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June 20, 2005

Mr. Roberto Pena  
Retirement Administrator  
Fresno County Employees' Retirement Association  
1111 H Street  
Fresno, CA 93721  
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## **RE: MEMBER CONTRIBUTION RATES EFFECTIVE JULY 1, 2005 - Revised**

Dear Roberto:

Active employees who participate in the Fresno County Employees Retirement Association (FCERA) make contributions into FCERA under provisions of the County Employees' Retirement Law of 1937 (1937 Act) and the Ventura Settlement Agreement.

In April of 2004, the FCERA Retirement Board refined the methodology used to calculate member contribution rates, and provided for a smoothing of member rates in order to minimize large single year increases to the employees. On April 20, 2005, the Board further refined this smoothing methodology to be applied to the July 1, 2005 member rates. This letter summarizes our understanding of the smoothing methodology for member rates adopted by the FCERA Retirement Board at the April 20, 2005 meeting, and shows the final July 1, 2005 member contribution rates.

### ***Composition of Member Contribution Rates***

Member contributions are made up of three components: Basic Contributions, Cost of Living (COL) Contributions and Settlement Contributions.

- **Basic Contributions** are amounts, defined in the 1937 Act, that are generally designed to pay for approximately one-quarter of the Regular Benefit that the member is projected to receive if he or she retires at the normal retirement age. Basic contribution rates are calculated as a percentage of the member's pay, on the basis of the member's age at entry into System, the classification of the member, the Plan's economic assumptions and the member's life expectancy at the retirement age specified for this purpose in the 1937 Act. Basic Contribution rates do not vary from year-to-year based on demographic or investment experience.
- **COL Contributions** are defined in Article 16.5 of the 1937 Act and are designed to pay for 50% of the Cost of Living (COL) Benefit. They are determined on the basis

of the value of COL Benefits for current Plan Members and the amount of assets set aside in the Plan to pay for these benefits. These contributions are determined in proportion to the Basic Contribution Rates paid by members and are affected by changes in assumptions as well as demographic and investment experience. These rates are calculated using a methodology similar to that used to develop employer contribution rates.

- **Settlement Contributions** are supplemental contributions required to help pay for the additional benefits agreed to under the Ventura Settlement Agreement. Although the language in the Ventura Settlement Agreement does not provide detailed guidance on how these contributions are to be calculated, an approach is outlined in the proposed legislation designed by the parties to the Settlement to implement Section 7 of the Ventura Settlement (Assembly Bill 2063). Calculated in a manner similar to the method used for Basic Contributions, the Settlement Contributions for Members are those amount which, when added to the Basic Contributions, would be sufficient to pay for a projected retirement benefit equal to  $1/160^{\text{th}}$  of the Member's projected final compensation for each year of service paid on a monthly basis beginning at age 55 for General Members or age 50 for Safety Members. Settlement Contributions also include a COL component calculated in a manner similar to the COL Contributions above.

### ***Smoothing of Member Rates – Methodology Approved in 2004 For Fiscal Year 2004/2005***

The Total Contribution Rate is the sum of the Basic, COL and Settlement Contribution Rates expected to be paid by the members in the coming fiscal year. In an effort to limit the volatility of member contribution rates, the FCERA Retirement Board adopted in April 2004 a rate smoothing methodology that would apply to the Total Contribution Rates. After the Total Contribution Rates have been calculated using the methodology described above, the Rates (as a percentage of pensionable compensation) are compared with the Rates for the prior fiscal year. If any rates have increased by more than 50% (for example, from 6% of pay to more than 9% of pay), the increase for each group of members hired at a specific age at entry over the rates from the prior year was limited to 50%.

Under no event would this limitation cause the COL Contribution Rates to be less than zero. In other words, if there are no Undistributed Earnings available to pay Settlement Contributions, the Total Contribution Rates will not be less than the sum of the Basic Contribution Rates and the Settlement Contribution Rates. If Undistributed Earnings were available to pay some or all of the Settlement Contributions for the year, the Total Contribution Rates would not be less than the sum of the Basic Contribution Rates and any Settlement Contribution Rates required of members for that year.

