

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

Appendix E

Recommended Employer Contribution Rates with Three-Year Phase-in⁽¹⁾ of Cost Impact of 2016 Changes in Actuarial Assumptions (Dollar Amounts in Thousands)

	June 30, 2018 ⁽²⁾						June 30, 2017 ⁽²⁾	
	REGULAR		SETTLEMENT		TOTAL		REGULAR & SETTLEMENT	
	Rate	Estimated Annual Amount ⁽³⁾	Rate	Estimated Annual Amount ⁽³⁾	Rate	Estimated Annual Amount ⁽³⁾	Rate	Estimated Annual Amount ⁽³⁾
General Tier 1 Members								
Normal Cost	15.85%	\$29,825	4.96%	\$9,332	20.81%	\$39,157	21.13%	\$39,759
UAAL	<u>30.72%</u>	<u>57,804</u>	<u>5.16%</u>	<u>9,709</u>	<u>35.88%</u>	<u>67,513</u>	<u>33.52%</u>	<u>63,072</u>
Total Contribution	46.57%	\$87,629	10.12%	\$19,041	56.69%	\$106,670	54.65%	\$102,831
General Tier 2 Members								
Normal Cost	17.80%	\$1,580	0.23%	\$20	18.03%	\$1,600	18.33%	\$1,627
UAAL	<u>30.72%</u>	<u>2,727</u>	<u>5.16%</u>	<u>458</u>	<u>35.88%</u>	<u>3,185</u>	<u>33.46%</u>	<u>2,970</u>
Total Contribution	48.52%	\$4,307	5.39%	\$478	53.91%	\$4,785	51.79%	\$4,597
General Tier 3 Members								
Normal Cost	17.67%	\$5,702	0.32%	\$103	17.99%	\$5,805	17.92%	\$5,782
UAAL	<u>30.72%</u>	<u>9,913</u>	<u>5.16%</u>	<u>1,665</u>	<u>35.88%</u>	<u>11,578</u>	<u>33.51%</u>	<u>10,813</u>
Total Contribution	48.39%	\$15,615	5.48%	\$1,768	53.87%	\$17,383	51.43%	\$16,595
General Tier 4 Members								
Normal Cost	9.04%	\$1,279	0.00%	\$0	9.04%	\$1,279	8.84%	\$1,251
UAAL	<u>30.72%</u>	<u>4,346</u>	<u>5.16%</u>	<u>730</u>	<u>35.88%</u>	<u>5,076</u>	<u>33.59%</u>	<u>4,752</u>
Total Contribution	39.76%	\$5,625	5.16%	\$730	44.92%	\$6,355	42.43%	\$6,003
General Tier 5 Members								
Normal Cost	7.17%	\$8,367	0.00%	\$0	7.17%	\$8,367	7.23%	\$8,437
UAAL	<u>30.72%</u>	<u>35,847</u>	<u>5.16%</u>	<u>6,021</u>	<u>35.88%</u>	<u>41,868</u>	<u>33.58%</u>	<u>39,185</u>
Total Contribution	37.89%	\$44,214	5.16%	\$6,021	43.05%	\$50,235	40.81%	\$47,622

⁽¹⁾ The phase-in rates are only with respect to the results for the June 30, 2017 valuation.

⁽²⁾ 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.

⁽³⁾ Amounts are in thousands and are based on June 30, 2018 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⁽¹⁾ of Cost Impact of 2016 Changes in Actuarial Assumptions (Dollar Amounts in Thousands)

	June 30, 2018 ⁽²⁾						June 30, 2017 ⁽²⁾	
	REGULAR		SETTLEMENT		TOTAL		REGULAR & SETTLEMENT	
	Rate	Estimated Annual Amount ⁽³⁾	Rate	Estimated Annual Amount ⁽³⁾	Rate	Estimated Annual Amount ⁽³⁾	Rate	Estimated Annual Amount ⁽³⁾
Safety Tier 1 Members								
Normal Cost	23.55%	\$9,939	5.72%	\$2,414	29.27%	\$12,353	29.59%	\$12,488
UAAL	<u>47.42%</u>	<u>20,012</u>	<u>6.68%</u>	<u>2,819</u>	<u>54.10%</u>	<u>22,831</u>	<u>49.36%</u>	<u>20,831</u>
Total Contribution	70.97%	\$29,951	12.40%	\$5,233	83.37%	\$35,184	78.95%	\$33,319
Safety Tier 2 Members								
Normal Cost	29.46%	\$1,368	0.25%	\$12	29.71%	\$1,380	29.70%	\$1,380
UAAL	<u>47.42%</u>	<u>2,202</u>	<u>6.68%</u>	<u>311</u>	<u>54.10%</u>	<u>2,513</u>	<u>49.38%</u>	<u>2,294</u>
Total Contribution	76.88%	\$3,570	6.93%	\$323	83.81%	\$3,893	79.08%	\$3,674
Safety Tier 4 Members								
Normal Cost	14.45%	\$620	0.20%	\$9	14.65%	\$629	14.43%	\$619
UAAL	<u>47.42%</u>	<u>2,036</u>	<u>6.68%</u>	<u>287</u>	<u>54.10%</u>	<u>2,323</u>	<u>49.51%</u>	<u>2,125</u>
Total Contribution	61.87%	\$2,656	6.88%	\$296	68.75%	\$2,952	63.94%	\$2,744
Safety Tier 5 Members								
Normal Cost	11.92%	\$2,431	0.00%	\$0	11.92%	\$2,431	12.07%	\$2,462
UAAL	<u>47.42%</u>	<u>9,671</u>	<u>6.68%</u>	<u>1,363</u>	<u>54.10%</u>	<u>11,034</u>	<u>49.41%</u>	<u>10,077</u>
Total Contribution	59.34%	\$12,102	6.68%	\$1,363	66.02%	\$13,465	61.48%	\$12,539
All Categories Combined								
Normal Cost	14.16%	\$61,111	2.75%	\$11,890	16.91%	\$73,001	17.10%	\$73,805
UAAL	<u>33.49%</u>	<u>144,558</u>	<u>5.41%</u>	<u>23,363</u>	<u>38.90%</u>	<u>167,921</u>	<u>36.17%</u>	<u>156,119</u>
Total Contribution	47.65%	\$205,669	8.16%	\$35,253	55.81%	\$240,922	53.27%	\$229,924

⁽¹⁾ The phase-in rates are only with respect to the results for the June 30, 2017 valuation.

⁽²⁾ 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.

⁽³⁾ Amounts are in thousands and are based on June 30, 2018 projected annual compensation (also in thousands):

General Tier 1	\$188,162	Safety Tier 1	42,202
General Tier 2	8,876	Safety Tier 2	4,645
General Tier 3	32,268		
General Tier 4	14,147	Safety Tier 4	4,293
General Tier 5	116,690	Safety Tier 5	20,395
Total Compensation		\$431,678	