

year ended june 30, 2001

**Comprehensive Annual Financial Report**  
California Public Employees' Retirement System

CalPERS *70*  
*years of service*



year ended June 30, 2001

# Comprehensive Annual Financial Report

California Public Employees' Retirement System

James E. Burton  
Chief Executive Officer

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## California Public Employees' Retirement System

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



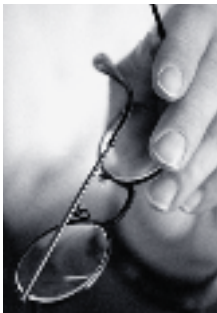
*Thomas A. Drew*  
President

*Jeffrey L. Esler*  
Executive Director



introductory  
**Section**

# L e a d e r s h i p





December 14, 2001

**Members of the CalPERS Board of Administration:**

I am pleased to present the CalPERS Comprehensive Annual Financial Report (CAFR) and accompanying Operations Summary for the year ended June 30, 2001. The 2000-01 fiscal year marked a milestone for the System—70 years since the landmark legislation that established the pension system. During our years of operation, we have seen significant advances, continued to meet new challenges, and celebrated numerous successes.

During this fiscal year, we continued on the pathways dictated by our Strategic Plan—staying focused on expanding quality customer service, innovative benefits administration, and strong, secure asset management. The pages of this report will tell the story of our work in these areas—and our efforts to develop effective solutions when faced with skyrocketing health industry inflation and a challenging investment environment.

For details on these and other projects, I encourage you to review the information in this report. It provides information on all the programs administered by CalPERS: Public Employees' Retirement Fund (PERF), Legislators' Retirement Fund (LRF), Judges' Retirement Fund (JRF), Judges' Retirement Fund II (JRF II), Volunteer Firefighters' Length of Service Award Fund (VFF), State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF), Health Care Fund (HCF), Contingency Reserve Fund (CRF), Old Age & Survivors' Insurance Revolving Fund (OASI), Replacement Benefit Fund



**James E. Burton**  
*Chief Executive Officer*

## CEO LETTER OF TRANSMITTAL (continued)

(RBF), Supplemental Contributions Program Fund (SCPF), Long-Term Care Fund (LTCF), Deferred Compensation Fund (DCF), and Public Agency Deferred Compensation Program (IRC 457).

Beginning in 1932, the System began providing services to State, public agency, and school members. While primarily responsible for administering retirement, death, and health benefits, CalPERS also administers supplemental retirement savings plans and long-term care insurance. As a service to members and employers, a variety of educational workshops and seminars are also offered.

### Management Responsibility for Financial Reporting

The CalPERS financial statements included in this CAFR for the 2000-01 fiscal year have been prepared by System management, which is responsible for the integrity and fairness of the data presented, including the many amounts that out of necessity must be based on estimates and judgments. The accounting policies followed in preparation of these financial statements conform with generally accepted accounting principles. Financial information presented throughout this Annual Report is consistent with these financial statements.

CalPERS has established and maintains a system of internal controls designed to provide reasonable assurance that assets are properly safeguarded, transactions are properly executed, and financial statements are reliable. In addition, internal audit personnel provide a continuing review of the internal controls and operations of CalPERS, and the Chief of the Office of Audit Services regularly reports to the CalPERS Board of Administration's Finance Committee. The Committee reviews the audit findings and recommendations for improvements in internal control and operational efficiency and the actions of management to implement such recommendations.

Our independent external auditors, PricewaterhouseCoopers LLP, have conducted an audit of the basic financial statements in accordance with generally accepted auditing standards, performing such tests and other procedures as they deem necessary to express an opinion in their report to the Board. The external auditors also have full and unrestricted access to the Board to discuss their audit and related findings as to the integrity of the financial reporting and adequacy of internal control systems.

### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to CalPERS for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. This was the fifth consecutive year that CalPERS has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.



## CEO LETTER OF TRANSMITTAL (continued)

### The Comprehensive Annual Financial Report

***This report consists of five sections:***

**Introductory**—contains this introduction letter and our organizational chart. Summary program information is contained in the accompanying 2001 Comprehensive Annual Financial Report Operations Summary;

**Financial**—presents management’s responsibility for financial reporting and the independent auditors’ opinion on the CalPERS basic financial statements, management’s discussion and analysis, and sections on required supplemental schedules and supporting schedules;

**Investment**—summarizes and presents performance information for the PERF.

**Actuarial**—contains the certifications and results of the actuarial valuations as of June 30, 2000, the latest data available;

**Statistical**—contains significant membership and retirement data for CalPERS, Judges’ Retirement System, Judges’ Retirement System II, Legislators’ Retirement System, Volunteer Firefighters’ Length of Service Award System, Health Benefits Program, Deferred Compensation Program, and Long-Term Care Program.

### Accounting System & Reports

Management is responsible for establishing and maintaining an internal control structure designed to ensure that CalPERS assets are protected from loss, theft, or misuse, and income is equally distributed.

Responsibility for the accuracy, completeness, and fair presentation of the information, and all disclosures, rests with CalPERS. The basic financial statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis as promulgated by the Governmental Accounting Standards Board (GASB) and its predecessor, the National Council on Governmental Accounting. The basic financial statements are presented in accordance with guidelines established by GASB Statement No. 25, *Financial Reporting for Defined Benefit Plans*, and GASB Statement No. 26, *Financial Reporting for Post Employment Health Care Plans Administered by Defined Benefit Plans*, and other GASB statements as appropriate.

Although not required to implement GASB Statement No. 34, *Basic Financial Statements—Management’s Discussion and Analysis—for State and Local Governments* until fiscal year 2002, CalPERS has elected to adopt the new pronouncement, as amended, for the fiscal year ended June 30, 2001.

### Investments

Proper funding and healthy long-term investment returns are essential to the financial soundness of CalPERS. The ratio of investment earnings to total revenue during the last 10 years is evidence of the System’s continued solid financial management.

## CEO LETTER OF TRANSMITTAL (continued)

### Asset Allocation

An integral part of the overall investment policy is the strategic asset allocation policy. This is designed to provide an optimal mix of asset classes with return expectations that reflect expected liabilities. This emphasizes a maximum diversification of the portfolio that protects the Fund from declines that a particular asset class may experience in a given period. Both traditional assets (cash, bonds, domestic stocks, domestic fixed income, and mortgages) and nontraditional assets (real estate, international stocks and fixed income, venture capital, timber investments, and leveraged buyouts) are incorporated into the mix.