The contribution shortfall (the difference between the Total Contribution Rates that would have been paid if there were no limit and the rates limited by the 50% increase),

become part of the Unfunded Actuarial Accrued Liability allocated to Member COL Contribution Rates in the next valuation.

### ***Smoothing of Member Rates – Methodology Approved in 2005 For Fiscal Year 2005/2006***

The Total Contribution Rates for General Members for the fiscal year beginning July 1, 2005 increased by approximately 35% over the rates from the prior fiscal year. The Total Contribution Rates for safety Members for the fiscal year beginning July 1, 2005 increased by approximately 4% over the rates from the prior year. These increases followed upon calculated increases for General and Safety members, which were smoothed last year to rates that were no more than 50% larger than those of the previous year. The rates that were paid by members commencing in July of 2004 are shown in Exhibits 1A and 1B.

In an effort to further limit the volatility of member contribution rates, the FCERA Retirement Board adopted in April 2005 a rate smoothing methodology that would apply to the Total Contribution Rates. After the Total Contribution Rates have been calculated using the methodology described above, the Rates (as a percentage of pensionable compensation) are compared with the Rates paid for the prior fiscal year. If any rates have increased by more than 10% (for example, from 6.0% of pay to more than 6.6% of pay), the new smoothed rate for each group of members hired at a specific age at entry will be halfway between the rate from the prior year and the rate as calculated in the current year. Since the Safety rates only increased 4% and were largely not impacted by the 50% limit for the 2004/2005 fiscal year, the non-smoothed rates for Safety members are the same as the smoothed rates.

### ***Member Rates***

We have attached exhibits at the end of this letter showing the member contribution rates and the impact of the methodology changes described above.

#### **Rates Paid Last Year**

Exhibits 1A and 1B show the Total Contribution Rates, respectively for General Members and Safety Members, that were paid by members last year.

#### **Rates Effective July 1, 2005, Prior to Smoothing**

Exhibits 2A and 2B show the Total Contribution Rates, respectively for General Members and Safety Members effective July 1, 2005, prior to the new smoothing methodology outlined adopted by FCERA. These rates match the rates found in the June 30, 2004 actuarial valuation report.

#### **Rates Effective July 1, 2005, with Smoothing**

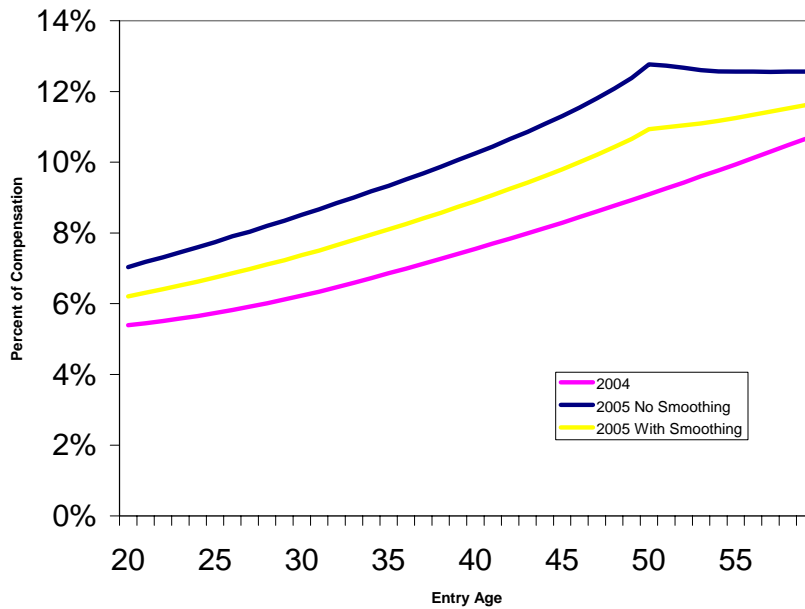
Exhibits 3A and 3B show the Total Contribution Rates, respectively for General Members and Safety Members, using the proposed smoothing methodology adopted by

FCERA. These are the rates that will be paid by FCERA members beginning in July of 2005.

