

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

Appendix E

Recommended Employer Contribution Rates with Three-Year Phase-in of Cost Impact of 2016 Changes in Actuarial Assumptions (Dollar Amounts in Thousands)

	June 30, 2017 ⁽¹⁾						June 30, 2016 ⁽¹⁾	
	REGULAR		SETTLEMENT		TOTAL		REGULAR & SETTLEMENT	
	Rate	Estimated Annual Amount ⁽²⁾	Rate	Estimated Annual Amount ⁽²⁾	Rate	Estimated Annual Amount ⁽²⁾	Rate	Estimated Annual Amount ⁽²⁾
General Tier 1 Members								
Normal Cost	16.07%	\$31,607	5.06%	\$9,952	21.13%	\$41,559	21.37%	\$42,031
UAAL	<u>28.61%</u>	<u>56,271</u>	<u>4.91%</u>	<u>9,657</u>	<u>33.52%</u>	<u>65,928</u>	<u>31.84%</u>	<u>62,624</u>
Total Contribution	44.68%	\$87,878	9.97%	\$19,609	54.65%	\$107,487	53.21%	\$104,655
General Tier 2 Members								
Normal Cost	18.07%	\$1,661	0.26%	\$24	18.33%	\$1,685	18.33%	\$1,685
UAAL	<u>28.56%</u>	<u>2,624</u>	<u>4.90%</u>	<u>451</u>	<u>33.46%</u>	<u>3,075</u>	<u>31.73%</u>	<u>2,916</u>
Total Contribution	46.63%	\$4,285	5.16%	\$475	51.79%	\$4,760	50.06%	\$4,601
General Tier 3 Members								
Normal Cost	17.60%	\$5,799	0.32%	\$105	17.92%	\$5,904	17.87%	\$5,888
UAAL	<u>28.61%</u>	<u>9,426</u>	<u>4.90%</u>	<u>1,615</u>	<u>33.51%</u>	<u>11,041</u>	<u>31.83%</u>	<u>10,487</u>
Total Contribution	46.21%	\$15,225	5.22%	\$1,720	51.43%	\$16,945	49.70%	\$16,375
General Tier 4 Members								
Normal Cost	8.84%	\$1,218	0.00%	\$0	8.84%	\$1,218	8.76%	\$1,207
UAAL	<u>28.68%</u>	<u>3,952</u>	<u>4.91%</u>	<u>677</u>	<u>33.59%</u>	<u>4,629</u>	<u>31.98%</u>	<u>4,407</u>
Total Contribution	37.52%	\$5,170	4.91%	\$677	42.43%	\$5,847	40.74%	\$5,614
General Tier 5 Members								
Normal Cost	7.23%	\$6,666	0.00%	\$0	7.23%	\$6,666	7.26%	\$6,694
UAAL	<u>28.68%</u>	<u>26,444</u>	<u>4.90%</u>	<u>4,519</u>	<u>33.58%</u>	<u>30,963</u>	<u>31.98%</u>	<u>29,487</u>
Total Contribution	35.91%	\$33,110	4.90%	\$4,519	40.81%	\$37,629	39.24%	\$36,181

⁽¹⁾ 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.

⁽²⁾ Amounts are in thousands and are based on June 30, 2017 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 Cost Impact of 2016 Changes in Actuarial Assumptions (Dollar Amounts in Thousands)

	June 30, 2017 ⁽¹⁾						June 30, 2016 ⁽¹⁾	
	REGULAR		SETTLEMENT		TOTAL		REGULAR & SETTLEMENT	
	Rate	Estimated Annual Amount ⁽²⁾	Rate	Estimated Annual Amount ⁽²⁾	Rate	Estimated Annual Amount ⁽²⁾	Rate	Estimated Annual Amount ⁽²⁾
Safety Tier 1 Members								
Normal Cost	23.84%	\$10,656	5.75%	\$2,571	29.59%	\$13,227	29.67%	\$13,263
UAAL	<u>43.25%</u>	<u>19,334</u>	<u>6.11%</u>	<u>2,731</u>	<u>49.36%</u>	<u>22,065</u>	<u>46.36%</u>	<u>20,724</u>
Total Contribution	67.09%	\$29,990	11.86%	\$5,302	78.95%	\$35,292	76.03%	\$33,987
Safety Tier 2 Members								
Normal Cost	29.45%	\$1,362	0.25%	\$12	29.70%	\$1,374	29.84%	\$1,380
UAAL	<u>43.28%</u>	<u>2,002</u>	<u>6.10%</u>	<u>282</u>	<u>49.38%</u>	<u>2,284</u>	<u>46.40%</u>	<u>2,146</u>
Total Contribution	72.73%	\$3,364	6.35%	\$294	79.08%	\$3,658	76.24%	\$3,526
Safety Tier 4 Members								
Normal Cost	14.23%	\$576	0.20%	\$8	14.43%	\$584	14.19%	\$575
UAAL	<u>43.41%</u>	<u>1,758</u>	<u>6.10%</u>	<u>247</u>	<u>49.51%</u>	<u>2,005</u>	<u>46.67%</u>	<u>1,890</u>
Total Contribution	57.64%	\$2,334	6.30%	\$255	63.94%	\$2,589	60.86%	\$2,465
Safety Tier 5 Members								
Normal Cost	12.07%	\$1,880	0.00%	\$0	12.07%	\$1,880	12.03%	\$1,874
UAAL	<u>43.30%</u>	<u>6,743</u>	<u>6.11%</u>	<u>952</u>	<u>49.41%</u>	<u>7,695</u>	<u>46.46%</u>	<u>7,236</u>
Total Contribution	55.37%	\$8,623	6.11%	\$952	61.48%	\$9,575	58.49%	\$9,110
All Categories Combined								
Normal Cost	14.85%	\$61,425	3.06%	\$12,672	17.91%	\$74,097	18.03%	\$74,597
UAAL	<u>31.07%</u>	<u>128,554</u>	<u>5.11%</u>	<u>21,131</u>	<u>36.18%</u>	<u>149,685</u>	<u>34.30%</u>	<u>141,917</u>
Total Contribution	45.92%	\$189,979	8.17%	\$33,803	54.09%	\$223,782	52.33%	\$216,514

⁽¹⁾ 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.

⁽²⁾ Amounts are in thousands and are based on June 30, 2017 projected annual compensation (also in thousands):

General Tier 1	\$196,683	Safety Tier 1	\$44,702
General Tier 2	9,191	Safety Tier 2	4,626
General Tier 3	32,947		
General Tier 4	13,782	Safety Tier 4	4,049
General Tier 5	92,206	Safety Tier 5	15,574
Total Compensation		\$413,760	