### Funding

The bottom line for a retirement system is its level of funding. If the funding level is adequate, the ratio of total accumulated assets to total liabilities will be larger and the need for contributions will be reduced. Also, an adequate funding level gives participants assurance that their pension benefits are secure.

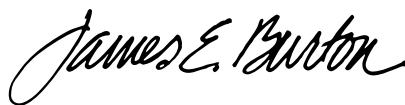
The historical level of funding for the PERF is good (currently the PERF is 119.5 percent funded). The advantages of a well-funded plan are that participants can see assets that are irrevocably committed to the payment of promised benefits. The required supplemental schedules to the basic financial statements and the actuarial section contain a summary of CalPERS unfunded actuarial accrued liabilities.

Investment returns are used to generate additional revenues and, ultimately, this allows CalPERS to reduce employer contribution rates, reducing pension costs to employers and taxpayers.

### In Closing . . .

The innovative leadership of the CalPERS Board and continuing dedication of our staff remain the foundation for our continuous, constructive change, and our ability to provide a secure financial future for all those we serve. By remaining nimble during these changing times, embracing new solutions, and implementing improvements quickly, we will encounter success in reaching all our business objectives.

During the next year, our daily work will continue. We will ensure the benefits we are entrusted to provide are paid on time remains our core focus. Our efforts in improving the way we do our business, expanding customer access to the System, and harnessing technology advancements will enable us to continue to meet the changing needs of our customers.



**James E. Burton**  
Chief Executive Officer



Financial Section

V a l u e





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**Board of Administration  
California Public Employees' Retirement System**

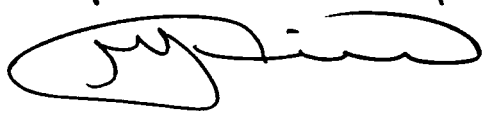
In our opinion, the accompanying basic financial statements present fairly, in all material respects, the combined plan net assets of the fiduciary funds and combined financial position of the proprietary funds of the California Public Employees' Retirement System (System), a component unit of the State of California, as of June 30, 2001, and the changes in the combined plan net assets of the fiduciary funds and the combined results of operations of the proprietary funds, and the combined cash flows of the proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. These basic financial statements are the responsibility of the System's management; our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit of the basic financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statements presentation. We believe that our audit provides a reasonable basis for our opinion. We previously audited and reported on the basic financial statements of the System as of and for the year ended June 30, 2000, the comparative totals of which are included for additional analysis only.

As discussed in Note 4 to the basic financial statements, actual contributions to the Judges' Retirement Fund (JRF) made by the State of California were materially less than the annual required contribution. Additionally, current year contributions made by the State of California were used to pay current year benefits. Management and legal counsel believe that the State of California is legally required to provide funding sufficient to pay benefits when due.

## REPORT OF INDEPENDENT ACCOUNTANTS

As discussed in Note 2 to the basic financial statements, the System has adopted Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, for the year ended June 30, 2001.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information included in pages 10 through 21 and pages 47 through 55 is required under Governmental Accounting Standards Board (GASB) Statements No. 34, as amended, No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 30, *Risk Financing Omnibus: An Amendment of GASB Statement No. 10*. The supplemental information included in pages 57 through 62 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in relation to the basic financial statements taken as a whole. The information in the required supplemental schedules for the years ended June 30, 1996, 1995, 1994, and 1993 was audited by other auditors in connection with their audits of the respective basic financial statements, on which they expressed an unqualified opinion.

PricewaterhouseCoopers LLP  


October 12, 2001

## MANAGEMENT'S DISCUSSION & ANALYSIS

This section presents management's discussion and analysis of the California Public Employees' Retirement System (CalPERS) financial performance during the fiscal year ended June 30, 2001 and is presented as a narrative overview and analysis in conjunction with the Chief Executive Officer's Letter of Transmittal included in the Introductory Section of the CalPERS Comprehensive Annual Financial Report.

CalPERS is primarily responsible for administering retirement and health benefits, as well as administering supplemental retirement savings plans. CalPERS comprises a total of 14 funds, including five defined benefit pension plans: the Public Employees' Retirement Fund (PERF), the Legislators' Retirement Fund (LRF), the Judges' Retirement Fund (JRF), Judges' Retirement Fund II (JRF II), and the Volunteer Firefighters' Length of Service Award Fund (VFF). CalPERS also has four defined contribution pension plans: the State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF), the Public Agency Deferred Compensation Program (IRC 457), the Replacement Benefit Fund (RBF), and the Supplemental Contributions Program Fund (SCPF). CalPERS also has four proprietary funds: the Public Employees' Health Care Fund (HCF), the Public Employees' Contingency Reserve Fund (CRF), the Public Employees' Long-Term Care Fund (LTCF), and the Public Employees' Deferred Compensation Fund (DCF). The remaining fund is the Old Age & Survivors' Insurance Revolving Fund (OASI), which is an agency fund.

### Financial Highlights

- The net assets of the PERF decreased by \$16.3 billion, or 9.4 percent. The decrease was primarily due to a downturn in world equity markets and to an increase in benefit payments enhancements.
- As of June 30, 2000, the date of the most recent actuarial valuation, the PERF is actuarially funded at 119.5 percent, which is less than June 30, 1999's 128.4 percent funded level.
- The PERF rate of return on investments of negative 7.2 percent on a market value basis was less than last year's 10.5 percent rate of return, due primarily to a downturn in world equity markets.
- The assets of the CalPERS Long-Term Care Program grew by more than \$104 million during the year, an increase of 19.0 percent, as a result of membership growth of 13.1 percent and premiums received to advance fund claim requirements.
- The CalPERS self-funded health care program lost \$32.0 million from operations, and unrestricted net assets decreased \$20.9 million to \$5.7 million, due primarily to increased usage, as well as medical and drug cost increases. Premium increases helped minimize the impact of these increases on program net assets. This decrease in unrestricted net assets was less than last year's \$71.5 million decrease in unrestricted net assets.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CalPERS basic financial statements, which comprise the following components: 1) fund financial statements, 2) notes to the financial statements, 3) required supplementary information, and 4) other supplementary schedules. Collectively, this information presents the combined net assets held in trust for pension benefits and the combined unrestricted net assets for each of the funds administered by CalPERS as of June 30, 2001, and summarizes the combined changes in net assets held in trust for pension benefits, the combined changes in unrestricted net assets, and the cash flows of the proprietary funds for the year then ended. The information available in each of these sections is briefly summarized as follows:

- 1) **Fund Financial Statements.** At June 30, 2001, financial statements are presented for the two types of funds administered by CalPERS: fiduciary funds and proprietary funds.
  - Fiduciary funds include pension trust funds such as the PERF, LRF, JRF, JRF II, VFF, SPOFF, IRC 457, RBF, and the SCPF, as well

## MANAGEMENT'S DISCUSSION & ANALYSIS

as an agency fund, the OASI. Fiduciary funds are used to account for resources held for the benefit of parties outside of CalPERS.