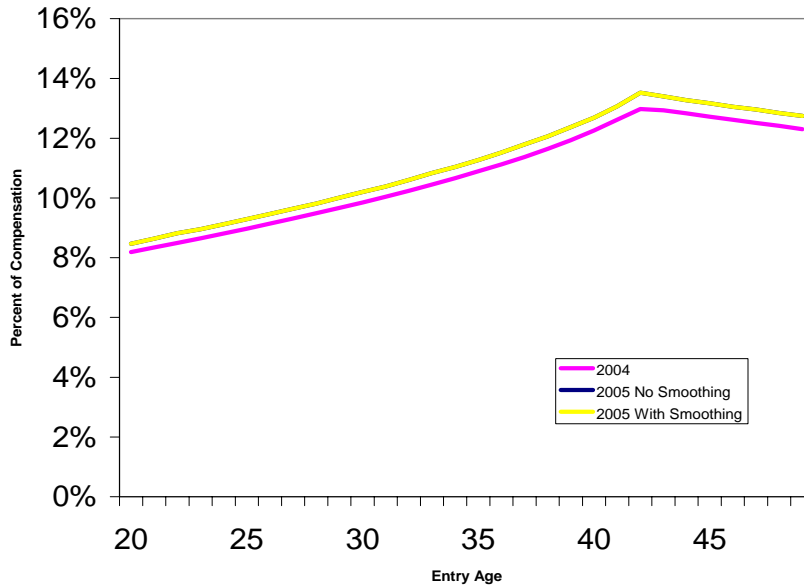
Exhibits 4A, 4B, 4C, 4D, 4E, 4F, 4G and 4H breakdown the Total Contribution Rates for General Members and Safety Members, using the proposed smoothing methodology adopted by FCERA, into their Basic, COL and Settlement Components.

The graphs below compare the smoothed rates with the rates from the prior year and those that would be paid without smoothing.

**Graph 1**  
**Total Contribution Rates**  
**General Members**



**Graph 2**  
**Total Contribution Rates**  
**Safety Members**



### **Review by Legal Counsel**

The changes in methodology that were adopted by the FCERA Retirement Board on the basis of our recommendation are significant. While we believe the new methodology does not violate any guidelines in the 1937 Act or the Ventura Settlement Agreement, we do not know of any other 1937 Act retirement system that calculates member contribution rates in this way. We believe that it would be prudent to have the methodology that was adopted by the FCERA Retirement Board reviewed by legal counsel.

Please let us know if you have any questions or need any additional information.

Sincerely,

Ira M. Summer, FSA  
President

Attachment

## Exhibit 1A

### General Member Total Contribution Rates Paid Commencing July 2004

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	3.59%	5.39%	40	5.03%	7.55%
21	3.63%	5.45%	41	5.13%	7.70%
22	3.67%	5.51%	42	5.23%	7.84%
23	3.72%	5.58%	43	5.33%	7.99%
24	3.77%	5.65%	44	5.43%	8.14%
25	3.82%	5.74%	45	5.53%	8.29%
26	3.88%	5.82%	46	5.63%	8.45%
27	3.95%	5.92%	47	5.74%	8.61%
28	4.01%	6.01%	48	5.84%	8.77%
29	4.08%	6.12%	49	5.95%	8.93%
30	4.15%	6.23%	50	6.06%	9.09%
31	4.23%	6.34%	51	6.17%	9.26%
32	4.31%	6.46%	52	6.28%	9.42%
33	4.39%	6.59%	53	6.40%	9.60%
34	4.48%	6.72%	54	6.51%	9.77%
35	4.57%	6.86%	55	6.63%	9.94%
36	4.66%	6.99%	56	6.74%	10.12%
37	4.75%	7.13%	57	6.86%	10.30%
38	4.84%	7.27%	58	6.98%	10.48%
39	4.94%	7.41%	59	7.10%	10.66%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.

