

Contribution Rates

Member and Employer Rate Summary				
	Plan 1		Plan 2/3	
	2011	2010	2011	2010
PERS				
Member*	6.00%	6.00%	4.92%	4.91%
Employer (Normal Cost)	5.03%	5.02%	5.03%	5.02%
Employer (Plan 1 UAAL)	4.00%	3.39%	4.00%	3.39%
Total Employer	9.03%	8.41%	9.03%	8.41%
TRS				
Member*	6.00%	6.00%	4.96%	4.80%
Employer (Normal Cost)	5.73%	5.57%	5.73%	5.57%
Employer (Plan 1 UAAL)	4.48%	3.61%	4.48%	3.61%
Total Employer	10.21%	9.18%	10.21%	9.18%
SERS				
Member*	N/A	N/A	4.64%	4.37%
Employer (Normal Cost)	N/A	N/A	5.64%	5.37%
Employer (PERS Plan 1 UAAL)	N/A	N/A	4.00%	3.39%
Total Employer	N/A	N/A	9.64%	8.76%
PSERS				
Member	N/A	N/A	6.22%	6.32%
Employer (Normal Cost)	N/A	N/A	6.22%	6.32%
Employer (PERS Plan 1 UAAL)	N/A	N/A	4.00%	3.39%
Total Employer	N/A	N/A	10.22%	9.71%
LEOFF**				
Member	0.00%	0.00%	7.57%	7.57%
Employer	0.00%	0.00%	4.54%	4.54%
State (Normal Cost)	0.00%	0.00%	3.03%	3.03%
State (Plan 1 UAAL)	0.00%	0.00%	0.00%	0.00%
Total State	0.00%	0.00%	3.03%	3.03%
WSPRS				
Member	6.31%	6.39%	6.31%	6.39%
Employer (State)	7.63%	7.71%	7.63%	7.71%

Note: Employer rates exclude administrative expense rate.

*Plan 3 members do not contribute to the defined benefit plan.

**Values for 2010 were updated after the 2010 Actuarial Valuation Report (AVR) was published.

Development of 2011 Employer/State Rates									
	PERS		TRS		SERS	PSERS	LEOFF		WSPRS
	Plan 1	Plan 2/3	Plan 1	Plan 2/3	Plan 2/3	Plan 2	Plan 1	Plan 2	
a. Total Normal Cost	11.03%	9.95%	11.73%	10.69%	10.28%	12.44%	0.00%	15.14%	13.94%
b. Member Normal Cost*	6.00%	4.92%	6.00%	4.96%	4.64%	6.22%	0.00%	7.57%	6.31%
c. Employer Contribution (a-b)	5.03%	5.03%	5.73%	5.73%	5.64%	6.22%	0.00%	7.57%	7.63%
d. Cost to Amortize UAAL	4.00%	4.00%	4.48%	4.48%	4.00%	4.00%	0.00%	0.00%	N/A
e. Total Employer Rate (c+d)**	9.03%	9.03%	10.21%	10.21%	9.64%	10.22%	0.00%	4.54%	7.63%

Employer rates exclude administrative expense rate.

*Plan 3 members do not contribute to the defined benefit plan.

**The state pays 20% of the total normal cost for LEOFF 2. This reduces the total employer contribution rate from 7.57% to 4.54%.

TRRS Plan 2 Maximum Member Contribution Rates				
Valuation Year	Prior Max	Supplemental	Source	New Max
2011	8.64%	0.00%	N/A	8.64%
2010	8.63%	0.01%	C 5 L 11	8.64%
2009	8.63%	0.00%	N/A	8.63%
2008	8.63%	0.00%	N/A	8.63%
2007	8.55%	0.08%	C 101 L08	8.63%
2006	7.76%	0.79%	C 50 L 07	8.55%
2005	7.75%	0.01%	C 33 L 06	7.76%
2004	7.75%	0.00%	N/A	7.75%
2003	7.75%	0.00%	N/A	7.75%
2002	7.75%	0.00%	N/A	7.75%
2001	7.75%	0.00%	N/A	7.75%
2000	7.75%	0.00%	N/A	7.75%
1999	6.59%	1.16%	C 247 L 00	7.75%
1998	6.59%	0.00%	N/A	6.59%
1997	N/A	N/A	N/A	6.59%

Note: Maximum member contribution rates change each year by 50% of the total supplemental contribution rates shown in the previous valuation.