A combined statement of fiduciary net assets and a combined statement of changes in fiduciary net assets are presented for the fiduciary funds as of June 30, 2001 and for the year then ended. Comparative information as of June 30, 2000 and for the year then ended has also been presented. These financial statements reflect the resources available to pay benefits to retirees and other beneficiaries as of year end, as well as the changes in those resources during the year.

- Proprietary funds include enterprise funds such as the HCF, CRF, LTCF, and DCF. Proprietary funds are used to account for CalPERS business-type activities, where fees are charged to cover the costs of certain services, including long-term care, health care, and other benefits. A combined statement of net assets; a combined statement of revenues, expenses, and changes in fund net assets; and a combined statement of cash flows are presented for the proprietary funds as of June 30, 2001 and for the year then ended. Comparative information as of June 30, 2000 and for the year then ended has also been presented. These financial statements reflect the net assets of, changes in net assets of, and cash flows from CalPERS business-type activities.

### 2) Notes to the Basic Financial Statements.

The financial statement notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements. Information available in the notes to the financial statements is described below.

- Note 1 provides a general description of CalPERS, as well as a concise description of each of the funds administered by CalPERS.

Information regarding employer and member participation in the pension plans administered by CalPERS is also provided.

- Note 2 provides a summary of significant accounting policies, including the basis of accounting for each of the fund types, investment accounting policies, management's use of estimates, information regarding the implementation of new accounting pronouncements, and other significant accounting policies.
  - Note 3 describes investments, including investing authority, investment risk categorizations, and additional information about cash, securities lending, and derivatives.
  - Note 4 provides information about employer contributions to the pension funds administered by CalPERS.
  - Note 5 generally describes potential contingencies of CalPERS.
  - Note 6 provides detailed information on the estimated claims liability of the HCF.
  - Note 7 provides information regarding the LTCF June 30, 2001 actuarial valuation.
- 3) **Required Supplementary Information.** The required supplementary information consists of two schedules and related notes concerning the funded status of the pension plans administered by CalPERS. Also included is a schedule of claims development information relating to the HCF.
- 4) **Other Supplementary Schedules.** Other schedules include detailed information on administrative expenses incurred by CalPERS-administered funds, as well as investment and other professional services expenses incurred.



## MANAGEMENT'S DISCUSSION & ANALYSIS

### Financial Analysis of CalPERS Funds

#### PERF

The PERF provides retirement benefits to State of California and other California public agency employees. PERF benefits are funded by member and employer contributions and by earnings on investments. The PERF net assets held in trust for benefits at June 30, 2001 amounted to \$156.3 billion, a decrease of \$16.2 billion (9.4 percent) from \$172.5 billion at June 30, 2000.

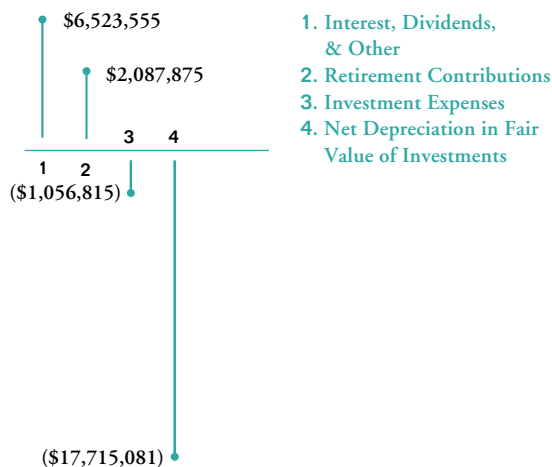
Additions to PERF net assets held in trust for benefits include employer and member contributions, as well as investment income. For the 2001 fiscal year, employer and member contributions remained consistent with fiscal year 2000 at \$2.1 billion as the numbers of affiliated employers and members remained relatively consistent. The PERF recognized a net investment loss of \$12.3 billion for the 2001 fiscal year, compared with net investment income of \$16.6 billion for the 2000 fiscal year. The decrease in investment income was mainly due to the downturn in world equity markets during 2001.

Deductions from PERF net assets held in trust for benefits include mainly retirement, death, and survivor benefits, and administrative expenses. For the 2001 fiscal year, retirement, death, and survivor benefits amounted to \$5.8 billion, an increase of \$617 million (11.9 percent) from the 2000 fiscal year. The increase in benefit payments was a result of at least two factors: an increase in the number of retirees and an enhancement in retirement benefits resulting from Senate Bill 400 (1999 Statutes). For the 2001 fiscal year, the costs of administering the PERF benefits amounted to \$183.9 million, an increase of approximately \$8.8 million (5.0 percent) from the 2000 fiscal year. The cost of administering PERF benefits per member/beneficiary during the 2001 fiscal year amounted to approximately \$143 per individual, a decrease of approximately \$1 per individual from the 2000 fiscal year.

Total PERF investments amounted to \$155.8 billion at June 30, 2001 (excludes securities lending collateral), which was \$17.7 billion (10.2 percent) less than the \$173.5 billion in total PERF investments at June 30, 2000.