## Exhibit 1B

### Safety Member Total Contribution Rates Paid Commencing July 2004

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	5.46%	8.19%	35	7.26%	10.89%
21	5.56%	8.34%	36	7.41%	11.12%
22	5.66%	8.49%	37	7.58%	11.37%
23	5.77%	8.65%	38	7.76%	11.64%
24	5.87%	8.81%	39	7.95%	11.93%
25	5.98%	8.97%	40	8.17%	12.26%
26	6.09%	9.14%	41	8.41%	12.62%
27	6.21%	9.31%	42	8.65%	12.98%
28	6.33%	9.49%	43	8.62%	12.93%
29	6.45%	9.67%	44	8.55%	12.83%
30	6.57%	9.85%	45	8.48%	12.72%
31	6.69%	10.04%	46	8.41%	12.62%
32	6.83%	10.24%	47	8.34%	12.51%
33	6.97%	10.45%	48	8.27%	12.41%
34	7.11%	10.66%	49	8.20%	12.30%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.

## Exhibit 2A

### General Member Total Contribution Rates

#### Effective July 1, 2005 Prior to Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	4.69%	7.04%	40	6.83%	10.25%
21	4.79%	7.18%	41	6.96%	10.44%
22	4.87%	7.31%	42	7.10%	10.66%
23	4.97%	7.45%	43	7.24%	10.85%
24	5.06%	7.60%	44	7.39%	11.08%
25	5.16%	7.74%	45	7.54%	11.31%
26	5.27%	7.90%	46	7.70%	11.54%
27	5.36%	8.04%	47	7.87%	11.81%
28	5.47%	8.20%	48	8.05%	12.08%
29	5.56%	8.35%	49	8.25%	12.38%
30	5.67%	8.51%	50	8.51%	12.76%
31	5.78%	8.67%	51	8.48%	12.72%
32	5.90%	8.84%	52	8.45%	12.67%
33	6.00%	9.00%	53	8.40%	12.60%
34	6.12%	9.18%	54	8.38%	12.57%
35	6.22%	9.34%	55	8.38%	12.56%
36	6.34%	9.51%	56	8.37%	12.56%
37	6.46%	9.68%	57	8.37%	12.55%
38	6.58%	9.87%	58	8.37%	12.56%
39	6.71%	10.06%	59	8.37%	12.56%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.



**Exhibit 2B**

**Safety Member Total Contribution Rates**

**Effective July 1, 2005 Prior to Smoothing**

<b>Age</b>	<b>Rate on First \$350 of Monthly Compensation</b>	<b>Rate on Compensation in Excess of \$350 per Month</b>	<b>Age</b>	<b>Rate on First \$350 of Monthly Compensation</b>	<b>Rate on Compensation in Excess of \$350 per Month</b>
20	5.65%	8.47%	35	7.51%	11.27%
21	5.76%	8.64%	36	7.68%	11.52%
22	5.88%	8.82%	37	7.86%	11.79%
23	5.97%	8.95%	38	8.04%	12.06%
24	6.08%	9.12%	39	8.25%	12.37%
25	6.19%	9.29%	40	8.46%	12.69%
26	6.31%	9.46%	41	8.71%	13.07%
27	6.43%	9.64%	42	9.01%	13.52%
28	6.54%	9.81%	43	8.93%	13.40%
29	6.67%	10.01%	44	8.85%	13.27%
30	6.80%	10.20%	45	8.78%	13.17%
31	6.92%	10.38%	46	8.70%	13.05%
32	7.07%	10.60%	47	8.64%	12.96%
33	7.22%	10.83%	48	8.56%	12.84%
34	7.36%	11.04%	49	8.50%	12.75%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.

