Water Agency - 37
Yuba Sutter Transit Authority - 3
Yucaipa Valley Water District - 59
Yuima Municipal Water District - 13

Total - 1,026

Judges' Retirement System **Program Data**

Primary Benefits

The Judges' Retirement System (JRS) was established in 1937. The operational activities of the JRS were transferred from the State Controller's Office to CalPERS in 1979. Benefits payable through the JRS are financed by the General Fund, the payroll contributions of members, and the State's contribution as an employer. Both employer and members contribute at the rate of 8 percent of compensation.

Membership

The Judges' Retirement System provides retirement, death, health, and dental benefits for Supreme and Appellate Court Justices, Superior Court Judges, and beneficiaries.

Service Retirement

Retirement Age

Members must be at least age 60 with 20 years of service, or age 70 with at least 10 years of service.

Retirement Benefit Formula

The retirement allowance is a percentage of the current salary of the last judicial office held and is increased proportionally with active judicial salaries. The allowance is based on a member's age and years of service as follows:

Age	Years of Service	Retirement Allowance
60–70	20	75%
66	18	65%
67	16	65%
68	14	65%
69	12	65%
70	10	65%

Judges can work as long as they want and receive their full pension of either 65 percent or 75 percent (depending on credited service). In addition, a surviving spouse benefit of at least one-half of the judge's allowance is provided.

Deferred Retirement

Judges are eligible for deferred retirement at any age if they have at least five years of service. However, judges are not paid the allowance until they reach the age they would be eligible for normal retirement if they had remained in office. A judge must be at least age 63, or age 60 with 20 years of service, to receive a retirement allowance. The allowance is based on years of service multiplied by a percentage of the judge's final salary — varying from 2 percent for five years to 3.75 percent for 12 or more years of service. The maximum benefit they can receive is 75 percent of salary.

Disability Retirement (Non-Work Related)

Judges must apply to the Commission on Judicial Performance to receive a disability retirement. There is no age requirement.

The service requirement is four years. The retirement allowance is 65 percent of the judge's final salary, or 75 percent of their final salary if the judge has 20 or more years of service.

Disability Retirement (Work Related)

Judges receive the same amount as those for a non-work related disability. Any person becoming a judge between January 1, 1980 and December 31, 1988, must have at least two years of judicial service; or after January 1, 1989, must have four years of judicial service, unless the disability is a result of injury or disease arising out of and in the course of judicial service.

Death Benefits (Before Retirement)

Not Eligible to Retire

Spouses or registered domestic partners can receive 25 percent of a current active judge's salary for life or return of contributions plus one month's salary, for each year of service not to exceed six months; or the surviving spouse or registered domestic partner can elect a monthly allowance for life, if the judge had paid an extra $2 per month and had 10 to 20 years of service. This allowance would be equal to 1.625 percent of the salary multiplied by the number of years of service.

Eligible to Retire

Spouses or registered domestic partners receive one-half of what the retirement allowance would have been if the judge had retired on date of death.

Death Benefits (After Retirement)

Spouses or registered domestic partners receive one-half of the retirement pension for life, if the member retired with the standard retirement benefit formula, or on disability.

Judges may elect to take a reduced retirement allowance in order to enhance the survivor benefits to their spouse, registered domestic partner, or a designated beneficiary.

Cost-of-Living Adjustments (COLA)

The allowance increases are based on the current salary of an active judge. Retirees receive the same increase as active judges.

Active Members & Former Judges on Deferred Retirement

Active	611
Deferred Retirement	71
Total Active & Deferred Members	**682**

Benefit Recipients by Retirement Type

Category	Retired Judges	Survivors & Beneficiaries	Total
Service Retirement	308	311	619
Disability Retirement	47	—	47
Deferred Retirement	436	168	604
Optional Settlement	350	40	390
Pre-Retirement Survivor	—	75	75
Total	**1,141**	**594**	**1,735**

Benefit Payments by Type

Category	Amount Paid
Service Retirement	$129,215,074
Disability Retirement	5,655,583
Beneficiary Death Benefits/Life Allowance	33,433,814
Total	**$168,304,471**

Average Benefit Payments — As of June 30, 2007

Six-Year Review [1]

Retirement Effective Dates	Years of Credited Service						
	0-5	5-10	10-15	15-20	20-25	25-30	30+
2006/07							
Average Monthly Allowance [2]	$1,555	$4,411	$5,800	$7,855	$8,512	$9,348	$10,661
Average Final Compensation	$14,304	$13,984	$13,884	$13,854	$14,134	$13,824	$14,304
Number of Recipients [2]	2	7	16	31	33	7	2
2005/06							
Average Monthly Allowance [2]	$2,934	$2,592	$6,031	$6,550	$7,451	$7,942	$8,282
Average Final Compensation	$13,327	$12,485	$12,724	$12,510	$12,723	$12,727	$12,558
Number of Recipients [2]	2	7	14	16	51	10	1
2004/05							
Average Monthly Allowance [2]	$2,205	$3,179	$5,226	$6,116	$7,720	$7,454	$7,328
Average Final Compensation	$11,987	$12,208	$12,405	$12,370	$12,484	$12,531	$13,327
Number of Recipients [2]	3	8	17	23	59	9	2

Notes:

1 CalPERS began reporting Average Benefit Payments in the June 30, 2006 Comprehensive Annual Financial Report. Additional information is added each year as it becomes available to provide a six-year review.

2 These averages and totals are for retired members, beneficiaries, and community property recipients.

Judges' Retirement System II **Program Data**

Primary Benefits

The Judges' Retirement System II (JRS II) was established in 1994 to create a fully funded, actuarially sound retirement system for judges appointed or elected on or after November 9, 1994. This system provides a unique combination of two basic types of retirement benefits: a defined benefit plan and a monetary credit plan. The defined benefit plan provides a lifetime monthly retirement allowance of up to 75 percent of final compensation. The monetary credit plan allows for a refund of member contributions, a portion of the employer contributions, and interest. Members contribute at the rate of 8 percent of compensation.

Membership

The JRS II provides retirement, death, health, and dental benefits for Supreme and Appellate Court Justices, and Superior Court Judges, first appointed or elected after November 9, 1994, and their beneficiaries.

Service Retirement

Retirement Age

Judges must be at least age 65 with 20 years of service or age 70 with a minimum of five years of service to receive the defined benefit plan. Judges must have at least five years of service to receive the monetary credit plan.

Retirement Formula

Defined Benefit Plan

This option provides a defined benefit of 3.75 percent of the highest 12-month average salary per year of service, up to 75 percent for judges reaching age 65 with at least 20 years of service. Optional settlements are available which reduce a judge's retirement allowance to provide a lifetime benefit for a surviving spouse upon death of the judge.

Monetary Credit Plan

This option provides a cash payment in a single lump sum, or the member may elect to receive an annuity at retirement based on the accumulated contributions of the employee and the employer. To receive the annuity a judge must meet the minimum qualifications required under the defined benefit plan. Lifetime benefits are not provided under this plan.

Disability Retirement (Non-Work Related)

Judges who have five years of service and become permanently disabled because of a mental or physical disability may apply to the Commission on Judicial Performance for disability retirement.

An allowance is based on the judge's age and will be the amount equal to the lower of the following:

- the monthly benefit of 3.75 percent of the final compensation multiplied by the number of years of service the judge would have been credited had the judge continued to work until the age the judge would have first been eligible to retire, or
- 65 percent of the judge's average monthly salary during the 12 months preceding the retirement date.

Disability Retirement (Work Related)

Judges receive 65 percent of their average monthly salary during the 12 months preceding their retirement date, regardless of age or length of service.

Death Benefits (Before Retirement)

Eligible for the Defined Benefit Plan

Spouses or registered domestic partners receive either the monthly retirement allowance equal to one-half of the judge's defined benefit plan allowance or the judge's monetary credits. At any time while in office, a judge may make an irrevocable election for their eligible surviving spouse or registered domestic partner to receive the maximum survivor benefit (Option 2) in the event of the judge's pre-retirement death.

Eligible for the Monetary Credit Plan

Spouses or registered domestic partners receive the judge's monetary credits or three times the annual salary at the time of death, whichever is greater.

Death Benefits (After Retirement)

Defined Benefit Plan

Judges retiring on the defined benefit plan are offered the choice of one of four optional settlement benefits to increase the survivor benefits to their eligible surviving spouse or registered domestic partner.

Monetary Credit Plan

If the judge elected to receive the monetary credit plan in a lump sum, there are no survivor benefits. If the judge elected monetary credit plan in an annuity, the spouse or registered domestic partner receives a lump sum payment of the remaining funds at the time of the judge's death.

Cost-of-Living Adjustments (COLA)

The retirement allowance of retired judges who have elected the defined benefit plan will be adjusted every January after the judge has been retired six months. The adjustment is based on the United States city average of the Consumer Price Index For All Urban Consumers, as published by the United States Bureau of Statistics. This adjustment will not be less than 1 percent or more than 3 percent.