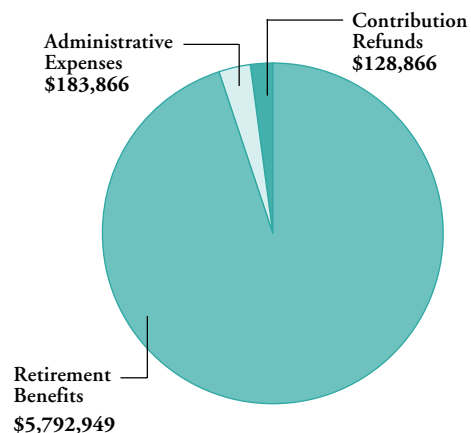
#### Additions — PERF

(Dollars in Thousands)



#### Deductions — PERF

(Dollars in Thousands)



## MANAGEMENT'S DISCUSSION & ANALYSIS

### Net Assets — PERF

(Dollars in Thousands)

	2001	2000	Total Percentage Change
<b>Assets</b>			
Cash, Cash Equivalents, and Receivables	\$3,483,696	\$2,930,452	18.9%
Investments	155,830,372	173,537,092	(10.2)
Securities Lending Collateral	14,307,037	14,443,444	(0.9)
Capital Assets and Other	95,611	80,733	18.4
<b>Total Assets</b>	<b>\$173,716,716</b>	<b>\$190,991,721</b>	<b>(9.0%)</b>
<b>Liabilities</b>			
Retirement Benefits in Process of Payment, Investment Settlement, and Other	\$3,135,282	\$4,007,733	(21.8%)
Liabilities to Brokers for Security Lending	14,307,037	14,443,444	(0.9)
<b>Total Liabilities</b>	<b>\$17,442,319</b>	<b>\$18,451,177</b>	<b>(5.5%)</b>
<b>Total Net Assets</b>	<b>\$156,274,397</b>	<b>\$172,540,544</b>	<b>(9.4%)</b>

### Changes in Net Assets — PERF

(Dollars in Thousands)

	2001	2000	Total Percentage Change
<b>Additions</b>			
Member Contributions	\$1,766,256	\$1,751,290	0.9%
Employer Contributions	321,619	362,614	(11.3)
Investment Income (Loss)	(12,255,822)	16,579,088	(173.9)
Other	7,481	3,570	109.6
<b>Total Additions</b>	<b>(\$10,160,466)</b>	<b>\$18,696,562</b>	<b>(154.3%)</b>
<b>Deductions</b>			
Retirement Benefits	\$5,792,949	\$5,176,073	11.9%
Refund of Contributions	128,866	140,644	(8.4)
Administrative Expenses	183,866	175,051	5.0
<b>Total Deductions</b>	<b>\$6,105,681</b>	<b>\$5,491,768</b>	<b>11.2%</b>
<b>Increase (Decrease) in Net Assets</b>	<b>(\$16,266,147)</b>	<b>\$13,204,794</b>	<b>(223.2%)</b>

## MANAGEMENT'S DISCUSSION & ANALYSIS

At June 30, 2001, the PERF held \$91 billion in U.S. equity and international equity securities, a decrease of \$18 billion from the 2000 fiscal year. U.S. equity and international equity securities earned returns of approximately negative 14.0 percent and negative 20.1 percent, respectively, for the 2001 fiscal year, compared to the CalPERS benchmark returns of negative 21.8 percent and negative 15.4 percent, respectively.

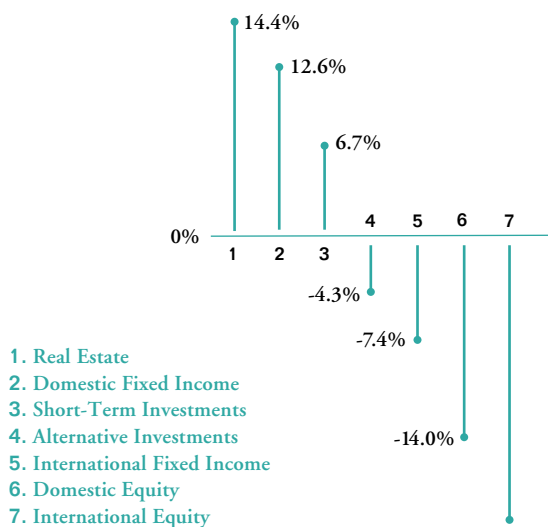
At June 30, 2001, the PERF held \$42 billion in U.S. debt and international debt securities, a decrease of \$3 billion from the 2000 fiscal year. U.S. debt securities returned approximately 12.6 percent, while international debt securities earned a negative return of approximately 7.4 percent for the 2001 fiscal year, compared to the CalPERS benchmark returns of 11.8 percent and negative 7.5 percent, respectively.

At June 30, 2001, the PERF held \$13 billion in real estate investments, an increase of \$4 billion from the 2000 fiscal year. Real estate investments returned approximately 14.4 percent for the 2001 fiscal year, which exceeded the CalPERS benchmark real estate return of 11.2 percent.

At June 30, 2001, the PERF held \$7 billion in alternative investments, which was approximately unchanged from June 30, 2000. Alternative investments earned a negative return of approximately 4.3 percent for the 2001 fiscal year, which was less than the CalPERS benchmark alternative investment return of 15 percent.

At June 30, 2001, the PERF held \$3 billion in short-term investments, which was approximately unchanged from June 30, 2000. Short-term investments returned approximately 6.7 percent for the 2001 fiscal year.

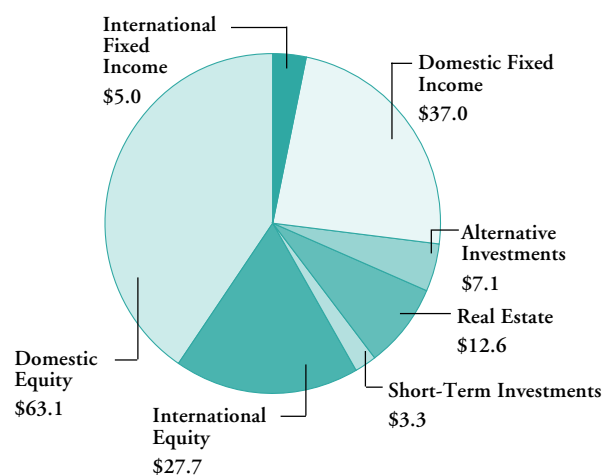
### Investment Returns — PERF



### Investment Portfolio — PERF

#### At Market Value

(Dollars in Billions)



#### NOTE:

Excludes \$14.3 billion in securities lending collateral.

## MANAGEMENT'S DISCUSSION & ANALYSIS

The PERF earns additional investment income by lending investment securities to brokers. The brokers provide collateral to the PERF and generally use the borrowed securities to cover short sales and failed trades. The PERF invests cash collateral received from the brokers in order to earn interest. For the 2001 fiscal year, net securities lending income amounted to \$80.1 million, an increase of \$26.6 million (49.7 percent) from the 2000 fiscal year. The increase in securities lending net income for the 2001 fiscal year represents mainly an increase in demand by brokers to borrow PERF securities.