## Exhibit 3A

### General Member Total Contribution Rates Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	4.14%	6.21%	40	5.93%	8.90%
21	4.21%	6.31%	41	6.05%	9.07%
22	4.27%	6.41%	42	6.17%	9.25%
23	4.35%	6.52%	43	6.28%	9.42%
24	4.41%	6.62%	44	6.41%	9.61%
25	4.49%	6.74%	45	6.53%	9.80%
26	4.57%	6.86%	46	6.67%	10.00%
27	4.65%	6.98%	47	6.81%	10.21%
28	4.74%	7.11%	48	6.95%	10.43%
29	4.82%	7.23%	49	7.11%	10.66%
30	4.91%	7.37%	50	7.29%	10.93%
31	5.00%	7.50%	51	7.33%	10.99%
32	5.10%	7.65%	52	7.36%	11.04%
33	5.20%	7.80%	53	7.40%	11.10%
34	5.30%	7.95%	54	7.45%	11.17%
35	5.40%	8.10%	55	7.50%	11.25%
36	5.50%	8.25%	56	7.56%	11.34%
37	5.61%	8.41%	57	7.62%	11.43%
38	5.71%	8.57%	58	7.68%	11.52%
39	5.83%	8.74%	59	7.74%	11.61%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.

## Exhibit 3B

### Safety Member Total Contribution Rates Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	5.65%	8.47%	35	7.51%	11.27%
21	5.76%	8.64%	36	7.68%	11.52%
22	5.88%	8.82%	37	7.86%	11.79%
23	5.97%	8.95%	38	8.04%	12.06%
24	6.08%	9.12%	39	8.25%	12.37%
25	6.19%	9.29%	40	8.46%	12.69%
26	6.31%	9.46%	41	8.71%	13.07%
27	6.43%	9.64%	42	9.01%	13.52%
28	6.54%	9.81%	43	8.93%	13.40%
29	6.67%	10.01%	44	8.85%	13.27%
30	6.80%	10.20%	45	8.78%	13.17%
31	6.92%	10.38%	46	8.70%	13.05%
32	7.07%	10.60%	47	8.64%	12.96%
33	7.22%	10.83%	48	8.56%	12.84%
34	7.36%	11.04%	49	8.50%	12.75%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.

## Exhibit 4A

### General Member Basic Contribution Rates

#### Effective July 1, 2005 With Smoothing

	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month		Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
Age			Age		
20	1.67%	2.50%	40	2.43%	3.65%
21	1.70%	2.55%	41	2.48%	3.72%
22	1.73%	2.60%	42	2.53%	3.79%
23	1.77%	2.65%	43	2.57%	3.86%
24	1.80%	2.70%	44	2.63%	3.94%
25	1.83%	2.75%	45	2.67%	4.01%
26	1.87%	2.81%	46	2.73%	4.09%
27	1.91%	2.86%	47	2.78%	4.17%
28	1.95%	2.92%	48	2.83%	4.25%
29	1.98%	2.97%	49	2.89%	4.33%
30	2.02%	3.03%	50	2.95%	4.42%
31	2.06%	3.09%	51	3.01%	4.52%
32	2.10%	3.15%	52	3.08%	4.62%
33	2.14%	3.21%	53	3.15%	4.72%
34	2.18%	3.27%	54	3.23%	4.85%
35	2.22%	3.33%	55	3.33%	4.99%
36	2.26%	3.39%	56	3.31%	4.97%
37	2.30%	3.45%	57	3.30%	4.95%
38	2.35%	3.52%	58	3.29%	4.93%
39	2.39%	3.59%	59	3.27%	4.91%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.

