

Revised State Employer and Employee Contribution Rates

Finance & Administration Committee
September 14, 2021

Overview

- Actuarial valuation date – **June 30, 2020**
 - Determines required employer/employee contributions for **FY 2021-22**
- Rates have changed from what was approved in April 2021
 - Member contribution rates have been renegotiated with California Department of Human Resources (CalHR)

Significant Events Since April 2021 Board Meeting

- Changes to member contribution rates for certain groups
 - Bargaining Unit 5 has initiated their agreement to contribute 50% of the normal cost rate
 - Bargaining Unit 9 has reinstated their agreement to contribute 50% of the normal cost rate

Revised Employer Rates

	Original Rate (Approved by Board April 2021)	Impact of Increased Member Contributions	Revised Total Rate
State Miscellaneous	29.18%	(0.06%)	29.12%
California Highway Patrol	62.39%	(0.93%)	61.46%

Total FY 2021-22 Contributions by Plan

	Revised Total Employer Contribution for FY 2021-22	Additional Statutory Contribution to Offset Increased Member Contributions	Final Total Contribution FY 2021-22
State Miscellaneous	29.12%	0.10%	29.22%
California Highway Patrol	61.46%	1.32%	62.78%

Member Contributions – Bargaining Units 5 and 9

- Provisions vary slightly by BU
- Member contributions effective July 1, 2021:
 - Patrol members in BU 5: increase from 11.50% to 12.50%
 - Miscellaneous members in BU 5: increase from 8.00% to 8.25%
 - Miscellaneous members in BU 9: increase from 8.00% to 8.50%
 - Safety members in BU 9: increase from 11.00% to 11.50%