An actuarial valuation of PERF assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, June 30, 2000, the funded status of the PERF decreased to 119.5 percent from 128.4 percent at June 30, 1999. The amount by which PERF actuarial assets exceeded actuarial benefit liabilities was \$26 billion at June 30, 2000, compared with \$33 billion at June 30, 1999. This decrease in funded status relates primarily to benefit enhancements enacted by S.B. 400 (1999 Statutes).

### ***Other Defined Benefit Pension Plans***

#### ***LRF***

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The LRF provides retirement benefits to California legislators, constitutional officers, and statutory officers. Proposition 140 (1990) has had a major impact on the LRF by prohibiting current and future legislators from earning retirement benefits for services provided on or after November 7, 1990. Vested pension benefits accrued before November 7, 1990 were not affected. The number of LRF members is declining as eligible incumbent legislators leave office and are replaced by those ineligible to participate in the LRF.

The LRF net assets held in trust for benefits at June 30, 2001 amounted to \$138.7 million, a decrease of \$6.9 million (4.7 percent) from June 30, 2000.

Additions to LRF net assets held in trust for benefits include employer and member contributions, as well as investment income. During the 2001 fiscal year, employer and member contributions decreased \$485,000 (93.6 percent), from \$518,000 for the 2000 fiscal year to \$33,000 for the 2001 fiscal year, due mainly to the decrease in the actuarially determined annual required employer contribution to zero for the 2001 fiscal year. Net investment income decreased \$9.5 million (96.9 percent) to \$281,000 for the 2001 fiscal year from \$9.8 million for the 2000 fiscal year, due mainly to a downturn in world equity markets during 2001.

Deductions in LRF net assets held in trust for benefits include mainly retirement, death, and survivor benefits. For the 2001 fiscal year, retirement, death, and survivor benefits remained consistent with the 2000 fiscal year at approximately \$7 million, as the number of retirees and beneficiaries remained relatively consistent.

The LRF invests mainly in U.S. and international equity securities as well as U.S. debt securities. Total LRF investments amounted to \$139.0 million at June 30, 2001, which was \$6.7 million (4.6 percent) less than the \$145.7 million in total LRF investments at June 30, 2000. The decrease in total LRF investments at June 30, 2001 relates mainly to the reduced investment return during the 2001 fiscal year.

An actuarial valuation of LRF assets and benefit obligations is performed annually using the aggregate cost method, which does not identify unfunded actuarial liabilities. Based on the most recent actuarial valuation, performed as of June 30, 2000, the active member contribution rate for the 2002 fiscal year has been reduced to zero percent.

## MANAGEMENT'S DISCUSSION & ANALYSIS

### **JRF**

The JRF provides retirement benefits to California Supreme and Appellate Court Justices, Superior Court Judges, and Municipal Court Judges. The JRF net assets held in trust for benefits at June 30, 2001 amounted to \$32.4 million, an increase of \$10.9 million (50.7 percent) from June 30, 2000.

Additions to JRF net assets held in trust for benefits include employer, State, and member contributions,

as well as investment income. For the 2001 fiscal year, employer, State, and member contributions increased \$17.1 million (20.0 percent), to \$102.4 million for the 2001 fiscal year from \$85.3 million for the 2000 fiscal year, due mainly to an increase in the State's contribution. For the 2001 fiscal year, net investment income increased \$1.2 million (49.4 percent) from the 2000 fiscal year due mainly to higher average asset balances throughout the year.

### Net Assets — Other Defined Benefit Pension Plan Funds

*(Dollars in Thousands)*

	LRF		JRF		JRF II		VFF	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Assets</b>								
Cash, Cash Equivalents, and Receivables	\$256	\$245	\$3,267	\$3,070	\$1,561	\$959	\$292	\$250
Investments	139,029	145,731	29,495	18,471	50,748	40,424	2,163	2,191
<b>Total Assets</b>	<b>\$139,285</b>	<b>\$145,976</b>	<b>\$32,762</b>	<b>\$21,541</b>	<b>\$52,309</b>	<b>\$41,383</b>	<b>\$2,455</b>	<b>\$2,441</b>
Total Liabilities	\$549	\$368	\$390	\$25	\$327	\$29	\$81	\$18
<b>Total Net Assets</b>	<b>\$138,736</b>	<b>\$145,608</b>	<b>\$32,372</b>	<b>\$21,516</b>	<b>\$51,982</b>	<b>\$41,354</b>	<b>\$2,374</b>	<b>\$2,423</b>

### Changes in Net Assets — Other Defined Benefit Pension Plan Funds

*(Dollars in Thousands)*

	LRF		JRF		JRF II		VFF	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Additions</b>								
Member Contributions	\$33	\$179	\$11,377	\$11,252	\$4,197	\$3,210	\$—	\$—
Employer Contributions	—	339	91,019	74,079	9,754	7,460	194	203
Investment Income (Loss)	281	9,789	3,755	2,513	(2,863)	2,734	(111)	130
Other Income	—	—	4,509	4,355	—	—	—	—
<b>Total Additions</b>	<b>\$314</b>	<b>\$10,307</b>	<b>\$110,660</b>	<b>\$92,199</b>	<b>\$11,088</b>	<b>\$13,404</b>	<b>\$83</b>	<b>\$333</b>
<b>Deductions</b>								
Retirement Benefits	\$6,782	\$6,630	\$99,424	\$90,171	\$142	\$226	\$56	\$42
Refund of Contributions	169	164	—	—	34	22	—	—
Administrative Expenses	235	206	380	360	284	175	76	75
<b>Total Deductions</b>	<b>\$7,186</b>	<b>\$7,000</b>	<b>\$99,804</b>	<b>\$90,531</b>	<b>\$460</b>	<b>\$423</b>	<b>\$132</b>	<b>\$117</b>
<b>Increase (Decrease) in Net Assets</b>	<b>(\$6,872)</b>	<b>\$3,307</b>	<b>\$10,856</b>	<b>\$1,668</b>	<b>\$10,628</b>	<b>\$12,981</b>	<b>(\$49)</b>	<b>\$216</b>

## MANAGEMENT'S DISCUSSION & ANALYSIS

Deductions in JRF net assets held in trust for benefits include mainly retirement, death, and survivor benefits. For the 2001 fiscal year, retirement, death, and survivor benefits amounted to \$99.4 million, an increase of \$9.2 million (10.2 percent) from the 2000 fiscal year. The increase in benefit payments was mainly a result of an increase in JRF retirees and beneficiaries.

The JRF invests in short-term securities. Total JRF investments amounted to \$29.5 million at June 30, 2001, which was \$11.0 million (59.5 percent) more than the \$18.5 million in total JRF investments at June 30, 2000. The increase in total JRF investments at June 30, 2001 was mainly the result of the increased State contribution during 2001.