## Exhibit 4B

### General Member Basic Settlement Contribution Rates Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	0.78%	1.17%	40	1.12%	1.69%
21	0.79%	1.19%	41	1.15%	1.72%
22	0.81%	1.21%	42	1.17%	1.76%
23	0.82%	1.23%	43	1.20%	1.79%
24	0.84%	1.26%	44	1.22%	1.83%
25	0.85%	1.28%	45	1.25%	1.88%
26	0.87%	1.30%	46	1.28%	1.92%
27	0.88%	1.33%	47	1.32%	1.98%
28	0.90%	1.35%	48	1.36%	2.04%
29	0.92%	1.38%	49	1.41%	2.12%
30	0.93%	1.40%	50	1.48%	2.22%
31	0.95%	1.43%	51	1.40%	2.10%
32	0.97%	1.45%	52	1.32%	1.98%
33	0.99%	1.48%	53	1.23%	1.84%
34	1.01%	1.51%	54	1.13%	1.70%
35	1.02%	1.54%	55	1.04%	1.55%
36	1.04%	1.56%	56	1.05%	1.57%
37	1.06%	1.59%	57	1.06%	1.59%
38	1.08%	1.62%	58	1.07%	1.61%
39	1.10%	1.65%	59	1.09%	1.63%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.

## Exhibit 4C

### General Member COL Contribution Rates

#### Effective July 1, 2005 With Smoothing

	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month		Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
Age			Age		
20	0.98%	1.47%	40	1.35%	2.01%
21	0.99%	1.48%	41	1.37%	2.05%
22	0.99%	1.49%	42	1.39%	2.08%
23	1.01%	1.51%	43	1.41%	2.12%
24	1.00%	1.50%	44	1.43%	2.15%
25	1.02%	1.53%	45	1.46%	2.18%
26	1.03%	1.55%	46	1.48%	2.22%
27	1.05%	1.57%	47	1.50%	2.24%
28	1.06%	1.60%	48	1.51%	2.26%
29	1.07%	1.61%	49	1.51%	2.26%
30	1.10%	1.65%	50	1.49%	2.24%
31	1.12%	1.67%	51	1.63%	2.43%
32	1.14%	1.71%	52	1.75%	2.62%
33	1.16%	1.75%	53	1.89%	2.84%
34	1.18%	1.78%	54	2.05%	3.06%
35	1.22%	1.82%	55	2.18%	3.28%
36	1.24%	1.86%	56	2.23%	3.35%
37	1.27%	1.90%	57	2.29%	3.43%
38	1.29%	1.94%	58	2.33%	3.50%
39	1.33%	1.98%	59	2.38%	3.57%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.

## Exhibit 4D

### General Member Settlement COL Contribution Rates Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	0.71%	1.07%	40	1.03%	1.55%
21	0.73%	1.09%	41	1.05%	1.58%
22	0.74%	1.11%	42	1.08%	1.62%
23	0.75%	1.13%	43	1.10%	1.65%
24	0.77%	1.16%	44	1.13%	1.69%
25	0.79%	1.18%	45	1.15%	1.73%
26	0.80%	1.20%	46	1.18%	1.77%
27	0.81%	1.22%	47	1.21%	1.82%
28	0.83%	1.24%	48	1.25%	1.88%
29	0.85%	1.27%	49	1.30%	1.95%
30	0.86%	1.29%	50	1.37%	2.05%
31	0.87%	1.31%	51	1.29%	1.94%
32	0.89%	1.34%	52	1.21%	1.82%
33	0.91%	1.36%	53	1.13%	1.70%
34	0.93%	1.39%	54	1.04%	1.56%
35	0.94%	1.41%	55	0.95%	1.43%
36	0.96%	1.44%	56	0.97%	1.45%
37	0.98%	1.47%	57	0.97%	1.46%
38	0.99%	1.49%	58	0.99%	1.48%
39	1.01%	1.52%	59	1.00%	1.50%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 1/3 male and 2/3 female), with adjustment for white collar workers.