Active Judges

Active	979
Total Members	**979**

Benefit Recipients by Retirement Type

Category	Retired Judges	Survivors & Beneficiaries	Total
Service Retirement	2	1	3
Disability Retirement	5	—	5
Optional Settlement	4	—	4
Pre-Retirement Survivor	—	2	2
Total	**11**	**3**	**14**

Benefit Payments by Type

Category	Amount Paid
Service Retirement	$227,731
Disability Retirement	299,192
Beneficiary Death Benefits	28,060
Beneficiary Death Benefits/Life Allowance	408,840
Total	**$963,823**

Average Benefit Payments — As of June 30, 2007

Six-Year Review [1]

	Years of Credited Service						
Retirement Effective Dates	**0-5**	**5-10**	**10-15**	**15-20**	**20-25**	**25-30**	**30+**
2006/07							
Average Monthly Allowance [2]	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Average Final Compensation	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Number of Recipients [2]	—	—	—	—	—	—	—
2005/06							
Average Monthly Allowance [2]	$ —	$10,982	$4,275	$ —	$ —	$ —	$ —
Average Final Compensation	$ —	$12,434	$12,459	$ —	$ —	$ —	$ —
Number of Recipients [2]	—	3	3	—	—	—	—
2004/05							
Average Monthly Allowance [2]	$11,987	$7,080	$ —	$ —	$ —	$ —	$ —
Average Final Compensation	$11,987	$11,987	$ —	$ —	$ —	$ —	$ —
Number of Recipients [2]	1	2	—	—	—	—	—

Notes:

1 CalPERS began reporting Average Benefit Payments in the June 30, 2006 Comprehensive Annual Financial Report. Additional information is added each year as it becomes available to provide a six-year review.

2 These averages and totals are for retired members, beneficiaries, and community property recipients.

Legislators' Retirement System **Program Data**

Primary Benefits

CalPERS has administered the Legislators' Retirement System (LRS) since its inception in 1947. The duties of the Board with respect to administering the LRS are the same as for CalPERS on such items as determining membership and benefit rights, making investments, crediting interest, and obtaining information necessary for administration.

Benefits payable by the LRS are financed through member contributions, the State's contribution as an employer, and interest earned on investments. The employer statutory contribution rate was eliminated in January 2000, and the CalPERS Board is now authorized to establish actuarially determined rates.

When the actuarial value of the assets exceeds the present value of benefits, resulting in a 0 percent employer contribution rate, the Board may reduce the member contribution rates for the same fiscal year in which the State rate is 0 percent. For fiscal year 2007-08, the Board has determined that both the employer rate and the member rate will be 0 percent. Interest credited to the member's accounts is the net earnings rate of investments.

Proposition 140

Proposition 140, the Political Reform Act of 1990, requires that Legislators (Senators and Members of the Assembly) first elected after November 7, 1990 participate in the federal Social Security program and in no other retirement system.

Membership

Members of the Legislature serving prior to November 7, 1990, elected Constitutional Officers, and Legislative Statutory Officers are eligible for benefits.

Service Retirement

Retirement Age

The retirement age is 60, with four or more years of service credit, or any age with 20 or more years. The retirement age for Legislative Statutory Officers is 55, or any age with 20 years or more of service credit.

Members of the Legislature Benefit Formula

The retirement formula consists of three separate formulas that are totaled together to provide the members with their allowance. The first part of the formula consists of 5 percent of the first $500 of salary up to 15 years of service. The second part is 3 percent per year of the same $500 of salary for years in excess of 15 years. And finally, total years of service is multiplied by 3 percent per year of their salary above $500. In no case may a member receive more than two-thirds of their salary.

Constitutional Officers' Benefit Formula

Five percent per year of service up to eight years (40 percent) of their highest salary. If the member has 24 or more years of service, the retirement allowance is 60 percent of their final salary.

Statutory Officers' Benefit Formula

Statutory Officers receive 3 percent per year of service, not to exceed 66 percent of final monthly compensation.

Early Retirement Options for Members of the Legislature & Constitutional Officers

Legislators and Constitutional Officers may retire before age 60 with 15 years of service. However, their retirement allowance is reduced by 2 percent for each year they retire before age 60.

Disability Retirement

Disability retirement uses the same formula as service retirement. There is no reduction if retirement is before age 60 for members of the Legislature.

Death Benefits (Before Retirement)

Not Eligible to Retire

One month's salary for each year of service, plus the return of the member's contributions with interest payable to a survivor.

Eligible to Retire

If the member has elected one of the optional settlements, their beneficiary will receive the benefit provided by the option selected, calculated as if the date of death had been the date of retirement. In lieu of this benefit, the beneficiary may elect an allowance of one-half the unmodified retirement allowance, payable until death or remarriage.

Death Benefits While in Office

Beneficiaries receive a lump sum benefit in an amount equal to the annual compensation of an LRS member during the 12 months preceding the member's death, regardless of whether the member was eligible to retire.

Death Benefits (After Retirement)

Members choose between one of four options. The level of survivor benefit is based on the option chosen, without a reduction in allowance for members of the Legislature. Constitutional Officers and Statutory Officers receive a reduced allowance based on their age at time of retirement and the option they choose. Beneficiaries also receive a $600 lump sum payment.

Cost-of-Living Adjustments (COLA)

The annual COLA is determined by the Consumer Price Index.

Active & Inactive Members

Category	Active	Inactive	Total
Members of the Legislature	2	16	18
Constitutional Officers	8	10	18
Legislative Statutory Officers	4	—	4
Total Members	**14**	**26**	**40**

Benefit Recipients by Type

Category	Retired Members	Survivors & Beneficiaries	Total
Members of the Legislature			
Service Retirement	117	105	222
Disability Retirement	2	9	11
Pre-Retirement Option 2	—	—	—
Total Members of the Legislature	**119**	**114**	**233**
Constitutional Officers			
Service Retirement	17	4	21
Disability Retirement	1	—	1
Pre-Retirement Option 2	—	2	2
Total Constitutional Officers	**18**	**6**	**24**
Legislative Statutory Officers			
Service Retirement	3	2	5
Disability Retirement	—	—	—
Pre-Retirement Option 2	—	—	—
Total Legislative Statutory Officers	**3**	**2**	**5**
Total	**140**	**122**	**262**

Benefit Payments by Type

Category	Amount Paid
Service Retirement	$7,268,878
Disability Retirement	194,710
Beneficiary Death Benefits	3,600
Beneficiary Death Benefits/Allowance	153,661
Total	**$7,620,849**

Average Benefit Payments — As of June 30, 2007

Six-Year Review [1]

	Years of Credited Service						
Retirement Effective Dates	**0-5**	**5-10**	**10-15**	**15-20**	**20-25**	**25-30**	**30+**
2006/07							
Average Monthly Allowance [2]	$ —	$2,134	$310	$5,717	$4,921	$ —	$ —
Average Final Compensation [3]	$ —	$8,434	$ —	$8,250	$9,240	$ —	$ —
Number of Recipients [2]	—	6	9	1	2	—	—
2005/06							
Average Monthly Allowance [2]	$704	$441	$2,011	$1,042	$4,404	$ —	$ —
Average Final Compensation [3]	$ — [3]	$ —	$4,375	$ —	$ —	$ —	$ —
Number of Recipients [2]	2	4	2	1	3	—	—
2004/05							
Average Monthly Allowance [2]	$565	$1,053	$935	$1,067	$5,358	$ —	$ —
Average Final Compensation [3]	$4,375	$4,375	$ —	$ —	$8,714	$ —	$ —
Number of Recipients [2]	1	1	1	5	5	—	—

Notes:

1 CalPERS began reporting Average Benefit Payments in the June 30, 2006 Comprehensive Annual Financial Report. Additional information is added each year as it becomes available to provide a six-year review.

2 These averages and totals are for retired members, beneficiaries, and community property recipients.

3 Average Final Compensation information does not include salary averages for beneficiaries.

Statistical **Section**

Other Programs

Expenses & Revenues — **Enterprise Funds**

10-Year Review (Dollars in Thousands)

Contingency Reserve Fund

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Operating Revenues										
Health Premiums Collected	$ —	$ —[1]	$1,683,317	$1,520,622	$1,410,584	$855,736	$2,510	$1,483	$825	$398
Administrative Fees & Other	14,928	16,509	13,140	16,808	16,218	7,252	12,833	11,140	12,253	8,228
Total Operating Revenues	**$14,928**	**$16,509**	**$1,646,457**	**$1,537,430**	**$1,426,802**	**$862,988**	**$15,343**	**$12,623**	**$13,078**	**$8,626**
Operating Expenses										
Health Premiums Remitted to Insurance Carriers	$ —	$ —[1]	$1,633,317	$1,520,622	$1,410,584	$855,736	$2,510	$1,483	$825	$398
Administrative Expenses	24,358	20,854	16,356	17,109	15,384	17,033	12,689	9,169	8,520	7,373
Total Operating Expenses	**$24,358**	**$20,854**	**$1,649,673**	**$1,537,727**	**$1,425,968**	**$872,769**	**$15,199**	**$10,652**	**$9,345**	**$7,771**
Operating Income (Loss)	($9,430)	($4,345)	($3,216)	($301)	$834	($9,781)	$144	$1,971	$3,733	$855
Non-Operating Revenues										
Investment Income	$8,037	$9,279	$5,049	$2,817	$1,787	$1,112	$417	$674	$524	$303
Total Non-Operating Revenues	**$8,037**	**$9,279**	**$5,049**	**$2,817**	**$1,787**	**$1,112**	**$417**	**$674**	**$524**	**$303**
Change in Unrestricted Net Assets	($1,393)	$4,934	$1,833	$2,516	$2,621	($8,669)	$561	$2,645	$4,257	$1,158
Total Unrestricted Net Assets										
Beginning of Year	$14,613	$9,679	$7,846	$5,330	$2,709	$11,378	$10,817	$8,172	$3,915	$2,757
End of Year	$13,220	$14,613	$9,679	$7,846	$5,330	$2,709	$11,378	$10,817	$8,172	$3,915

