



California Public Employees' Retirement System  
Actuarial Office  
P.O. Box 942704  
Sacramento, CA 94229-2704  
TTY: (877) 249-7442  
888 CalPERS (or 888-225-7377) phone • (916) 795-3005 fax  
www.calpers.ca.gov

December 19, 2012

Employer Name: City of Huntington Beach  
CalPERS ID: 4840650877  
Employee Category: Miscellaneous  
Rate Plan Identifier: 26054

Dear Employer:

**SUBJECT: BENEFIT FORMULA AND CONTRIBUTION RATES FOR NEW MEMBERS EFFECTIVE JANUARY 1, 2013**

The purpose of this letter is to inform you about the impact that the recent passage of Assembly Bill (AB) 340 pension reform will have on employee and employer contribution rates to CalPERS. AB 340 created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. Please refer to the [Pension Reform](#) section of the CalPERS website for more information on pension reform, including information regarding when an employee will be considered a new member under PEPRA.

The table below provides information on the benefit formula, final compensation period and the employer and member contribution rates effective January 1, 2013 for any miscellaneous employees that meet the definition of a new member under PEPRA.

Benefit Formula	Miscellaneous 2% at Age 62
Final Compensation Period	3 Year Final Compensation
Employer Contribution Rate as a percentage of payroll	16.306% of Reportable Compensation
Member Contribution Rate as a percentage of payroll	6.25% of Reportable Compensation

The **employer** contribution rate listed above will be good until June 30, 2013. The employer contribution rate for fiscal year July 1, 2013 through June 30, 2014 for new miscellaneous members will be the same as the employer contribution rate for existing miscellaneous members as set in the June 30, 2011 actuarial valuation report of your plan. Please refer to your actuarial valuation report or MyCalPERS to view this rate.

In accordance with PEPRA and CalPERS interpretation of the term similarly situated, the member contribution rate shown in the above table was set at 50 percent of the expected total normal cost rate for the benefits that will apply to new miscellaneous members on January 1, 2013 rounded to the nearest one quarter of one percent. The total normal cost rate used for this calculation is 12.5 percent of payroll. The normal cost rate was derived based on the benefit formula and final compensation period listed in the above table as well as all other optional benefit provisions you have contracted with CalPERS for your employees. Since the actual demographics of your new members will not be known until new members are hired, and due to the limited time available for implementation of PEPRA, the normal cost rate was derived based on the demographics of a pool of CalPERS employers and the actuarial assumptions used in the Actuarial Cost Analysis of AB 340. For information on how the normal cost was derived and the actuarial assumptions used, please refer to the following link on the CalPERS website:

<http://www.calpers.ca.gov/eip-docs/employer/program-services/member-rates-pepra.pdf>

Note that the member contribution rate may change over time if the total normal cost rate for new miscellaneous members fluctuates by more than one percent of payroll over the estimated initial normal cost of 12.5 percent of payroll. The total normal cost rate will be impacted over time by the actual demographics of your plan and the actuarial assumptions used in the funding of the retirement benefits. The member rate will be reviewed once a year when the actuarial valuation of your plan is performed. The first review is expected to be in conjunction with the June 30, 2013 actuarial valuation that will take place in the fall of 2014. Therefore, the member contribution rate listed in the above table is expected to remain unchanged until July 1, 2015.

For more information, you may visit the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). If you have any questions, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

Sincerely,



ALAN MILLIGAN  
Chief Actuary



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December 19, 2012

Employer Name: City of Huntington Beach  
CalPERS ID: 4840650877  
Employee Category: Safety Fire  
Rate Plan Identifier: 25084

Dear Employer:

**SUBJECT: BENEFIT FORMULA AND CONTRIBUTION RATES FOR NEW MEMBERS EFFECTIVE JANUARY 1, 2013**

The purpose of this letter is to inform you about the impact that the recent passage of Assembly Bill (AB) 340 pension reform will have on employee and employer contribution rates to CalPERS. AB 340 created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. Please refer to the Pension Reform section of the CalPERS website for more information on pension reform, including information regarding when an employee will be considered a new member under PEPRA.

