

Attachment B

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
ACTUARIAL VALUATION REPORT AS OF JUNE 30, 2014

SECTION IV
CONTRIBUTIONS

Table IV-1
Development of the Net Employer Contribution Rate as of June 30, 2014 for FYE 2016

	June 30, 2014				June 30, 2013
	General	Safety	APCD	COMPOSITE	COMPOSITE
1. Total Normal Cost Rate	18.82%	31.60%	20.53%	22.31%	22.38%
2. Member Contribution Rate	<u>4.59%</u>	<u>5.84%</u>	<u>6.69%</u>	4.95%	4.79%
3. Employer Normal Cost Rate (1-2)	14.23%	25.76%	13.84%	17.36%	17.59%
4. UAL Amortization	<u>17.59%</u>	<u>28.41%</u>	<u>23.01%</u>	20.58%	21.35%
5. Net Employer Contribution Rate (3+4)	31.82%	54.17%	36.85%	37.94%	38.94%

Beginning with the June 30, 2013 valuation, the Member and Employer Contribution Rates have been explicitly loaded to account for anticipated administrative expenses. The load is 3.1% for the June 30, 2014 actuarial valuation, and has been applied to both the Member and Employer Rates.



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Tables IV-4 through IV-7 contain the calculations of the employer contribution rates for each group and tier, as well as a comparison to the prior year rates.

Table IV-4							
Development of the General Net Employer Contribution Rate as of June 30, 2014 for FYE 2016							
	5A	5B	5C	Plan 2	Plan 7	PEPRA	Total
Current Year							
A. Basic Employer Normal Cost Rate	9.93%	9.48%	11.14%	2.81%	9.85%	6.48%	10.07%
B. COLA Normal Cost Rate	<u>4.12%</u>	<u>5.01%</u>	<u>4.50%</u>	<u>0.00%</u>	<u>2.72%</u>	<u>1.28%</u>	<u>4.16%</u>
C. Employer Normal Cost Rate	14.05%	14.49%	15.64%	2.81%	12.57%	7.76%	14.23%
D. Basic UAL Contribution Rate	12.40%	12.40%	12.40%	12.40%	12.40%	12.40%	12.40%
E. COLA UAL Contribution Rate	<u>5.19%</u>	<u>5.19%</u>	<u>5.19%</u>	<u>5.19%</u>	<u>5.19%</u>	<u>5.19%</u>	<u>5.19%</u>
F. UAL Contribution Rate	17.59%	17.59%	17.59%	17.59%	17.59%	17.59%	17.59%
G. Total June 30, 2014 Contribution Rate (C+F)	31.64%	32.08%	33.23%	20.40%	30.16%	25.35%	31.82%
Prior Year							
A. Basic Employer Normal Cost Rate	9.80%	9.36%	10.93%	2.71%	9.46%	6.44%	10.15%
B. COLA Normal Cost Rate	<u>4.05%</u>	<u>4.91%</u>	<u>4.40%</u>	<u>0.00%</u>	<u>3.82%</u>	<u>1.27%</u>	<u>4.30%</u>
C. Employer Normal Cost Rate	13.85%	14.27%	15.33%	2.71%	13.28%	7.71%	14.45%
D. Basic UAL Contribution Rate	12.73%	12.73%	12.73%	12.73%	12.73%	12.73%	12.73%
E. COLA UAL Contribution Rate	<u>5.40%</u>	<u>5.40%</u>	<u>5.40%</u>	<u>5.40%</u>	<u>5.40%</u>	<u>5.40%</u>	<u>5.40%</u>
F. UAL Contribution Rate	18.13%	18.13%	18.13%	18.13%	18.13%	18.13%	18.13%
G. Total June 30, 2013 Contribution Rate (C+F)	31.98%	32.40%	33.46%	20.84%	31.41%	25.84%	32.58%



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Table IV-5 Development of the Safety Net Employer Contribution Rate as of June 30, 2014 for FYE 2016							
	4A	4B	4C	6A	6B	PEPRA	Total
Current Year							
A. Basic Employer Normal Cost Rate	17.35%	14.57%	16.67%	19.47%	19.11%	10.20%	17.54%
B. COLA Normal Cost Rate	<u>7.78%</u>	<u>8.51%</u>	<u>7.90%</u>	<u>8.69%</u>	<u>9.17%</u>	<u>3.60%</u>	<u>8.22%</u>
C. Employer Normal Cost Rate	25.13%	23.08%	24.57%	28.16%	28.28%	13.80%	25.76%
D. Basic UAL Contribution Rate	17.80%	17.80%	17.80%	19.97%	19.97%	17.80%	18.82%
E. COLA UAL Contribution Rate	<u>9.07%</u>	<u>9.07%</u>	<u>9.07%</u>	<u>10.16%</u>	<u>10.16%</u>	<u>9.07%</u>	<u>9.59%</u>
F. UAL Contribution Rate	26.87%	26.87%	26.87%	30.13%	30.13%	26.87%	28.41%
G. Total June 30, 2014 Contribution Rate (C+F)	52.00%	49.95%	51.44%	58.29%	58.41%	40.67%	54.17%
Prior Year							
A. Basic Employer Normal Cost Rate	17.08%	15.15%	16.71%	19.39%	18.92%	10.58%	17.73%
B. COLA Normal Cost Rate	<u>7.71%</u>	<u>8.75%</u>	<u>7.90%</u>	<u>8.70%</u>	<u>9.07%</u>	<u>3.71%</u>	<u>8.34%</u>
C. Employer Normal Cost Rate	24.79%	23.90%	24.61%	28.09%	27.99%	14.29%	26.07%
D. Basic UAL Contribution Rate	18.69%	18.69%	18.69%	20.69%	20.69%	18.69%	19.68%
E. COLA UAL Contribution Rate	<u>9.66%</u>	<u>9.66%</u>	<u>9.66%</u>	<u>10.69%</u>	<u>10.69%</u>	<u>9.66%</u>	<u>10.17%</u>
F. UAL Contribution Rate	28.35%	28.35%	28.35%	31.38%	31.38%	28.35%	29.85%
G. Total June 30, 2013 Contribution Rate (C+F)	53.14%	52.25%	52.96%	59.47%	59.37%	42.64%	55.92%