Health Care Fund

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Operating Revenues										
Self-Insurance Premiums	$1,509,064	$1,390,819	$1,211,210	$1,105,131	$1,042,720	$941,185	$740,073	$569,751	$461,207	$382,814
Health Premiums Collected	—	—	—	—	—	—	739,327	653,858	542,960	465,278
Other	—	—	—	—	—	—	—	164	135	—
Total Operating Revenues	**$1,509,064**	**$1,390,819**	**$1,211,210**	**$1,105,131**	**$1,042,720**	**$941,185**	**$1,479,400**	**$1,223,773**	**$1,004,302**	**$848,092**
Operating Expenses										
Actual & Estimated Claims	$1,314,531	$1,212,706	$1,131,419	$1,026,058	$886,460	$798,628	$639,803	$560,763	$507,948	$379,983
Administrative Expenses	79,146	74,771	67,679	65,902	58,182	50,296	43,572	41,180	35,780	37,869
Health Premiums Remitted to Insurance Carriers	—	—	—	—	—	—	739,327	653,858	542,960	465,278
Total Operating Expenses	**$1,393,677**	**$1,287,477**	**$1,199,098**	**$1,091,960**	**$944,642**	**$848,924**	**$1,422,702**	**$1,255,801**	**$1,086,688**	**$883,130**
Operating Income (Loss)	$115,387	$103,342	$12,112	$13,171	$98,078	$92,261	$56,698	($32,028)	($82,386)	($35,038)
Non-Operating Revenues										
Investment Income	$34,579	$20,069	$18,029	$10,041	$5,321	$6,307	$7,418	$11,100	$10,891	$11,835
Total Non-Operating Revenues	**$34,579**	**$20,069**	**$18,029**	**$10,041**	**$5,321**	**$6,307**	**$7,418**	**$11,100**	**$10,891**	**$11,835**
Change in Unrestricted Net Assets	$149,966	$123,411	$30,141	$23,212	$103,399	$98,568	$64,116	($20,928)	($71,495)	($23,203)
Total Unrestricted Net Assets										
Beginning of Year	$448,580	$325,169	$295,028	$271,816	$168,417	$69,849	$5,733	$26,661	$98,156	$121,359
End of Year	$598,546	$448,580	$325,169	$295,028	$271,816	$168,417	$69,849	$5,733	$26,661	$98,156

Note:

[1] PEMHCA health premiums collected from public agencies is shown as agency fund activity in accordance with GASB 43.

10-Year Review (Dollars in Thousands)

Deferred Compensation Fund

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Operating Revenues										
Administrative Fees	$ —	$287	$1,115	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Investment Management Fees	3,259	308	628	460	—	—	—	—	—	—
Other	—	—	(1)	1,262	918	1,232	985	1,396	1,312	1,070
Total Operating Revenues	**$3,259**	**$595**	**$1,742**	**$1,722**	**$918**	**$1,232**	**$985**	**$1,396**	**$1,312**	**$1,070**
Operating Expenses										
Administrative Expenses	$ —	$1,486	$1,338	$1,215	$864	$1,016	$1,148	$2,141	$1,594	$1,175
Total Operating Expenses	**$ —**	**$1,486**	**$1,338**	**$1,215**	**$864**	**$1,016**	**$1,148**	**$2,141**	**$1,594**	**$1,175**
Operating Income (Loss)	$3,259	($891)	$404	$507	$54	$216	($163)	($745)	($282)	($105)
Non-Operating Revenues										
Investment Income	$235	$180	$139	$51	$15	$22	$46	$76	$91	$54
Total Non-Operating Revenues	**$235**	**$180**	**$139**	**$51**	**$15**	**$22**	**$46**	**$76**	**$91**	**$54**
Change in Unrestricted Net Assets	$3,494	($711)	$543	$558	$69	$238	($117)	($669)	($191)	($51)
Total Unrestricted Net Assets										
Beginning of Year	$765	$1,476	$933	$375	$306	$68	$185	$854	$1,045	$1,096
End of Year	$4,259	$765	$1,476	$933	$375	$306	$68	$185	$854	$1,045

Long-Term Care Fund

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Operating Revenues										
Self-Insurance Premiums	$299,489	$241,495	$243,690	$241,663	$225,128	$200,936	$186,595	$168,625	$152,423	$134,700
Total Operating Revenues	**$299,489**	**$241,495**	**$243,690**	**$241,663**	**$225,128**	**$200,936**	**$186,595**	**$168,625**	**$152,423**	**$134,700**
Operating Expenses										
Claims	$101,349	$87,324	$78,007	$65,369	$53,022	$41,106	$31,494	$18,090	$10,682	$6,843
Increase (Decrease) in Estimated Liabilities	(600,900)	487,800	219,400	840,700	585,000	(85,000)	222,559	232,532	215,962	100,460
Administrative Expenses	18,479	18,198	17,053	16,285	15,305	15,416	14,625	15,462	11,893	11,709
Total Operating Expenses	**($481,072)**	**$593,322**	**$314,460**	**$922,354**	**$653,327**	**($28,478)**	**$268,678**	**$266,084**	**$238,537**	**$119,012**
Operating Income (Loss)	$780,561	($351,827)	($70,770)	($680,691)	($428,199)	$229,414	($82,083)	($97,459)	($86,114)	$15,688
Non-Operating Revenues										
Investment Income (Loss)	($73,039)	$281,068	$121,703	$124,474	$141,686	$52,748	($61,080)	($37,802)	$34,364	$39,767
Total Non-Operating Revenues	**($73,039)**	**$281,068**	**$121,703**	**$124,474**	**$141,686**	**$52,748**	**($61,080)**	**($37,802)**	**$34,364**	**$39,767**
Change in Unrestricted Net Assets	$707,522	($70,759)	$50,933	($556,217)	($286,513)	$282,162	($143,163)	($135,261)	($51,750)	$55,455
Total Unrestricted Net Assets (Deficits)										
Beginning of Year	($842,257)	($771,498)	($822,431)	($266,214)	$20,299	($261,863)	($118,700)	$16,561	$68,311	$12,856
End of Year	($134,735)	($842,257)	($771,498)	($822,431)	($266,214)	$20,299	($261,863)	($118,700)	$16,561	$68,311

Health Benefits **Program Data**

Enrollments by Health Plan

	Basic			Medicare			Total
	Active	Retired	Total	Active	Retired	Total	Enrollments
Blue Shield Access+	100,869	14,792	115,661	2	16,034	16,036	131,697
Blue Shield NetValue	36,679	5,139	41,818	0	765	765	42,583
CAHP	6,245	2,020	8,265	0	2,116	2,116	10,381
CCPOA	10,081	864	10,945	0	177	177	11,122
Kaiser	149,248	26,200	175,448	4	39,960	39,964	215,412
Kaiser/Out of State	17	589	606	0	914	914	1,520
PERS Choice	74,621	23,790	98,411	4	23,334	23,338	121,749
PERS Select	1,835	288	2,123	0	62	62	2,185
PERSCare	7,505	4,302	11,807	4	38,730	38,734	50,541
PORAC	4,972	1,702	6,674	0	608	608	7,282
Total	**392,072**	**79,686**	**471,758**	**14**	**122,700**	**122,714**	**594,472**

Five-Year Enrollments

	2008	2007	2006	2005	2004
Total Covered Lives — Employees, Annuitants, & Dependents	1,267,122	1,240,976	1,205,945	1,190,212	1,200,668
Total Prime Lives — Employees & Annuitants	594,472	578,172	557,084	544,913	544,770

Basic & Supplemental Health Plan Enrollments

	Basic			Medicare			Total
Plan Type	Active	Retired	Total	Active	Retired	Total	Enrollments
HMO	286,813	46,720	333,533	6	57,673	57,679	391,212
Self-Funded PPO	83,961	28,380	112,341	8	62,126	62,134	174,475
Association	21,298	4,586	25,884	0	2,901	2,901	28,785
Total	**392,072**	**79,686**	**471,758**	**14**	**122,700**	**122,714**	**594,472**

Participating Public Agency Summary

	2008	2007
Counties	29	29
Cities	302	302
Districts & Other Public Agencies	700	694
School Districts	116	115
Total	**1,147**	**1,140**
Total Covered Lives	**502,771**	**490,490**

Participating Public Agencies by Type

The total number of covered lives for each agency follows its name.

Counties

Amador - 251
Butte - 4,371
Colusa - 741
Contra Costa - 2,744
Glenn - 1,116
Humboldt - 3,715
Inyo - 1,086
Lake - 1,885
Lassen - 790
Madera - 3,163
Mariposa - 1,103
Modoc - 283
Mono - 826
Monterey - 9,446
Napa - 3,123
Nevada - 2,675
Placer - 7,200
Plumas - 249
Riverside - 2,437
San Benito - 650
San Luis Obispo - 5,048
Santa Cruz - 6,535
Shasta - 4,854
Siskiyou - 1,557
Solano - 4,411
Trinity - 1,078
Tuolumne - 1,280
Yolo - 3,672
Yuba - 1,923

Total Counties - 29
Total Covered Lives - 78,212

Cities

Agoura Hills - 104
Alameda - 1,798
Albany - 202
Alhambra - 920
Aliso Viejo - 25
American Canyon - 158
Angels - 92
Antioch - 876
Arcadia - 765
Arroyo Grande - 283
Artesia - 134
Atherton - 130
Atwater - 262
Auburn - 177
Avalon - 166
Avenal - 4
Azusa - 545
Baldwin Park - 531
Barstow - 473
Bell - 332
Bellflower - 258
Belmont - 315
Belvedere - 51
Beverly Hills - 2,298
Biggs - 21
Bishop - 177
Blythe - 298
Brawley - 309
Brea - 1,008
Brentwood - 611
Brisbane - 209
Buellton - 34
Buena Park - 991
Burbank - 2,620
Burlingame - 1,024
Calabasas - 211