WSPRS Plan 1/2 Maximum Member Contribution Rates				
Valuation Year	Prior Max	Supplemental	Source	New Max
2011	7.19%	0.00%	N/A	7.19%
2010	7.19%	0.00%	N/A	7.19%
2009	7.18%	0.01%	C 261 L 10	7.19%
2008	6.95%	0.23%	C 522 L 09	7.18%
2007	6.95%	0.00%	N/A	6.95%
2006*	N/A	N/A	N/A	6.95%

Note: Maximum member contribution rates change each year by 50% of the total supplemental contribution rates shown in the previous valuation.

** The original maximum contribution rate of 7% was decreased by 0.05% for C 87 L 07.*

The following tables show the development of the normal cost rates. Consistent with current funding policy, the normal cost rates include minimum contribution rates to provide stable and adequate contribution rates over time. The minimum rates are a percent of the normal cost calculated under the Entry Age Normal (EAN) funding method. The percent varies by plan. Please see the **Glossary** for a more detailed explanation of EAN.

Development of Normal Cost Rates						
(Dollars in Millions)	PERS 2/3	TRS 2/3	SERS 2/3	PSERS 2	LEOFF 2	WSPRS
1. Calculation of Member Normal Cost Rate						
a. Future Value of Fully Projected Benefits	\$188,319	\$87,391	\$22,892	\$6,466	\$65,000	\$5,678
b. Present Value of Fully Projected Benefits	\$27,337	\$9,762	\$3,696	\$455	\$8,718	\$994
c. Valuation Assets	20,997	7,141	2,872	141	6,621	949
d. Unfunded Fully Projected Benefits (b - c)	6,340	2,621	824	314	2,097	44
e. Past Liability Balance	63	239	84	0	0	10
f. Adjusted Unfunded (d - e)	\$6,277	\$2,382	\$740	\$314	\$2,097	\$34
Present Value of Projected Salaries to Current Members (PVS)						
g. Plan 1 PVS	N/A	N/A	N/A	N/A	N/A	\$460
h. Plan 2 PVS	56,848	6,188	4,463	2,526	16,910	312
i. Plan 3 PVS	13,874	35,644	7,017	N/A	N/A	N/A
j. Weighted PVS (2g + 2h + i)	\$127,569	\$48,021	\$15,943	\$5,052	\$33,821	\$1,543
k. Employee Normal Cost (f / j)	4.92%	4.96%	4.64%	6.22%	6.20%	2.19%
l. Employee Minimum Contribution Rate	3.84%	4.64%	4.05%	5.79%	7.57%	6.31%
m. Prior Year Employee Maximum Contribution Rate ¹	N/A	8.64%	N/A	N/A	N/A	7.19%
n. Employee Contribution Rate with Max/Min	4.92%	4.96%	4.64%	6.22%	7.57%	6.31%
o. Change In Plan Provisions (Laws of 2012)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
p. Employee Contribution Rate (n + o) ²	4.92%	4.96%	4.64%	6.22%	7.57%	6.31%
2. Calculation of Employer Normal Cost Rate						
a. Present Value of Fully Projected Benefits	\$27,337	\$9,762	\$3,696	\$455	\$8,718	\$994
b. Valuation Assets	20,997	7,141	2,872	141	6,621	949
c. Unfunded Benefits (a - b)	6,340	2,621	824	314	2,097	44
d. Present Value of Employee Contributions	2,797	307	207	157	1,049	17
e. Past Liability Balance	63	239	84	0	0	10
f. Employer Responsibility (c - d - e)	\$3,480	\$2,075	\$533	\$157	\$1,049	\$17
Present Value of Projected Salaries to Current Members (PVS)						
g. Plan 1 PVS	N/A	N/A	N/A	N/A	N/A	460
h. Plan 2 PVS	56,848	6,188	4,463	2,526	16,910	312
i. Plan 3 PVS	13,874	35,644	7,017	N/A	N/A	N/A
j. Total PVS (g + h + i)	\$70,721	\$41,833	\$11,480	\$2,526	\$16,910	\$772
k. Employer Normal Cost (f / j)	4.92%	4.96%	4.64%	6.22%	6.20%	2.19%
l. Employer Minimum Contribution Rate	3.84%	4.64%	4.05%	5.79%	7.57%	6.31%
m. Employer Contribution Rate with Minimum	4.92%	4.96%	4.64%	6.22%	7.57%	6.31%
n. Excess Employer Rate ¹	N/A	0.00%	N/A	N/A	N/A	0.00%
o. Rate to Amortize Past Liability Balance ³	0.11%	0.77%	1.00%	N/A	N/A	1.32%
p. Change In Plan Provisions (Laws of 2012)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
q. Employer Contribution Rate (m + n + o + p)	5.03%	5.73%	5.64%	6.22%	7.57%	7.63%
3. Normal Cost Rates Adopted for 2013-15⁴						
a. Employee Contribution Rate ⁵	4.92%	4.96%	4.64%	6.36%	8.41%	6.59%
b. Employer Contribution Rate ⁵	5.03%	5.73%	5.64%	6.36%	5.05%	7.91%
c. State Contribution Rate ⁵	N/A	N/A	N/A	N/A	3.36%	N/A
d. Total Contribution Rate (a + b + c)	9.95%	10.69%	10.28%	12.72%	16.82%	14.50%

