

## SECTION 4: Reporting Information for the Fresno County Employees' Retirement Association

### Appendix E

#### Recommended Employer Contribution Rates with Three-Year Phase-in of Changes in Actuarial Assumptions (Dollar Amounts in Thousands)

	June 30, 2016 <sup>(1)</sup>						June 30, 2015 <sup>(2)</sup>	
	REGULAR		SETTLEMENT		TOTAL		REGULAR & SETTLEMENT	
	Rate	Estimated Annual Amount <sup>(3)</sup>	Rate	Estimated Annual Amount <sup>(3)</sup>	Rate	Estimated Annual Amount <sup>(3)</sup>	Rate	Estimated Annual Amount <sup>(3)</sup>
<b>General Tier 1 Members</b>								
Normal Cost	16.25%	\$33,578	5.12%	\$10,579	21.37%	\$44,157	21.36%	\$44,136
UAAL	<u>27.02%</u>	<u>55,831</u>	<u>4.82%</u>	<u>9,960</u>	<u>31.84%</u>	<u>65,791</u>	<u>30.07%</u>	<u>62,133</u>
Total Contribution	43.27%	\$89,409	9.94%	\$20,539	53.21%	\$109,948	51.43%	\$106,269
<b>General Tier 2 Members</b>								
Normal Cost	18.08%	\$1,735	0.25%	\$24	18.33%	\$1,759	17.67%	\$1,696
UAAL	<u>26.91%</u>	<u>2,582</u>	<u>4.82%</u>	<u>463</u>	<u>31.73%</u>	<u>3,045</u>	<u>30.07%</u>	<u>2,886</u>
Total Contribution	44.99%	\$4,317	5.07%	\$487	50.06%	\$4,804	47.74%	\$4,582
<b>General Tier 3 Members</b>								
Normal Cost	17.55%	\$6,087	0.32%	\$111	17.87%	\$6,198	17.28%	\$5,993
UAAL	<u>27.00%</u>	<u>9,364</u>	<u>4.83%</u>	<u>1,675</u>	<u>31.83%</u>	<u>11,039</u>	<u>30.07%</u>	<u>10,429</u>
Total Contribution	44.55%	\$15,451	5.15%	\$1,786	49.70%	\$17,237	47.35%	\$16,422
<b>General Tier 4 Members</b>								
Normal Cost	8.76%	\$1,227	0.00%	\$0	8.76%	\$1,227	8.66%	\$1,213
UAAL	<u>27.16%</u>	<u>3,805</u>	<u>4.82%</u>	<u>675</u>	<u>31.98%</u>	<u>4,480</u>	<u>30.07%</u>	<u>4,212</u>
Total Contribution	35.92%	\$5,032	4.82%	\$675	40.74%	\$5,707	38.73%	\$5,425
<b>General Tier 5 Members</b>								
Normal Cost	7.26%	\$5,147	0.00%	\$0	7.26%	\$5,147	6.89%	\$4,885
UAAL	<u>27.15%</u>	<u>19,249</u>	<u>4.83%</u>	<u>3,424</u>	<u>31.98%</u>	<u>22,673</u>	<u>30.07%</u>	<u>21,319</u>
Total Contribution	34.41%	\$24,396	4.83%	\$3,424	39.24%	\$27,820	36.96%	\$26,204

<sup>(1)</sup> The Regular Normal Cost and UAAL rates shown for each cost group include an explicit administrative expense of 0.16% and 0.78% of payroll, respectively.

<sup>(2)</sup> The Regular Normal Cost and UAAL rates shown for each cost group include an explicit administrative expense of 0.17% and 0.76% of payroll, respectively.

<sup>(3)</sup> Amounts are in thousands and are based on June 30, 2016 projected annual compensation shown on the following page.