Cities

California City - 128
Calimesa - 2
Calistoga - 122
Camarillo - 311
Campbell - 345
Canyon Lake - 7
Capitola - 123
Carlsbad - 1,625
Carmel-by-the-Sea - 196
Carpinteria - 79
Carson - 1,110
Cathedral City - 575
Cerritos - 818
Chino - 582
Chino Hills - 79
Citrus Heights - 328
Clayton - 49
Coachella City - 132
Colma - 119
Colton - 147
Colusa - 87
Commerce - 628
Compton - 1,755
Concord - 1,446
Corona - 2,092
Coronado - 485
Corte Madera - 190
Costa Mesa - 1,668
Covina - 400
Crescent City - 140
Cudahy - 70
Culver City - 2,247
Cupertino - 531
Cypress - 400
Daly City - 1,359
Dana Point - 104
Davis - 982
Del Rey Oaks - 21
Diamond Bar - 94
Dixon - 166
Duarte - 151
Dublin - 245
El Cajon - 839
El Monte - 946
El Segundo - 1,084
Elk Grove - 388
Emeryville - 279
Encinitas - 511
Escalon - 81
Etna - 15
Fairfax - 68
Farmersville - 77
Firebaugh - 98
Fort Jones - 8
Foster - 0
Fountain Valley - 756
Fremont - 2,013
Fullerton - 273
Garden Grove - 1,738
Gilroy - 643
Glendora - 417
Goleta - 70
Grass Valley - 287
Gridley - 126
Guadalupe - 79
Half Moon Bay - 102
Hanford - 409
Hawaiian Gardens - 183
Hawthorne - 941
Hayward - 2,605
Hercules - 213
Hesperia - 215
Hidden Hills - 7
Highland - 64
Hillsborough - 413
Hollister - 145
Huntington Beach - 803
Huntington Park - 694
Imperial Beach - 126
Indian Wells - 128
Indio - 688
Ione - 28
Irwindale - 305
Jackson - 94
King City - 104
La Canada Flintridge - 62
La Habra - 641
La Habra Heights - 43
La Mesa - 669
La Mirada - 273
La Palma - 164
La Puente - 147
La Quinta - 230
Laguna Niguel - 128
Laguna Woods - 15
Lake Elsinore - 254
Lake Forest - 132
Lakewood - 305

Cities

Larkspur - 202
Lathrop - 175
Lawndale - 119
Lemon Grove - 185
Lemoore - 154
Lincoln - 479
Live Oak - 47
Lodi - 1,138
Loma Linda - 168
Lomita - 132
Lompoc - 918
Loomis - 28
Los Alamitos - 164
Los Altos - 315
Los Altos Hills - 55
Los Banos - 471
Los Gatos - 379
Lynwood - 564
Malibu - 145
Mammoth Lakes - 196
Manhattan Beach - 647
Manteca - 873
Marina - 200
Martinez - 151
Maywood - 177
McFarland - 28
Menlo Park - 652
Millbrae - 302
Milpitas - 1,152
Mission Viejo - 245
Modesto - 343
Montague - 11
Monte Sereno - 11
Montebello - 1,116
Monterey - 959
Moorpark - 136
Moreno Valley - 703
Morgan Hill - 366
Morro Bay - 260
Mt. Shasta - 51
Murrieta - 405
Napa - 187
Newark - 326
Newport Beach - 1,312
Norco - 311
Norwalk - 894
Novato - 407
Oakdale - 154
Oakland - 14,256
Oceanside - 275
Ojai - 96
Ontario - 999
Orange - 1,587
Orinda - 75
Orland - 94
Oxnard - 1,563
Pacific Grove - 228
Pacifica - 241
Palm Desert - 413
Palm Springs - 345
Palmdale - 735
Palo Alto - 3,566
Paradise - 332
Paramount - 260
Pasadena - 4,367
Patterson - 170
Perris - 241
Petaluma - 797
Pico Rivera - 499
Piedmont - 234
Pinole - 364
Pismo Beach - 115
Pomona - 2,117
Port Hueneme - 223
Portola Valley - 28
Rancho Cordova - 87
Rancho Mirage - 207
Rancho Santa Margarita - 47
Red Bluff - 102
Redlands - 1,239
Redwood City - 1,710
Reedley - 279
Rialto - 969
Richmond - 2,675
Ridgecrest - 170
Rio Vista - 115
Rocklin - 729
Rolling Hills - 15
Rolling Hills Estates - 70
Rosemead - 183
Roseville - 3,193
Ross - 60
Salinas - 1,274
San Anselmo - 147
San Carlos - 313
San Clemente - 473
San Dimas - 160
San Fernando - 477
San Francisco City & County - 200
San Gabriel - 384
San Jacinto - 7
San Juan Capistrano - 226
San Leandro - 1,199
San Luis Obispo - 720
San Marcos - 154
San Marino - 269
San Mateo - 1,774
San Pablo - 362
San Rafael - 1,395
Sand City - 11
Santa Ana - 2,641
Santa Clara - 2,264
Santa Clarita - 603
Santa Cruz - 1,853
Santa Fe Springs - 822
Santa Maria - 803
Santa Monica - 573
Santa Paula - 130
Santa Rosa - 869
Saratoga - 147
Sausalito - 170
Scotts Valley - 183
Seal Beach - 285
Selma - 290
Shasta Lake - 122
Sierra Madre - 151
Signal Hill - 364
Solana Beach - 136
Solvang - 92
South El Monte - 111
South Gate - 820
South Pasadena - 477
Stanton - 126
Suisun City - 179
Sunnyvale - 3,074
Sutter Creek - 40
Temecula - 238
Temple City - 119
Thousand Oaks - 1,161
Tiburon - 96
Torrance - 3,487
Tustin - 703
Twentynine Palms - 60
Ukiah - 168
Union City - 650
Upland - 677
Vacaville - 1,649
Vallejo - 1,975
Villa Park - 23
Walnut - 72
Weed - 32
West Covina - 1,052
West Hollywood - 445
West Sacramento - 207
Westlake Village - 32
Westminster - 914
Williams - 53
Willows - 79
Winters - 45
Woodlake - 55
Woodland - 924
Woodside - 38
Yorba Linda - 245
Yountville - 66
Yreka - 102
Yuba City - 179
Yucaipa - 75
Yucca Valley - 102

Total Cities - 302

Total Covered Lives - 169,752

Districts & Other Public Agencies

Academic Senate for California Community Colleges - 15
Agoura Hills and Calabasas Community Center - 19
Alameda Corridor Transportation Authority - 30
Alameda County Congestion Management Agency - 40
Alameda County Fire Department - 1,008
Alameda County Law Library - 34
Alameda County Mosquito Abatement District - 51
Alameda County Schools Insurance Group - 2
Alameda County Transportation Authority - 0
Alameda County Transportation Improvement Authority - 25
Alameda County Waste Management Authority - 77
Alameda County Water District - 694
Albany Municipal Services Joint Powers Authority - 40
Alhambra Redevelopment Agency - 8
Aliso Water Management Agency - 0
Alliance of Schools for Cooperative Insurance Programs - 45
Alpine Springs County Water District - 7
Altadena Library District - 72
Amador Water Agency - 138
American Canyon Fire Protection District - 49
Anderson Cemetery District - 4
Anderson Fire Protection District - 30
Antelope Valley Mosquito and Vector Control District - 17
Apple Valley Fire Protection District - 138
Aptos/La Selva Fire Protection Agency - 100
Arbuckle-College City Fire Protection District - 8
Arcade Water District - 0
Arcata Fire Protection District - 66
Area 12 Agency on Aging - 28
Arrowbear Park County Water District - 17
Arroyo Grande District Cemetery - 8
Associated Students California State University, San Bernardino - 8
Association of Bay Area Governments - 170
Association of Monterey Bay Area Governments - 17
Atascadero Cemetery District - 13
Auburn Public Cemetery District - 19
Aztec Shops, Ltd. - 219
Banning-Cabazon Cemetery District - 0
Bardsdale Cemetery District - 7
Bay Area Air Quality Management District - 1,046
Bay Area Library and Information System - 4
Bay Area Water Supply and Conservation Agency - 17
Beach Cities Health District - 104
Bear Mountain Recreation and Park District - 11
Beaumont District Library - 17
Beaumont Public Cemetery District - 0
Beaumont-Cherry Valley Recreation and Park District - 2
Beaumont-Cherry Valley Water District - 70
Bella Vista Water District - 72
Belmont-San Carlos Fire Department - 181
Belvedere-Tiburon Joint Recreation - 2
Belvedere-Tiburon Library Agency - 21
Ben Lomond Fire Protection District - 4
Benicia City Housing Authority - 25
Bennett Valley Fire Protection District - 7
BETA Health Care Group Risk Management Authority - 130
Big Bear Area Regional Wastewater Agency - 43
Big Bear City Airport District - 15
Big Bear City Community Services District - 194
Black Gold Cooperative Library System - 19
Blanchard/Santa Paula Public Library District - 28
Bonita-Sunnyside Fire Protection District - 57
Boulder Creek Fire Protection District - 7
Branciforte Fire Protection District - 8
Brannan-Andrus Levee Maintenance District - 4
Buena Park Library District - 60
Butte County Air Quality Management District - 23
Butte County Association of Governments - 17
Butte County In-Home Supportive Services Public Authority - 8
Butte County Law Library - 2
Butte County Superior Court - 243
Butte Local Agency Formation Commission - 7
Byron, Brentwood, Knightsen Union Cemetery District - 8
Cal Poly Corporation - 596
Calaveras County Superior Court - 55
Calaveras County Water District - 211
Calaveras Public Utility District - 8
California Administrative Services Authority - 0
California Authority of Racing Fairs - 23
California Bear Credit Union - 75
California Dried Plum Board - 11
California Fair Services Authority - 92
California Fairs Financing Authority - 55
California Interscholastic Federation, Central Coast Section - 4
California Interscholastic Federation, North Coast Section - 13
California Interscholastic Federation, Northern Section - 2
California Interscholastic Federation, San Diego Section - 17
California Interscholastic Federation, Southern Section - 66
California Joint Powers Insurance Authority - 55
California Joint Powers Risk Management Authority - 13
California Maritime Academy Foundation, Inc. - 0
California Municipal Utilities Association - 13
California State and Federal Employees No. 20 Credit Union - 19
California State University, Bakersfield Foundation - 38
California State University, Dominguez Hills Foundation - 128
California State University, Fresno Association, Inc. - 379
California State University, Fresno Athletic Corporation - 143
California State University, Long Beach Foundation - 328
California State University, Los Angeles-USU Board - 40
California State University, Stanislaus Auxiliary and Business Services - 32
Calleguas Municipal Water District - 168
Camarillo Health Care District - 40
Cambria Cemetery District - 4
Cambria Community Health Care District - 25
Cambria Community Services District - 119