## Exhibit 4E

### Safety Member Basic Contribution Rates

#### Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	2.35%	3.53%	35	3.13%	4.70%
21	2.40%	3.60%	36	3.20%	4.80%
22	2.45%	3.67%	37	3.27%	4.91%
23	2.49%	3.73%	38	3.35%	5.02%
24	2.53%	3.80%	39	3.43%	5.15%
25	2.58%	3.87%	40	3.53%	5.29%
26	2.63%	3.94%	41	3.63%	5.45%
27	2.68%	4.02%	42	3.75%	5.63%
28	2.73%	4.09%	43	3.72%	5.58%
29	2.78%	4.17%	44	3.69%	5.53%
30	2.83%	4.25%	45	3.66%	5.49%
31	2.89%	4.33%	46	3.63%	5.44%
32	2.95%	4.42%	47	3.60%	5.40%
33	3.01%	4.51%	48	3.57%	5.35%
34	3.07%	4.60%	49	3.54%	5.31%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.



## Exhibit 4F

### Safety Member Basic Settlement Contribution Rates Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	0.59%	0.88%	35	0.78%	1.17%
21	0.60%	0.90%	36	0.80%	1.20%
22	0.61%	0.92%	37	0.82%	1.23%
23	0.62%	0.93%	38	0.84%	1.26%
24	0.63%	0.95%	39	0.86%	1.29%
25	0.65%	0.97%	40	0.88%	1.32%
26	0.66%	0.99%	41	0.91%	1.36%
27	0.67%	1.00%	42	0.94%	1.41%
28	0.68%	1.02%	43	0.93%	1.40%
29	0.69%	1.04%	44	0.92%	1.38%
30	0.71%	1.06%	45	0.91%	1.37%
31	0.72%	1.08%	46	0.91%	1.36%
32	0.73%	1.10%	47	0.90%	1.35%
33	0.75%	1.13%	48	0.89%	1.34%
34	0.77%	1.15%	49	0.89%	1.33%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.

## Exhibit 4G

### Safety Member COL Contribution Rates Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	2.17%	3.25%	35	2.88%	4.32%
21	2.21%	3.31%	36	2.95%	4.42%
22	2.25%	3.38%	37	3.02%	4.52%
23	2.29%	3.43%	38	3.08%	4.62%
24	2.34%	3.50%	39	3.17%	4.74%
25	2.37%	3.56%	40	3.24%	4.87%
26	2.41%	3.62%	41	3.34%	5.01%
27	2.47%	3.70%	42	3.45%	5.18%
28	2.50%	3.76%	43	3.42%	5.13%
29	2.56%	3.84%	44	3.39%	5.09%
30	2.61%	3.91%	45	3.37%	5.05%
31	2.65%	3.98%	46	3.33%	5.00%
32	2.72%	4.07%	47	3.31%	4.97%
33	2.77%	4.15%	48	3.28%	4.92%
34	2.81%	4.23%	49	3.26%	4.89%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.

## Exhibit 4H

### Safety Member Settlement COL Contribution Rates

#### Effective July 1, 2005 With Smoothing

Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month	Age	Rate on First \$350 of Monthly Compensation	Rate on Compensation in Excess of \$350 per Month
20	0.54%	0.81%	35	0.72%	1.08%
21	0.55%	0.83%	36	0.73%	1.10%
22	0.57%	0.85%	37	0.75%	1.13%
23	0.57%	0.86%	38	0.77%	1.16%
24	0.58%	0.87%	39	0.79%	1.19%
25	0.59%	0.89%	40	0.81%	1.21%
26	0.61%	0.91%	41	0.83%	1.25%
27	0.61%	0.92%	42	0.87%	1.30%
28	0.63%	0.94%	43	0.86%	1.29%
29	0.64%	0.96%	44	0.85%	1.27%
30	0.65%	0.98%	45	0.84%	1.26%
31	0.66%	0.99%	46	0.83%	1.25%
32	0.67%	1.01%	47	0.83%	1.24%
33	0.69%	1.04%	48	0.82%	1.23%
34	0.71%	1.06%	49	0.81%	1.22%

The above rates are based on 8.16% interest and RP-2000 Healthy Annuitant Mortality (weighted 5/6 male and 1/6 female), with adjustment for blue collar workers.