The table below provides information on the benefit formula, final compensation period and the employer and member contribution rates effective January 1, 2013 for any safety fire employees that meet the definition of a new member under PEPRA.

Benefit Formula	Safety 2.7% at Age 57
Final Compensation Period	3 Year Final Compensation
Employer Contribution Rate as a percentage of payroll	35.012% of Reportable Compensation
Member Contribution Rate as a percentage of payroll	11.75% of Reportable Compensation

The **employer** contribution rate listed above will be good until June 30, 2013. The employer contribution rate for fiscal year July 1, 2013 through June 30, 2014 for new safety fire members will be the same as the employer contribution rate for existing safety fire members as set in the June 30, 2011 actuarial valuation report of your plan. Please refer to your actuarial valuation report or MyCalPERS to view this rate.

In accordance with PEPRA and CalPERS interpretation of the term similarly situated, the member contribution rate shown in the above table was set at 50 percent of the expected total normal cost rate for the benefits that will apply to new safety fire members on January 1, 2013 rounded to the nearest one quarter of one percent. The total normal cost rate used for this calculation is 23.4 percent of payroll. The normal cost rate was derived based on the benefit formula and final compensation period listed in the above table as well as all other optional benefit provisions you have contracted with CalPERS for your employees. Since the actual demographics of your new members will not be known until new members are hired, and due to the limited time available for implementation of PEPRA, the normal cost rate was derived based on the demographics of a pool of CalPERS employers and the actuarial assumptions used in the Actuarial Cost Analysis of AB 340. For information on how the normal cost was derived and the actuarial assumptions used, please refer to the following link on the CalPERS website:

<http://www.calpers.ca.gov/eip-docs/employer/program-services/member-rates-pepra.pdf>

Note that the member contribution rate may change over time if the total normal cost rate for new safety fire members fluctuates by more than one percent of payroll over the estimated initial normal cost of 23.4 percent of payroll. The total normal cost rate will be impacted over time by the actual demographics of your plan and the actuarial assumptions used in the funding of the retirement benefits. The member rate will be reviewed once a year when the actuarial valuation of your plan is performed. The first review is expected to be in conjunction with the June 30, 2013 actuarial valuation that will take place in the fall of 2014. Therefore, the member contribution rate listed in the above table is expected to remain unchanged until July 1, 2015.

For more information, you may visit the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). If you have any questions, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

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December 19, 2012

Employer Name: City of Huntington Beach  
CalPERS ID: 4840650877  
Employee Category: Other Safety  
Rate Plan Identifier: 25085

Dear Employer:

**SUBJECT: BENEFIT FORMULA AND CONTRIBUTION RATES FOR NEW MEMBERS EFFECTIVE JANUARY 1, 2013**

The purpose of this letter is to inform you about the impact that the recent passage of Assembly Bill (AB) 340 pension reform will have on employee and employer contribution rates to CalPERS. AB 340 created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. Please refer to the [Pension Reform](#) section of the CalPERS website for more information on pension reform, including information regarding when an employee will be considered a new member under PEPRA.

The table below provides information on the benefit formula, final compensation period and the employer and member contribution rates effective January 1, 2013 for any other safety employees that meet the definition of a new member under PEPRA.

Benefit Formula	Safety 2.7% at Age 57
Final Compensation Period	3 Year Final Compensation
Employer Contribution Rate as a percentage of payroll	35.012% of Reportable Compensation
Member Contribution Rate as a percentage of payroll	11.75% of Reportable Compensation

The **employer** contribution rate listed above will be good until June 30, 2013. The employer contribution rate for fiscal year July 1, 2013 through June 30, 2014 for new other safety members will be the same as the employer contribution rate for existing other safety members as set in the June 30, 2011 actuarial valuation report of your plan. Please refer to your actuarial valuation report or MyCalPERS to view this rate.