Districts & Other Public Agencies

Cameron Park Community Services District - 25
Capistrano Bay Community Services District - 2
Capitol Area Development Authority - 96
Carmel Highlands Fire Protection District of Monterey County - 2
Carmel Regional Fire Ambulance Authority - 13
Carmel Valley Fire Protection District - 34
Carpinteria Public Cemetery District - 4
Castaic Lake Water Agency - 230
Castro Valley County Fire Protection District - 0
Castro Valley Sanitary District - 51
Castroville Community Services District - 15
Cayucos Sanitary District - 8
Cayucos-Morro Bay Cemetery District - 4
Central Contra Costa Transit Authority - 541
Central Fire Protection District of Santa Cruz County - 196
Central Marin Sanitation Agency - 115
Central Plumas Recreation and Park District - 4
Central Sierra Child Support Agency - 53
Central Valley Regional Center, Inc. - 799
Cesar Chavez Student Center, Inc. - 55
Channel Islands Beach Community Services District - 15
Chester Fire Protection District - 15
Chester Public Utility District - 11
Chino Basin Watermaster - 13
Chino Valley Independent Fire District - 277
Chowchilla Cemetery District - 11
Christian Valley Park Community Service District - 0
Clear Creek Community Services District - 25
Clearlake Oaks County Water District - 0
Cloverdale Citrus Fair - 0
Coachella Valley Association of Governments - 28
Coachella Valley Mosquito and Vector Control District - 102
Coachella Valley Public Cemetery District - 15
Coalinga-Huron Recreation and Park District - 21
Coastal Animal Services Authority - 19
Coastal Developmental Services Foundation, DBA Westside Regional Center - 458
Coastal Municipal Water District - 0
Coastal San Luis Resource Conservation - 0
Colusa County Superior Court - 30
Colusa Mosquito Abatement District - 7
Community College League of California - 32
Compton Creek Mosquito Abatement District - 2
Conejo Recreation and Park District - 200
Consolidated Area Housing Authority of Sutter County - 60
Contra Costa County Law Library - 15
Contra Costa County Schools Insurance Group - 43
Contra Costa Fire Protection District - 1,461
Contra Costa Mosquito Vector Control District - 81
Contra Costa Special Ed Local Plan Area - 17
Contra Costa Transportation Authority - 45
Corning Water District - 8
Costa Mesa Sanitary District - 19
Cosumnes Community Services District - 675
Cottonwood Cemetery District - 4
Cottonwood Fire Protection District - 11
Crescent City Harbor District - 40
Crestline Lake Arrowhead Water Agency - 28
Crockett-Valona Sanitary District - 0
Crockett Community Services District - 2
CSAC Excess Insurance Authority - 90
Cutler-Orosi Joint Powers Wastewater Authority - 4
Cuyama Valley Recreation District - 0
Cypress Recreation and Park District - 0
Dairy Council of California - 85
Davis Cemetery District - 8
Deer Springs Fire Protection District - 4
Del Norte County Library District - 4
Del Norte Health Care District - 7
Del Paso Manor Water District - 11
Del Paso Manor Water District - Directors - 2
Del Puerto Water District - 8
Del Rey Community Services District - 13
Delta Vector Control District - 32
Denair Community Services District - 8
Desert Health Care District - 21
Diamond Springs/El Dorado Fire Protection District - 66
Dixon Housing Authority - 0
Dominguez Hills CSU Associated Students - 8
Dominguez Hills CSU Associated Students, Child Development Center - 8
Donald P. and Katherine B. Loker University Student Union, Inc. - 15
Dougherty Regional Fire Authority - 28
Dublin San Ramon Services District - 311
Dunnigan Water District - 7
East Bay Dischargers Authority - 15
East Bay Regional Park District - 138
East Diablo Fire District - 98
East Kern Airport District - 79
East Palo Alto Sanitary District - 17
East Quincy Services District - 11
East Valley Water District - 168
Eastern Municipal Water District - 1,350
Eastern Plumas Health Care District - 343
Eastern Sierra Community Service District - 13
Eastern Sierra Transit Authority - 55
El Camino Irrigation District - 4
El Dorado County Fire Protection District - 237
El Dorado County Transit Authority - 49
El Dorado County Transportation Commission - 13
El Dorado Hills Community Services District - 47
El Dorado Hills County Water District - 158
El Dorado Irrigation District - 731
Emeryville Redevelopment Agency - 0
Encinitas Fire Protection District - 0
Encinitas Sanitary District - 0

Districts & Other Public Agencies

Esparto Community Services District - 11
Estero Municipal Improvement District - 469
Fair Oaks Cemetery District - 11
Fair Oaks Fire District - 0
Fair Oaks Recreation and Park District - 38
Fairfield-Suisun Sewer District - 115
Fall River Mills Community Services District - 7
Fallbrook Health Care District - 4
Feather River Air Quality Management District - 13
Feather Water District - 8
Felton Fire Protection District - 2
Fern Valley Water District - 11
First Five of Mariposa County - 2
Florin County Water District - 19
Foothill/Eastern Transportation Corridor Agency - 166
Forestville Fire Protection District - 15
Fort Bragg Fire Protection Authority - 8
Fort Ord Reuse Authority - 21
Forty-Niner Fire Protection District - 0
Fresno County Law Library - 15
Fresno Irrigation District - 183
Fresno-Madera Area Agency on Aging - 66
Fruitridge Fire Protection District - 4
Fullerton California State University Associated Students - 149
Fulton El-Camino Recreation and Park District - 38
Galt Fire Protection District - 0
Galt-Arno Cemetery District - 2
Garden Valley Fire Protection District - 13
Gilsizer County Drainage District - 7
Glen Ellen Fire Protection District - 8
Glenn County Mosquito and Vector Control District - 7
Glenn County Superior Court - 53
Glenn-Colusa Irrigation District - 0
Gold Coast Transit - 266
Gold Ridge Fire Protection District - 13
Golden Sierra Job Training Agency - 72
Goleta Cemetery District - 11
Goleta Sanitary District - 68
Goleta West Sanitary District - 25
Great Basin Unified Air Pollution Control District - 66
Greater Anaheim Special Education Local Plan Area - 43
Greater Los Angeles County Vector Control District - 155
Greater Vallejo Recreation District - 136
Green Valley County Water District - 4
Gridley Biggs Cemetery District - 13
Grossmont Health Care District - 30
Grossmont Schools Federal Credit Union - 38
Guerneville Fire Protection District - 0
Half Moon Bay Fire Protection District - 96
Hamilton Branch Fire Protection District - 2
Hamilton City Community Services District - 4
Harbor Developmental Disabilities Foundation, Inc. - 449
Hayward California State University, Auxiliary Foundation, Inc. - 185
Heartland Communications Facility Authority - 13
Heritage Ranch Community Services District - 25
Hesperia Fire Protection District - 8
Hesperia Recreation and Park District - 79
Hesperia Water District - 100
Hilton Creek Community Services District - 4
Housing Authority of the City of Eureka - 43
Housing Authority of the City of Los Angeles - 1,448
Housing Authority of the County of Santa Cruz - 136
Hub Cities Consortium - 40
Humboldt County Association of Governments - 4
Humboldt County Superior Court - 202
Humboldt No. 1 Fire Protection District of Humboldt County - 38
Humboldt State College University Center - 123
Humboldt Transit Authority - 87
Idyllwild Fire Protection District - 32
Indian Valley Community Services District - 2
Indian Valley Health Care District - 2
Inland Empire Utilities Agency - 626
Inland Empire West Resource Conservation District - 0
Intelecom Intelligent Telecommunications - 47
Inverness Public Utility District - 13
Ironhouse Sanitary District - 96
Irvine Ranch Water District - 739
Jamestown Sanitary District - 13
JRS Napa County Superior Court - 11
Judicial Council-PA - 0
Jurupa Community Services District - 222
Kanawha Water District - 8
Kensington Community Services District - 43
Kensington Fire Protection District - 21
Kentfield Fire Protection District - 47
Kenwood Fire Protection District - 7
Kern County Council of Governments - 49
Kern County Housing Authority - 307
Kern County Law Library - 7
Kern Regional Center - 400
Kirkwood Meadows Public Utility District - 28
Lake Don Pedro Community Services District - 0
Lake Hemet Municipal Water District - 128
Lake Valley Fire Protection District - 64
Lakeside Fire Protection District - 196
Las Gallinas Valley Sanitary District of Marin County - 62
Lathrop-Manteca Fire Protection District - 87
Leucadia Wastewater District - 55
Levee District No. 1 of Sutter County - 2
Linda Fire Protection District - 34
Linden-Peters Rural County Fire Protection District - 32
Littlerock Creek Irrigation District - 13
Live Oak Cemetery District - 4
Livermore/Amador Valley Transit Authority - 38