The JRF is funded on a "pay-as-you-go" basis, where short-term investments, contributions received during the year, and a State general fund augmentation are used to make benefit payments.

### ***JRF II***

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The JRF II provides retirement benefits to California Supreme and Appellate Court Justices, Superior Court Judges, and Municipal Court Judges first appointed or elected after November 9, 1994. The JRF II net assets held in trust for benefits at June 30, 2001 amounted to \$52.0 million, an increase of \$10.6 million (25.6 percent) from June 30, 2000.

Additions to JRF II net assets held in trust for benefits include employer and member contributions, as well as investment income. Employer and member contributions increased \$3.3 million (30.8 percent), to \$14.0 million for the 2001 fiscal year from \$10.7 million for the 2000 fiscal year, due mainly to a 30.9 percent increase in membership from fiscal 2000 to fiscal 2001. For the 2001 fiscal year, the JRF II earned a net investment loss of \$2.9 million, which represents a decrease of \$5.6 million (207.4 percent) from the 2000 fiscal year return of \$2.7 million, due mainly to a downturn in world equity markets during 2001.

Deductions in JRF II net assets held in trust for benefits include mainly retirement, death, and survivor benefits. For the 2001 fiscal year, retirement, death, and survivor benefits amounted to \$142,000, a decrease of \$84,000 (37.2 percent) from the 2000 fiscal year. The decrease in benefit payments was mainly a result of a decrease in JRF II beneficiaries.

The JRF II invests mainly in U.S. and international equity securities, as well as U.S. debt securities. Total JRF II investments amounted to \$50.7 million at June 30, 2001, which was \$10.3 million (25.5 percent) more than the \$40.4 million in total LRF investments at June 30, 2000. The increase in total JRF II investments was due mainly to the increase in contributions and membership during the 2001 fiscal year.

An actuarial valuation of the JRF II assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, June 30, 2000, the funded status of JRF II decreased to 97.3 percent from 100.9 percent at June 30, 1999. At June 30, 2000, the JRF II actuarial benefit obligations exceeded its actuarial assets by approximately \$1 million, whereas the amount by which the JRF II actuarial assets exceeded its actuarial benefit obligations at June 30, 1999 was \$234,000.

### ***VFF***

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The VFF, which provides monetary awards to volunteer firefighters, incurred award expenses of \$56,000 for the 2001 fiscal year, an increase of 33.3 percent from the 2000 fiscal year, due mainly to a 48.6 percent increase in beneficiaries from 2000. Contribution revenues amounted to \$194,000 for the 2001 fiscal year, a decrease of 4.4 percent from the 2000 fiscal year, due mainly to a 3.5 percent decrease in participating employers. Net investment losses amounted to \$111,000 for the 2001 fiscal year, a decrease of 185.4 percent from the \$130,000 in net investment income for the 2000 fiscal year, due mainly to a downturn in domestic equity markets. Net assets held in trust for award benefits decreased by \$49,000 (2.0 percent), to \$2.4 million at June 30, 2001.

## MANAGEMENT'S DISCUSSION & ANALYSIS

### Defined Contribution Pension Plans

#### SPOFF

The SPOFF, which provides supplemental retirement benefits to eligible safety employees, incurred benefit expenses of \$1.9 million for the 2001 fiscal year. As the program was recently established (1998), there were no SPOFF benefit recipients or benefit expenses in the 2000 fiscal year. Contribution revenues amounted to

\$33.2 million for the 2001 fiscal year, an increase of 10.7 percent from the 2000 fiscal year, due mainly to a 1.6 percent increase in participants. Net investment losses amounted to \$4.0 million for the 2001 fiscal year, a decrease of 268.2 percent from the \$2.4 million in net investment income for the 2000 fiscal year, due mainly to a downturn in domestic equity markets. Net assets held in trust for pension benefits increased by \$26.9 million (55.7 percent), to \$75.2 million at June 30, 2001.

### Net Assets — Defined Contribution Pension Plan Funds

(Dollars in Thousands)

	SPOFF		IRC 457		RBF		SCPF	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Assets</b>								
Cash, Cash Equivalents, and Receivables	\$33	\$19	\$308	\$167	\$3	\$6	\$4	\$125
Investments	75,205	48,305	195,098	157,673	85	109	21,318	22,287
<b>Total Assets</b>	<b>\$75,238</b>	<b>\$48,324</b>	<b>\$195,406</b>	<b>\$157,840</b>	<b>\$88</b>	<b>\$115</b>	<b>\$21,322</b>	<b>\$22,412</b>
<b>Total Liabilities</b>	<b>\$73</b>	<b>\$59</b>	<b>\$224</b>	<b>\$49</b>	<b>\$12</b>	<b>\$27</b>	<b>\$18</b>	<b>\$4</b>
<b>Total Net Assets</b>	<b>\$75,165</b>	<b>\$48,265</b>	<b>\$195,182</b>	<b>\$157,791</b>	<b>\$76</b>	<b>\$88</b>	<b>\$21,304</b>	<b>\$22,408</b>

### Changes in Net Assets — Defined Contribution Pension Funds

(Dollars in Thousands)

	SPOFF		IRC 457		RBF		SCPF	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Additions</b>								
Member Contributions	\$ —	\$ —	\$67,385	\$109,489	\$ —	\$ —	\$1,631	\$1,315
Employer Contributions	33,237	30,011	—	—	129	182	—	—
Investment Income (Loss)	(4,071)	2,420	(15,519)	13,231	4	3	(1,592)	(368)
Other Income	—	—	—	—	—	—	6	—
<b>Total Additions</b>	<b>\$29,166</b>	<b>\$32,431</b>	<b>\$51,866</b>	<b>\$122,720</b>	<b>\$133</b>	<b>\$185</b>	<b>\$45</b>	<b>\$947</b>
<b>Deductions</b>								
Retirement Benefits	\$1,879	\$ —	\$ —	\$ —	\$145	\$147	\$ —	\$ —
Administrative Expenses	387	214	816	678	—	—	59	—
Participant Withdrawals	—	—	13,659	71,118	—	—	1,090	574
<b>Total Deductions</b>	<b>\$2,266</b>	<b>\$214</b>	<b>\$14,475</b>	<b>\$71,796</b>	<b>\$145</b>	<b>\$147</b>	<b>\$1,149</b>	<b>\$574</b>
<b>Increases (Decreases) in Net Assets</b>	<b>\$26,900</b>	<b>\$32,217</b>	<b>\$37,391</b>	<b>\$50,924</b>	<b>(\$12)</b>	<b>\$38</b>	<b>(\$1,104)</b>	<b>\$373</b>



## MANAGEMENT'S DISCUSSION & ANALYSIS

### ***IRC 457***

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The CalPERS Board is trustee for public agency participant assets in the IRC 457 deferred compensation program. Net investment losses amounted to \$15.5 million for the 2001 fiscal year, a decrease of 217.4 percent from the \$13.2 million in net investment income for the 2000 fiscal year, due mainly to the downturn in world equity markets. Net assets held in trust for pension benefits increased by \$37.4 million (23.7 percent), to \$195.2 million, due mainly to the fact that member contributions continued to exceed member withdrawals.