In accordance with PEPRA and CalPERS interpretation of the term similarly situated, the member contribution rate shown in the above table was set at 50 percent of the expected total normal cost rate for the benefits that will apply to new other safety members on January 1, 2013 rounded to the nearest one quarter of one percent. The total normal cost rate used for this calculation is 23.4 percent of payroll. The normal cost rate was derived based on the benefit formula and final compensation period listed in the above table as well as all other optional benefit provisions you have contracted with CalPERS for your employees. Since the actual demographics of your new members will not be known until new members are hired, and due to the limited time available for implementation of PEPRA, the normal cost rate was derived based on the demographics of a pool of CalPERS employers and the actuarial assumptions used in the Actuarial Cost Analysis of AB 340. For information on how the normal cost was derived and the actuarial assumptions used, please refer to the following link on the CalPERS website:

<http://www.calpers.ca.gov/eip-docs/employer/program-services/member-rates-pepra.pdf>

Note that the member contribution rate may change over time if the total normal cost rate for new other safety members fluctuates by more than one percent of payroll over the estimated initial normal cost of 23.4 percent of payroll. The total normal cost rate will be impacted over time by the actual demographics of your plan and the actuarial assumptions used in the funding of the retirement benefits. The member rate will be reviewed once a year when the actuarial valuation of your plan is performed. The first review is expected to be in conjunction with the June 30, 2013 actuarial valuation that will take place in the fall of 2014. Therefore, the member contribution rate listed in the above table is expected to remain unchanged until July 1, 2015.

For more information, you may visit the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). If you have any questions, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

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December 19, 2012

Employer Name: City of Huntington Beach  
CalPERS ID: 4840650877  
Employee Category: Safety Police  
Rate Plan Identifier: 25086

Dear Employer:

**SUBJECT: BENEFIT FORMULA AND CONTRIBUTION RATES FOR NEW MEMBERS EFFECTIVE JANUARY 1, 2013**

The purpose of this letter is to inform you about the impact that the recent passage of Assembly Bill (AB) 340 pension reform will have on employee and employer contribution rates to CalPERS. AB 340 created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. Please refer to the [Pension Reform](#) section of the CalPERS website for more information on pension reform, including information regarding when an employee will be considered a new member under PEPRA.

The table below provides information on the benefit formula, final compensation period and the employer and member contribution rates effective January 1, 2013 for any safety police employees that meet the definition of a new member under PEPRA.

Benefit Formula	Safety 2.7% at Age 57
Final Compensation Period	3 Year Final Compensation
Employer Contribution Rate as a percentage of payroll	35.012% of Reportable Compensation
Member Contribution Rate as a percentage of payroll	11.75% of Reportable Compensation

The **employer** contribution rate listed above will be good until June 30, 2013. The employer contribution rate for fiscal year July 1, 2013 through June 30, 2014 for new safety police members will be the same as the employer contribution rate for existing safety police members as set in the June 30, 2011 actuarial valuation report of your plan. Please refer to your actuarial valuation report or MyCalPERS to view this rate.

In accordance with PEPRA and CalPERS interpretation of the term similarly situated, the member contribution rate shown in the above table was set at 50 percent of the expected total normal cost rate for the benefits that will apply to new safety police members on January 1, 2013 rounded to the nearest one quarter of one percent. The total normal cost rate used for this calculation is 23.4 percent of payroll. The normal cost rate was derived based on the benefit formula and final compensation period listed in the above table as well as all other optional benefit provisions you have contracted with CalPERS for your employees. Since the actual demographics of your new members will not be known until new members are hired, and due to the limited time available for implementation of PEPRA, the normal cost rate was derived based on the demographics of a pool of CalPERS employers and the actuarial assumptions used in the Actuarial Cost Analysis of AB 340. For information on how the normal cost was derived and the actuarial assumptions used, please refer to the following link on the CalPERS website:

<http://www.calpers.ca.gov/eip-docs/employer/program-services/member-rates-pepra.pdf>

Note that the member contribution rate may change over time if the total normal cost rate for new safety police members fluctuates by more than one percent of payroll over the estimated initial normal cost of 23.4 percent of payroll. The total normal cost rate will be impacted over time by the actual demographics of your plan and the actuarial assumptions used in the funding of the retirement benefits. The member rate will be reviewed once a year when the actuarial valuation of your plan is performed. The first review is expected to be in conjunction with the June 30, 2013 actuarial valuation that will take place in the fall of 2014. Therefore, the member contribution rate listed in the above table is expected to remain unchanged until July 1, 2015.

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