Districts & Other Public Agencies

Local Agency Formation Commission of Monterey County - 7
Local Agency Formation Commission of San Luis Obispo County - 0
Local Government Services Authority, a Joint Powers Authority - 51
Lompoc Cemetery District - 11
Lompoc Health Care District - 556
Long Beach State University, Associated Students - 108
Long Beach State University, Forty-Niner Shops, Inc. - 179
Los Angeles County Area 'E' Civil Defense and Disaster Board - 2
Los Angeles County Law Library - 136
Los Angeles County Office of Education - 8,910
Los Angeles County Sanitation District No. 2 - 5,817
Los Angeles County West Vector Control District - 77
Los Angeles Memorial Coliseum Commission - 85
Los Osos Community Services District - 25
Lower Tule River Irrigation District - 79
Lumberjack Enterprises, Inc. - 0
Madera Cemetery District - 49
Madera County Economic Development Commission - 0
Majestic Pines Community Services District - 4
Mammoth Lakes Fire District - 34
Management of Emeryville Services Authority - 237
March Joint Powers Authority - 19
Mare Island Technology Academy - 100
Marin County Housing Authority - 130
Marin County Sanitary District No. 1 - 45
Marin Health Care District - 0
Marin Municipal Water District - 867
Marinwood Community Services District - 68
Maxwell Public Utility District - 7
Mayers Memorial Hospital District - 305
McCloud Community Services District - 25
Meadow Vista County Water District - 7
Meiners Oaks County Water District - 8
Mendocino Coast Hospital District - 531
Menlo Park Fire Protection District - 277
Merced County Housing Authority - 126
Mesa Consolidated Water District - 126
Metropolitan Cooperative Library System - 21
Metropolitan Transportation Commission - 388
Metropolitan Water District of Southern California - 6,741
Mid-Carmel Valley Fire Protection District - 25
Midpeninsula Regional Open Space District - 168
Midway City Sanitary District - 107
Midway Heights Water District - 4
Millville Masonic and Odd Fellows Cemetery District - 2
Mission Valley Regional Occupational Center/Program - 68
Mojave Desert Air Quality Management - 57
Mojave Water Agency - 90
Monte Vista County Water District - 53
Montecito Fire Protection District - 170
Monterey Bay Unified Air Pollution Control District - 62
Monterey County Law Library - 2
Monterey County Superior Court - 460
Monterey County Water Resources Agency - 136
Monterey Peninsula Airport District - 104
Monterey Peninsula Regional Park District - 45
Monterey-Salinas Transit - 398
Moraga Fire Protection District - 0
Moraga-Orinda Fire Protection District - 298
Morongo Basin Transit Authority - 47
Mosquito and Vector Management District of Santa Barbara County - 11
Moss Landing Harbor District - 13
Mother Lode Job Training Agency - 43
Mountain Charter School - 25
Mt. View Sanitary District of Contra Costa County - 36
Mt. Diablo Health Care District - 4
Mt. San Antonio College Auxiliary Services - 108
Muir Beach Community Services District - 4
Murrieta County Water District - 0
Murrieta Fire Protection District - 122
Napa County Mosquito Abatement District - 25
Napa County Superior Court - 183
Napa County Transportation and Planning Agency - 17
Napa Sanitation District - 158
Nevada Cemetery District - 7
Nevada County Superior Court - 145
Nevada-Sierra Regional IHSS Public Authority - 15
Newport Beach City Employees Federal Credit Union - 11
Nipomo Community Services District - 36
North Bay Regional Center - 388
North Bay Schools Insurance Authority - 25
North Coast Railroad Authority - 4
North Coast Unified Air Quality Management District - 34
North County Fire Protection District of Monterey County - 102
North County Fire Protection District of San Diego County - 175
North County Transit District - 899
North Delta Water Agency - 0
North Los Angeles County Regional Center, Inc. - 865
North Marin Water District - 175
North State Cooperative Library System - 13
North Tahoe Fire Protection District - 128
Northern California Power Agency - 456
Northern California Special Districts Insurance Authority - 8
Northern Salinas Valley Mosquito Abatement District - 17
Northern Sierra Air Quality Management District - 17
Northridge Water District - 0
Northridge, California State University, Associated Students - 81
Northstar Community Services District - 79
Novato Sanitary District - 108
Oak Hill Cemetery District - 0
Oakland City Housing Authority - 762
Ocean Grove Charter School - 38
Ojai Valley Sanitary District - 45
Olivehurst Public Utility District - 49
Ophir Hill Fire Protection District - 4

Districts & Other Public Agencies

Orange County Fire Authority - 735
Orange County Vector Control District - 147
Orinda Fire Protection District - 0
Orland Cemetery District - 0
Oro Loma Sanitary District - 162
Oroville Cemetery District - 19
Oroville Mosquito Abatement District - 2
Oxnard Harbor District - 96
Pacific Fire Protection District - 30
Pajaro Valley Fire Protection Agency - 0
Pajaro Valley Public Cemetery District - 15
Palm Drive Health Care District - 279
Palm Ranch Irrigation District - 11
Palm Springs Cemetery District - 13
Palo Verde Valley District Library - 0
Paradise Recreation and Park District - 28
Paso Robles City Housing Authority - 28
Peardale Chicago Park Fire Protection District - 2
Peninsula Library System - 45
Peninsula Traffic Congestion Relief Alliance - 15
Penryn Fire Protection District - 0
Pine Cove Water District - 8
Pine Grove Mosquito Abatement District - 2
Pinedale County Water District - 23
Pioneer Cemetery District - 8
Pixley Irrigation District - 17
Placer County Cemetery District No. 1 - 15
Placer County Resource Conservation District - 4
Placer County Transportation Commission - 15
Placer County Water Agency - 475
Planning and Service Area II Area Agency on Aging - 8
Pleasant Valley Recreation and Park District - 85
Plumas County Community Development Commission - 25
Plumas Local Agency Formation Commission - 2
Point Montara Fire Protection District - 2
Pomerado Cemetery District - 13
Pomona, California State Polytechnic University, Associated Students, Inc. - 107
Port San Luis Harbor District - 57
Princeton-Codora-Glenn Irrigation District - 8
Processing Strawberry Advisory Board - 11
Processing Tomato Advisory Board - 11
Provident Irrigation District - 15
Public Agency Risk Sharing Authority of California - 13
Public Entity Risk Management Authority - 7
Quincy Cemetery District - 2
Quincy Community Services District - 13
Rainbow Municipal Water District - 7
Ramona Cemetery District - 13
Rancho Cucamonga Fire Protection District - 311
Rancho Murieta Community Services District - 75
Rancho Simi Recreation and Park District - 187
Reclamation District No. 70 - 13
Reclamation District No. 341 - 7
Reclamation District No. 800 - 8
Reclamation District No. 833 - 8
Reclamation District No. 900 - 13
Reclamation District No. 1000 - 36
Reclamation District No. 1001 - 36
Reclamation District No. 1601 - 7
Reclamation District No. 1660 - 0
Redway Community Services District - 13
Regional Council of Rural Counties - 51
Regional Government Services Authority - 8
Regional Water Authority - 11
Richardson Bay Sanitary District - 17
Rincon Del Diablo Municipal Water District - 75
Riverbank City Housing Authority - 4
Riverdale Public Utility District - 4
Riverside County Air Pollution Control District - 0
Riverside County Housing Authority - 4
Riverside County Superior Court - 2
Riverside County Transportation Commission - 98
Roseville Public Cemetery District - 21
Ross Valley Fire Service - 113
Rubidoux Community Services District - 4
Ruth Lake Community Services District - 2
Sacramento Area Council of Governments - 128
Sacramento City Housing Authority - 920
Sacramento County Fire Protection District - 0
Sacramento County Public Law Library - 36
Sacramento Metropolitan Air Quality Management District - 151
Sacramento Metropolitan Cable Television Commission - 11
Sacramento Metropolitan Fire District - 2,366
Sacramento Regional Fire/EMS Communications Center - 94
Sacramento Suburban Water District - 151
Sacramento Transportation Authority - 4
Salinas Rural Fire District - 117
Salinas Valley Solid Waste Authority - 57
Salton Community Services District - 64
Samoa Peninsula Fire Protection District - 2
San Andreas Regional Center, Inc. - 662
San Andreas Sanitary District - 13
San Benito County Water District - 36
San Bernardino County Housing Authority - 437
San Bernardino County Law Library - 13
San Bernardino County Transportation Authority - 0
San Bernardino Economic Development Agency - 49
San Bernardino, California State University, Foundation - 354
San Bernardino, California State University, Student Union - 34
San Diego Association of Governments - 447
San Diego County Law Library - 92
San Diego Metropolitan Transit Development Board - 232
San Diego State University Associated Students - 53
San Diego Trolley, Inc. - 761
San Dieguito Water District - 45