## SECTION 4: Reporting Information for the Fresno County Employees' Retirement Association

### Appendix E (continued)

#### Recommended Employer Contribution Rates with Three-Year Phase-in of Changes in Actuarial Assumptions (Dollar Amounts in Thousands)

	June 30, 2016 <sup>(1)</sup>						June 30, 2015 <sup>(2)</sup>	
	REGULAR		SETTLEMENT		TOTAL		REGULAR & SETTLEMENT	
	Rate	Estimated Annual Amount <sup>(3)</sup>	Rate	Estimated Annual Amount <sup>(3)</sup>	Rate	Estimated Annual Amount <sup>(3)</sup>	Rate	Estimated Annual Amount <sup>(3)</sup>
<b>Safety Tier 1 Members</b>								
Normal Cost	23.91%	\$11,045	5.76%	\$2,660	29.67%	\$13,705	29.97%	\$13,844
UAAL	<u>40.65%</u>	<u>18,778</u>	<u>5.71%</u>	<u>2,637</u>	<u>46.36%</u>	<u>21,415</u>	<u>45.96%</u>	<u>21,230</u>
Total Contribution	64.56%	\$29,823	11.47%	\$5,297	76.03%	\$35,120	75.93%	\$35,074
<b>Safety Tier 2 Members</b>								
Normal Cost	29.59%	\$1,328	0.25%	\$11	29.84%	\$1,339	29.15%	\$1,308
UAAL	<u>40.72%</u>	<u>1,827</u>	<u>5.68%</u>	<u>255</u>	<u>46.40%</u>	<u>2,082</u>	<u>45.96%</u>	<u>2,062</u>
Total Contribution	70.31%	\$3,155	5.93%	\$266	76.24%	\$3,421	75.11%	\$3,370
<b>Safety Tier 4 Members</b>								
Normal Cost	14.00%	\$535	0.19%	\$7	14.19%	\$542	14.42%	\$551
UAAL	<u>40.97%</u>	<u>1,564</u>	<u>5.70%</u>	<u>218</u>	<u>46.67%</u>	<u>1,782</u>	<u>45.96%</u>	<u>1,755</u>
Total Contribution	54.97%	\$2,099	5.89%	\$225	60.86%	\$2,324	60.38%	\$2,306
<b>Safety Tier 5 Members</b>								
Normal Cost	12.03%	\$1,470	0.00%	\$0	12.03%	\$1,470	12.03%	\$1,470
UAAL	<u>40.77%</u>	<u>4,984</u>	<u>5.69%</u>	<u>695</u>	<u>46.46%</u>	<u>5,679</u>	<u>45.96%</u>	<u>5,618</u>
Total Contribution	52.80%	\$6,454	5.69%	\$695	58.49%	\$7,149	57.99%	\$7,088
<b>All Categories Combined</b>								
Normal Cost	15.44%	\$62,152	3.33%	\$13,392	18.77%	\$75,544	18.66%	\$75,096
UAAL	<u>29.31%</u>	<u>117,984</u>	<u>4.97%</u>	<u>20,002</u>	<u>34.28%</u>	<u>137,986</u>	<u>32.70%</u>	<u>131,644</u>
Total Contribution	44.75%	\$180,136	8.30%	\$33,394	53.05%	\$213,530	51.36%	\$206,740

<sup>(1)</sup> The Regular Normal Cost and UAAL rates shown for each cost group include an explicit administrative expense of 0.16% and 0.78% of payroll, respectively.

<sup>(2)</sup> The Regular Normal Cost and UAAL rates shown for each cost group include an explicit administrative expense of 0.17% and 0.76% of payroll, respectively.

<sup>(3)</sup> Amounts are in thousands and are based on June 30, 2016 projected annual compensation (also in thousands):

General Tier 1	\$206,629	Safety Tier 1	\$46,192
General Tier 2	9,598	Safety Tier 2	4,486
General Tier 3	34,682		
General Tier 4	14,008	Safety Tier 4	3,819
General Tier 5	70,898	Safety Tier 5	12,223
Total Compensation		\$402,535	