### ***RBF***

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The RBF, which provides replacement retirement benefits to the small percentage of retired PERF members whose CalPERS retirement benefits earned are limited by Internal Revenue Code Section 415(b), had benefits of \$145,000 for the 2001 fiscal year, which was consistent with the 2000 fiscal year benefits of \$147,000. Contribution revenues amounted to \$129,000 for the 2001 fiscal year, a decrease of 29.1 percent from the 2000 fiscal year, due mainly to a decrease in the number of retirees to six at June 30, 2001 from seven at June 30, 2000. Net assets held in trust for pension benefits decreased by \$12,000 (13.6 percent), to \$76,000 at June 30, 2001.

### ***SCPF***

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The SCPF was established effective January 1, 2000 to provide supplemental retirement benefits to members of CalPERS and is entirely member funded. For the 2001 fiscal year, participant withdrawals amounted to \$1.1 million, an increase of \$516,000 (88.4 percent) from the 2000 fiscal year, due mainly to the fact that the 2001 fiscal year participant withdrawals reflect 12 months of activity, while the 2000 fiscal year participant withdrawals reflect six months of activity. Contribution revenues amounted to \$1.6 million for the 2001 fiscal year, an increase of 24.0 percent from

the 2000 fiscal year, due mainly to the fact that the 2001 fiscal year contributions reflect 12 months of activity, while the 2000 fiscal year contributions reflect six months of activity. Net investment losses amounted to \$1.6 million for the 2001 fiscal year, an annualized decrease of 116.3 percent from the \$368,000 net investment loss for the 2000 fiscal year, due mainly to a downturn in world equity markets. Net assets held in trust for pension benefits decreased by \$1.1 million (4.9 percent), to \$21.3 million at June 30, 2001.

### ***Enterprise Funds***

#### ***HCF***

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The HCF, which accounts for the activities of the CalPERS self-insured health care programs, incurred claims expenses of \$551.0 million for the 2001 fiscal year, an increase of 23.5 percent from the 2000 fiscal year, due mainly to rapid enrollment growth, increases in provider pricing, and increased benefit utilization. Premium revenues amounted to \$569.8 million for the 2001 fiscal year, an increase of 23.5 percent from the 2000 fiscal year, due to an increase in participating agencies to 1,433 at June 30, 2001 from 1,341 at June 30, 2000, and due to increases in health care premiums ranging from an average of 9.2 percent to 21.5 percent, depending on the respective self-insured program. Net investment income amounted to \$11.1 million for the 2001 fiscal year, an increase of 1.8 percent from the 2000 fiscal year. The investment portfolio of the HCF at June 30, 2001 and 2000 continued to include only highly-liquid, short-term securities, as investment balances are used to fund operating cash flows. Unrestricted net assets decreased by \$20.9 million (78.6 percent), to \$5.7 million at June 30, 2001, which was less than last year's \$71.5 million decrease, due to the 2001 operating loss of \$32.0 million and the increase in the estimated insurance claims due to state and public agencies of \$9.8 million (10.4 percent) resulting from increased enrollment and higher than expected claims costs.



## MANAGEMENT'S DISCUSSION & ANALYSIS

### ***CRF***

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The CRF was established to fund administrative costs related to the CalPERS self-insured health care programs and to provide a contingency reserve for such items as increases in future health care premium rates or health care benefit costs. Administrative fees earned by the CRF amounted to \$11.1 million for the 2001 fiscal year, an increase of 16.8 percent from 2000 fiscal year administrative fees earned of \$9.5 million (2000 fees net of a non-recurring \$2.8 million rebate), due mainly to the increase in self-insured health care program premiums during the 2001 fiscal year. Net investment income amounted to \$674,000 for the 2001 fiscal year, an increase of 28.6 percent from the 2000 fiscal year, due mainly to an increase in the average investment balance of the fund. Unrestricted net assets increased by \$2.6 million (31.7 percent), to \$10.8 million at June 30, 2001.

### ***LTCF***

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The LTCF, which provides long-term care insurance to participating members of CalPERS, incurred claims expenses of \$18.1 million for the 2001 fiscal year, an increase of 69.2 percent from the 2000 fiscal year, due mainly to a 39.5 percent increase in average claimants from 2000 to 2001, an increase in provider pricing, and an increase in benefit utilization. Premium revenues amounted to \$168.6 million for the 2001 fiscal year, an increase of 10.6 percent from the 2000 fiscal year, due mainly to a 9.8 percent increase in average enrollment from 2000 to 2001. Net investment losses amounted to \$37.8 million for the

2001 fiscal year, a decrease of 209.9 percent from the \$34.4 million in net investment income for the 2000 fiscal year, due mainly to a downturn in domestic equity markets. Unrestricted net assets decreased by \$135.3 million (915.1 percent), to a net deficit of \$118.7 million at June 30, 2001, due to the 2001 operating loss of \$97.5 million, which included an increase in the estimated liability for future policy benefits of \$232.5 million resulting from increased enrollment, increased provider pricing, and increased benefit utilization.

### ***DCF***

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The DCF, which accounts for fees charged by CalPERS for managing three investment options of the State of California Savings Plus Program and certain investment portfolios of the IRC 457 public agency program, reported administrative and investment management revenues of \$1.4 million for the 2001 fiscal year, an increase of 7.7 percent from the 2000 fiscal year, due mainly to an increase of 4.3 percent in average assets managed. Administrative expenses of the DCF amounted to \$2.1 million for the 2001 fiscal year, an increase of 31.3 percent from the 2000 fiscal year, due mainly to increased staffing and marketing costs relating to enhanced deferred compensation marketing efforts during 2001. Net investment income amounted to \$76,000 for the 2001 fiscal year, a decrease of 16.5 percent from the 2000 fiscal year, due mainly to a decrease in the DCF investments balance from 2000 to 2001. Unrestricted net assets decreased by \$669,000 (78.3 percent), to \$185,000 at June 30, 2001.