Districts & Other Public Agencies

San Elijo Joint Powers Authority - 34
San Francisco Bay Area Rapid Transit District - 9,704
San Francisco Bay Area Water Transit Authority - 8
San Francisco City and County Housing Authority - 515
San Francisco City and County Redevelopment Agency - 454
San Francisco Community College District Bookstore Auxiliary - 36
San Francisco County Transportation Authority - 53
San Gabriel Valley Mosquito and Vector Control District - 17
San Gorgonio Pass Water Agency - 13
San Jacinto Valley Cemetery District - 34
San Joaquin County Housing Authority - 313
San Joaquin County Mosquito and Vector Control District - 104
San Joaquin Hills Transportation Corridor Agency - 0
San Jose State University Foundation - 575
San Jose State University, Associated Students - 92
San Juan Water District - 132
San Lorenzo Valley Water District - 49
San Luis Obispo, Cal Poly, Associated Students, Inc. - 162
San Luis Obispo Council of Governments - 28
San Luis Obispo County Pension Trust - 8
San Luis Obispo County Superior Court - 281
San Luis Obispo Regional Transit Authority - 15
San Marcos Fire Protection District - 0
San Marcos, California State University, Foundation - 90
San Mateo County Resource Conservation District - 0
San Mateo County Schools Insurance Group - 13
San Mateo County Transit District - 1,881
San Miguel Community Services District - 11
San Miguel Consolidated Fire Protection District - 373
San Pablo City Housing Authority - 0
San Ramon Valley Fire Protection District - 573
San Simeon Community Services District - 2
Sanitary District No. 5 of Marin County - 25
Santa Barbara County Association of Governments - 43
Santa Barbara County Law Library - 8
Santa Clara County Health Authority - 349
Santa Clara County Law Library - 4
Santa Cruz Consolidated Emergency Communications Center - 115
Santa Cruz County Law Library - 0
Santa Cruz County Regional Transportation Commission - 38
Santa Cruz County Superior Court - 337
Santa Cruz Local Agency Formation Commission - 7
Santa Cruz Metropolitan Transit District - 1,042
Santa Fe Irrigation District - 154
Santa Maria Public Airport District - 28
Santa Paula City Housing Authority - 23
Saratoga Fire Protection District - 70
Sausalito-Marin City Sanitary District - 36
School Personnel Credit Union - 21
Schools Excess Liability Fund - 15
Scotts Valley Water District - 53
Selma-Kingsburg-Fowler County Sanitation District - 87
Serra Cooperative Library System - 11
Sewer Authority Mid-Coastside - 34
Shasta Area Safety Communications Agency - 87
Shasta Community Services District - 0
Shasta County Superior Court - 60
Shasta Dam Area Public Utility District - 0
Shasta Mosquito and Vector Control District - 34
Shasta Valley Cemetery District - 11
Sierra Lakes County Water District - 21
Sierra-Sacramento Valley Emergency Medical Services Agency - 19
Silicon Valley Animal Control Authority - 32
Siskiyou County Superior Court - 102
Smith River Community Services District - 11
Solano County Mosquito Abatement District - 30
Solano County Superior Court - 471
Solano County Water Agency - 19
Solano Transportation Authority - 36
Sonoma State Enterprises, Inc. - 2
Sonoma Student Union Corporation - 28
Soquel Creek Water District - 117
South Bay Regional Public Communications Authority - 117
South Bayside System Authority - 168
South East Regional Reclamation Authority - 0
South Feather Water and Power Agency - 166
South Kern Cemetery District - 0
South Orange County Wastewater Authority - 147
South Placer Fire District - 111
South Placer Municipal Utility District - 60
South San Luis Obispo County Sanitation District - 21
Southeast Area Social Services Funding Authority - 36
Southern California Association of Governments - 341
Southern California Public Power Authority - 15
Southern California Regional Rail Authority - 452
Southern Humboldt Community Health Care District - 111
Southern Inyo Health Care District - 143
Southern San Joaquin Municipal Utility District - 64
Spartan Shops, Inc. - 251
Squaw Valley Public Service District - 43
Stanislaus County Housing Authority - 251
State Assistance Fund for Energy, California Business and Industrial Corporation - 25
Stege Sanitary District - 19
Stinson Beach County Water District - 21
Strawberry Recreation District - 13
Student Union of San Jose State University - 64
Summit Cemetery District - 36
Susanville Consolidated Sanitary District - 21
Sutter Cemetery District - 23
Sweetwater Springs Water District - 21
Sylvan Cemetery District - 8
Tahoe City Fire Protection District - 0
Tahoe City Public Utility District - 113
Tahoe-Truckee Sanitation Agency - 160
Temecula Public Cemetery District - 4

Districts & Other Public Agencies

Templeton Community Services District - 45
Thermalito Irrigation District - 30
Three Arch Bay Community Services District - 2
Tower Foundation, San Jose State University - 2
Trabuco Canyon Water District - 60
Tracy Rural County Fire Protection District - 4
Transportation Agency for Monterey County - 23
Truckee Fire Protection District - 117
Truckee Sanitary District - 92
Tulare County Housing Authority - 107
Tulare Mosquito Abatement District - 13
Tuolumne Fire Protection District - 13
Tuolumne Regional Water District - 0
Tuolumne Utilities District - 223
Turlock Mosquito Abatement District - 34
Twain Harte Community Services District - 28
Twin Cities Police Authority - 154
Ukiah Valley Fire District - 15
Union Sanitary District - 407
United Water Conservation District - 111
University Corporation - 285
University Glen Corporation - 21
Upland City Housing Authority - 55
Vallejo Sanitation and Flood Control District - 251
Valley County Water District - 107
Valley Mountain Regional Center, Inc. - 526
Valley of the Moon Fire District - 51
Valley of the Moon Water District - 34
Valley Preparatory Academy, Inc. - 0
Valley Sanitary District - 38
Valley-Wide Recreation and Park District - 45
Ventura County Law Library - 13
Ventura County Transportation Commission - 47
Ventura Port District - 68
Ventura Regional Sanitation District - 147
Veterans Home of California Post Fund - 25
Victor Valley Wastewater Reclamation Authority - 83
Water Facilities Authority - 15
Weaverville Community Services District - 15
Weaverville Fire Protection District - 0
Weaverville Sanitary District - 2
West Bay Sanitary District - 62
West Cities Communication Center - 23
West Cities Communication Center Joint Powers Authority - 0
West Contra Costa Health Care District - 11
West Contra Costa Integrated Waste Management Authority - 11
West County Wastewater District - 143
West Plainfield Fire Protection District - 0
Western Canal Water District - 21
Western Riverside Council of Governments - 45
Westlands Water District - 347
Wildomar Cemetery District - 7
Willow Creek Community Services District - 7
Willow Oak Fire District - 0
Willows Cemetery District - 7
Wilton Fire Protection District - 2
Winterhaven Water District - 4
Winters Cemetery District - 8
Winters Fire Protection District - 11
Woodlake Fire District - 4
Woodside Fire Protection District - 175
Yolo County Housing Authority - 85
Yolo County In-Home Supportive Services Public Authority - 11
Yolo County Public Agency Risk Management Insurance Authority - 13
Yolo County Superior Court - 209
Yolo County Transit Authority - 0
Yolo County Transportation District - 25
Yolo Emergency Communications Agency - 77
Yolo-Solano Air Quality Management District - 60
Yuba County Water Agency - 75
Yuba Sutter Transit Authority - 4

Total Districts & Other Public Agencies - 700

Total Covered Lives - 155,258

School Districts

Acalanes Union High School District - 1,316
Alameda City Unified School District - 1,860
Albany City Unified School District - 922
Alta-Dutch Flat Union Elementary School District - 19
Berryessa Union Elementary School District - 1,823
Bonita Unified School District - 1,465
Brisbane Elementary School District - 168
Burbank Unified School District - 1,227
Burlingame Elementary School District - 413
Campbell Union Elementary School District - 1,463
Campbell Union High School District - 1,681
Castaic Union Elementary School District - 439
Centinela Valley Union High School District - 1,883
Cerritos Community College District - 1,949
Charter Learning Center - 0
Chatom Union Elementary School District - 36
Compton Unified School District - 3,838
Connecting Waters - 123
County School Service-Alameda County Schools - 473
County School Service-Contra Costa County Schools - 1,338
County School Service-Napa County Schools - 435
County School Service-Sacramento County Schools - 1,636
County School Service-San Mateo County Schools - 1,408
County Superintendent of Schools Office-Riverside County Schools - 4,051
Culver City Unified School District - 1,516