Note: Totals may not agree due to rounding.

¹ WSPRS and TRS 2 employees pay 50% of the total normal cost, not to exceed an adjusted cap. The employer pays the excess.

² Plan 3 members do not contribute to the defined benefit plan.

³ WSPRS liability is attributable to past costs for improved survivor benefits. PERS, TRS, and SERS liability is attributable to past Plan 3 gain-sharing.

⁴ LEOFF 2 rates adopted by LEOFF 2 Board; all others adopted by PFC.

⁵ LEOFF 2 rate: 50% Employee, 30% Employer, 20% State.

Amortization of the Plan 1 Unfunded Actuarial Accrued Liability (UAAL)				
<i>(Dollars in Millions)</i>		PERS 1	TRS 1	LEOFF 1
a.	Future Value of Fully Projected Benefits	\$28,931	\$21,089	\$10,328
b.	Present Value of Fully Projected Benefits (PVFB)	\$12,722	\$9,313	\$4,150
c.	Valuation Assets	\$8,883	\$7,485	\$5,565
d.	Actuarial Present Value of Future Normal Costs	\$166	\$93	\$0
e.	Balance of Plan 1 Benefit Improvements After 2009	\$136	\$61	N/A
f.	UAAL (b - c - d -e)	\$3,537	\$1,675	(\$1,415)
g.	Expected UAAL Contributions to 2013	N/A	N/A	\$0
h.	Remaining UAAL (f - g)	\$3,537	\$1,675	(\$1,415)
i.	Amortization Date	N/A	N/A	6/30/2024
j.	Present Value of Projected Salaries*	\$91,727	\$38,709	\$14,911
k.	Contribution Rate Before Adjustments (h / j)	3.86%	4.33%	(9.49%)
l.	Minimum Contribution Rate	0.00%	0.00%	N/A
m.	Maximum Contribution Rate, 2013-2014**	5.25%	8.50%	N/A
n.	Preliminary Contribution Rate***	3.86%	4.33%	(9.49%)
o.	Plan 1 Benefit Improvements After 2009	0.14%	0.15%	N/A
p.	Change In Plan Provisions (Laws of 2012)	0.00%	0.00%	0.00%
q.	Contribution Rate to Amortize the UAAL (n + o + p)***	4.00%	4.48%	(9.49%)
Plan 1 UAAL Contribution Rates Adopted by PFC				
Contribution Rate Adopted for 2013-15		4.00%	4.48%	0.00%

Note: Totals may not agree due to rounding.

*Measured under the plan's amortization method.

**Maximum rates in 2014-2015 are: PERS 1 = 6.00%, TRS 1 = 9.50%.

***No LEOFF 1 UAAL contributions are required when the plan is fully funded under current methods and assumptions.