School Districts

Davis Joint Unified School District - 1,210
Duarte Unified School District - 746
Dublin Unified School District - 539
El Camino Community College District - 2,219
El Dorado Union High School District - 68
Empire Union Elementary School District - 575
Fairfield-Suisun Unified School District - 3,551
Fillmore Unified School District - 861
Fremont Unified School District - 4,437
Fremont Union High School District - 136
Garfield Charter School - 98
Gavilan Joint Community College District - 586
Hayward Unified School District - 3,218
Healdsburg Unified School District - 249
Hillsborough City School District - 273
Holtville Unified School District - 4
Howell Mountain Elementary School District - 25
John Swett Unified School District - 343
Knights Ferry Elementary School District - 17
Knightsen School District - 51
La Grange Elementary School District - 13
Las Lomitas Elementary School District - 281
Las Virgenes Unified School District - 2,128
Liberty Union High School District - 1,016
Little Lake City Elementary School District - 903
Los Altos Elementary School District - 1,082
Los Nietos Elementary School District - 445
Lowell Joint Elementary School District - 524
Martinez Unified School District - 862
Menlo Park City Elementary School District - 607
Mill Valley Elementary School District - 517
Millbrae Elementary School District - 443
Monterey Peninsula Unified School District - 3,331
Moreland Elementary School District - 731
Morgan Hill Unified School District - 1,523
Mountain House Elementary School District - 2
Mt. Diablo Unified School District - 6,912
Mt. Pleasant Elementary School District - 456
Mt. San Antonio Community College District - 3,046
Napa Community College District - 924
Napa Valley Unified School District - 3,038
Natomas Unified School District - 858
Newark Unified School District - 535
Newman-Crows Landing Unified School District - 385
North Monterey County Unified School District - 956
North Orange County Community College District - 4,522
Ohlone Community College District - 833
Orinda Union School District - 603
Pacifica School District - 867
Palos Verdes Peninsula Unified School District - 2,550
Paradise Elementary School District - 23
Pittsburg Unified School District - 1,804
Pleasanton Unified School District - 398
Pope Valley Union Elementary School District - 13
Ravenswood City Elementary School District - 982
Redwood City Elementary School District - 2,019
Reed Union Elementary School District - 330
Rio Hondo Community College District - 1,521
Riverbank Unified School District - 507
Ross Elementary School District - 149
Ross Valley Elementary School District - 432
Sacramento City Unified School District - 7,039
San Bruno Park Elementary School District - 611
San Carlos Elementary School District - 460
San Leandro Unified School District - 1,208
San Mateo County Community College District - 3,333
San Mateo-Foster City School District - 2,028
San Rafael City Elementary School District - 671
San Rafael City High School District - 694
Santa Monica Community College District - 2,315
Santa Monica-Malibu Unified School District - 3,227
Saugus Union Elementary School District - 1,253
Sequoia Union High School District - 2,564
Sonoma Valley Unified School District - 856
South Pasadena Unified School District - 839
South San Francisco Unified School District - 2,356
South Sutter Charter School - 83
South Whittier School District - 816
Stanislaus County Office of Education - 1,023
Temple City Unified School District - 650
Turlock Joint Elementary School District - 0
Turlock Joint Unified School District - 1,278
Turlock Joint Union High School District - 0
Union Elementary School District - 784
Vacaville Unified School District - 2,260
Valle Lindo Elementary School District - 187
Vallejo City Unified School District - 3,608
West Contra Costa Unified School District - 9,817
Whittier City Elementary School District - 1,300
William S. Hart Union High School District - 3,879
Wiseburn Elementary School District - 360

Total School Districts - 116

Total Covered Lives - 155,258

Deferred Compensation **Program Data**

By saving for the future, CalPERS members can face the road to retirement with confidence. CalPERS helps by providing an important tool to supplement future needs — the CalPERS 457 Plan. As of June 30, 2008, the plan was adopted by 654 public agencies and school districts, compared to 601 last year.

During fiscal year 2007-08, membership grew to 26,516 — up from 23,963. Assets increased from $682.6 million to $711.9 million, as a result of $126.0 million in contributions and transfers, investment loss of $47.0 million, distributions and withdrawals paid to participants of $47.9 million, and administrative expenses of $1.8 million.

Designed with high standards of quality and service, the CalPERS 457 Plan is a way to defer a portion of pre-tax salary into investments of an individual's choosing. It is a deferred compensation program that allows both the amount deferred and the amount earned on the investment to be protected from income tax until the money is taken out during retirement. The program supplements the retirement benefit plans offered by CalPERS.

State law enacted in 1990 allows CalPERS to make the plan available to all California public agencies, including counties, cities, special districts, and school districts. The CalPERS 457 Plan meets all federal requirements of eligible deferred compensation plans organized under the Internal Revenue Code.

The CalPERS Board controls the investment and administrative functions of the plan, and assets are held in trust by the Board for the exclusive benefit of participating employees.

The CalPERS 457 Plan delivers its investments and services at low cost through a simple, fully disclosed fee structure. Total fees for administration and investment management of the core funds and asset allocation funds are less than one percent. Lower fees allow participants to pay themselves more, building up their account over time.

The financial statements for this plan are in this report as part of the Financial Section and the accompanying notes and schedules.

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Libraries	16
School Districts & Offices of Education	143
Transportation Districts	23
Water Districts	76
Other Public Agencies/Districts	121
Total	**654**

Long-Term Care **Program Data**

The CalPERS Long-Term Care (LTC) Program is a member (policy holder) self-funded insurance program that provides financial protection to members from the high cost of extended personal care caused by illness, injury, or the frailty of old age.

Research indicates that six out of every 10 people over the age of 65 will need long-term care during their lifetime. Long-term care policies are useful because personal care services are not covered by traditional health insurance or Medicare. CalPERS offers long-term care policies with different benefit and time duration options.

During fiscal year 2007-08, CalPERS LTC membership remained stable at 168,140 covered lives. Premium revenues totaled $299.5 million; investments grew to $2.3 billion; and more than $101.3 million in member benefits were paid, bringing the total benefits paid since the Program's inception in 1995 to $472.1 million.

The CalPERS LTC Program continues to be one of the largest of its kind in the nation, devoted to providing the best long-term care coverage possible with affordable premiums.

The financial statements for this Program are found in the Financial Section, Management's Discussion & Analysis, and the Basic Financial Statements section.

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Index of **Tables, Charts, & Lists**

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Glossary of Acronyms

CERBTF: California Employers' Retiree Benefit Trust Fund
CRF: Contingency Reserve Fund
DCF: Deferred Compensation Fund
HCF: Health Care Fund
IRC 457: Public Agency Deferred Compensation Program
JRF: Judges' Retirement Fund
JRS: Judges' Retirement System
LRF: Legislators' Retirement Fund
LRS: Legislators' Retirement System
OASI: Old Age & Survivors' Insurance Revolving Fund
PERF: Public Employees' Retirement Fund
PERS: Public Employees' Retirement System
RBF: Replacement Benefit Fund
SPOFF: State Peace Officers' and Firefighters' Defined Contribution Plan Fund
SCPF: Supplemental Contributions Program Fund
VFF: Volunteer Firefighters' Length of Service Award Fund

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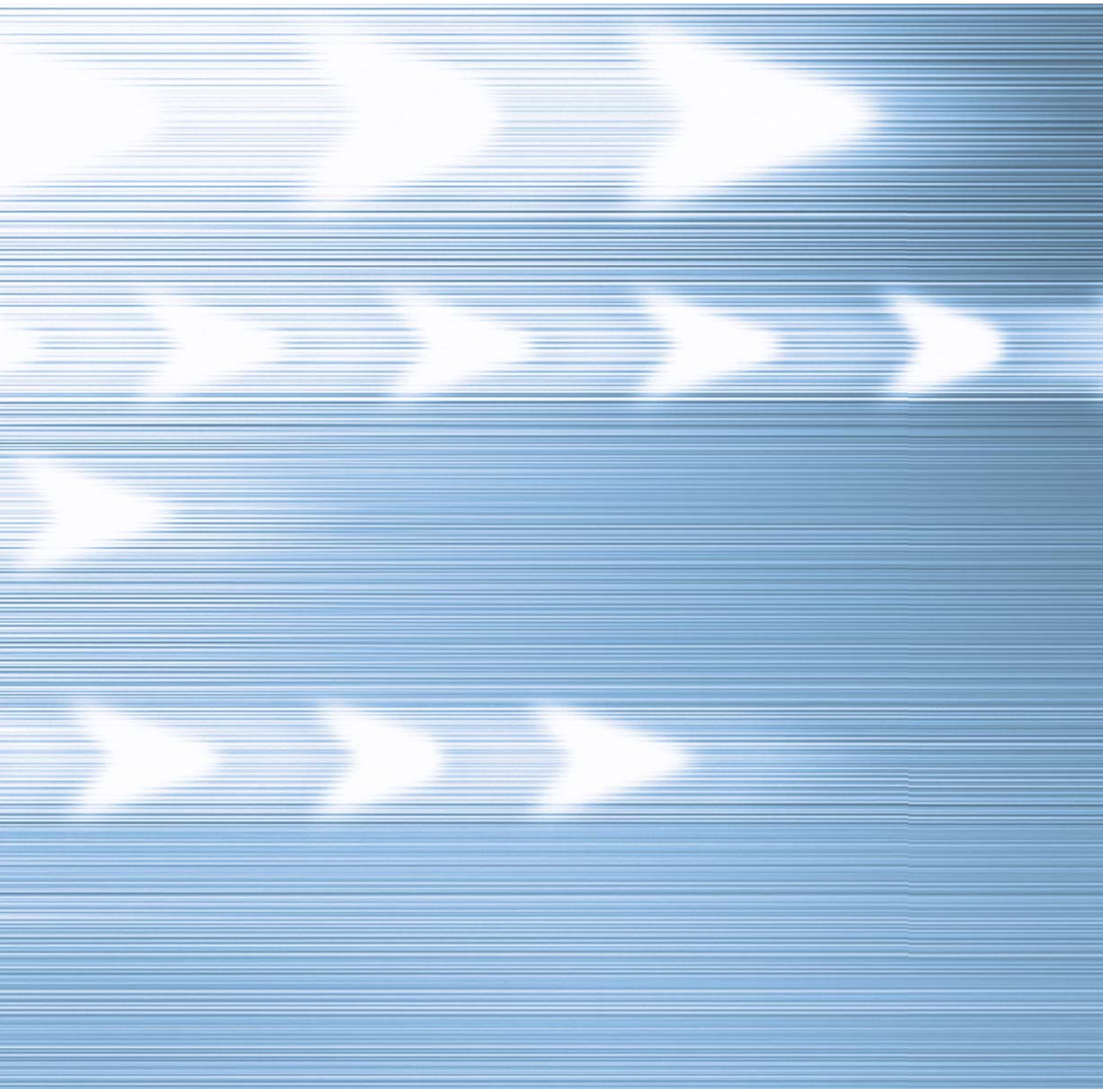

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