## MANAGEMENT'S DISCUSSION & ANALYSIS

### Requests For Information

This Financial Report is designed to provide a general overview of CalPERS finances. Questions concerning any of the information provided in this report or

requests for additional financial information should be addressed to the CalPERS Fiscal Services Division, P.O. Box 942703, Sacramento, CA 94229-2703.

### Net Assets — Enterprise Funds

(Dollars in Thousands)

	HCF		CRF		LTCF		DCF	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Assets</b>								
Cash, Cash Equivalents, and Receivables	\$13,131	\$12,901	\$1,022	\$921	\$1,263	\$3,234	\$110	\$167
Investments	170,194	171,925	14,772	10,189	648,716	546,793	1,651	1,950
<b>Total Assets</b>	<b>\$183,325</b>	<b>\$184,826</b>	<b>\$15,794</b>	<b>\$11,110</b>	<b>\$649,979</b>	<b>\$550,027</b>	<b>\$1,761</b>	<b>\$2,117</b>
<b>Total Liabilities</b>	<b>\$177,592</b>	<b>\$158,165</b>	<b>\$4,977</b>	<b>\$2,938</b>	<b>\$768,679</b>	<b>\$533,466</b>	<b>\$1,576</b>	<b>\$1,263</b>
<b>Total Unrestricted Net Assets (Deficit)</b>	<b>\$5,733</b>	<b>\$26,661</b>	<b>\$10,817</b>	<b>\$8,172</b>	<b>(\$118,700)</b>	<b>\$16,561</b>	<b>\$185</b>	<b>\$854</b>

### Changes in Net Assets — Enterprise Funds

(Dollars in Thousands)

	HCF		CRF		LTCF		DCF	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Revenues</b>								
Self Insurance Premiums	\$569,751	\$461,207	\$ —	\$ —	\$168,625	\$152,423	\$ —	\$ —
Health Care Premiums Collected	653,858	542,960	1,483	825	—	—	—	—
Investment Income (Loss)	11,100	10,891	674	524	(37,802)	34,364	76	91
Administrative Fees and Other	164	135	11,140	12,253	—	—	1,396	1,312
<b>Total Revenues</b>	<b>\$1,234,873</b>	<b>\$1,015,193</b>	<b>\$13,297</b>	<b>\$13,602</b>	<b>\$130,823</b>	<b>\$186,787</b>	<b>\$1,472</b>	<b>\$1,403</b>
<b>Expenses</b>								
Claims Expense	\$550,964	\$489,120	\$ —	\$ —	\$18,090	\$10,682	\$ —	\$ —
Increase in Estimated Liabilities	9,799	18,828	—	—	232,532	215,962	—	—
Health Premiums Remitted	653,858	542,960	1,483	825	—	—	—	—
Administrative Expenses	41,180	35,780	9,169	8,520	15,462	11,893	2,141	1,594
<b>Total Expenses</b>	<b>\$1,255,801</b>	<b>\$1,086,688</b>	<b>\$10,652</b>	<b>\$9,345</b>	<b>\$266,084</b>	<b>\$238,537</b>	<b>\$2,141</b>	<b>\$1,594</b>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	<b>(\$20,928)</b>	<b>(\$71,495)</b>	<b>\$2,645</b>	<b>\$4,257</b>	<b>(\$135,261)</b>	<b>(\$51,750)</b>	<b>(\$669)</b>	<b>(\$191)</b>

## COMBINED STATEMENT OF FIDUCIARY NET ASSETS

As of June 30, 2001 (with Comparative Totals, as of June 30, 2000)

*(Dollars in Thousands)*

	Pension Trust Funds					
	PERF	LRF	JRF	JRF II	VFF	SPOFF
<b>Assets</b>						
<b>Cash &amp; Cash Equivalents</b>	<b>\$25,127</b>	<b>\$249</b>	<b>\$124</b>	<b>\$ —</b>	<b>\$16</b>	<b>\$1</b>
<b>Receivables</b>						
Member, Public Agency,						
State & School	\$1,271,908	\$6	\$3,020	\$1,543	\$276	\$ —
Investment Settlement & Other	1,331,957	—	—	—	—	—
Interest & Dividends	843,619	1	123	18	—	32
Due from Other Funds	11,085	—	—	—	—	—
<b>Total Receivables</b>	<b>\$3,458,569</b>	<b>\$7</b>	<b>\$3,143</b>	<b>\$1,561</b>	<b>\$276</b>	<b>\$32</b>
<b>Investments, at Fair Value</b>						
Short-Term Investments:						
Domestic	\$3,157,085	\$76	\$29,495	\$1,345	\$5	\$127
International	95,335	—	—	—	—	—
Securities Lending Collateral	14,307,037	—	—	—	—	—
Equity Securities:						
Domestic	63,077,631	42,376	—	19,624	1,351	75,078
International	27,700,413	13,763	—	9,790	—	—
Debt Securities:						
Domestic	36,965,019	82,814	—	19,989	807	—
International	5,035,864	—	—	—	—	—
Real Estate Equities	12,650,582	—	—	—	—	—
Alternative Investments	7,148,443	—	—	—	—	—
<b>Total Investments</b>	<b>\$170,137,409</b>	<b>\$139,029</b>	<b>\$29,495</b>	<b>\$50,748</b>	<b>\$2,163</b>	<b>\$75,205</b>
<b>Capital Assets, at Cost, Net of Accumulated</b>						
<b>Depreciation &amp; Other Assets</b>	<b>\$95,611</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Total Assets</b>	<b>\$173,716,716</b>	<b>\$139,285</b>	<b>\$32,762</b>	<b>\$52,309</b>	<b>\$2,455</b>	<b>\$75,238</b>
<b>Liabilities</b>						
Retirement & Other Benefits						
in Process of Payment	\$169,613	\$232	\$1	\$10	\$5	\$ —
Investment Settlement & Other	2,965,669	85	9	34	—	40
Estimated Insurance Claims						
Due to State of California						
& Public Agencies	—	—	—	—	—	—
Liabilities to Brokers for						
Securities Lending	14,307,037	—	—	—	—	—
Due to Other Funds	—	232	380	283	76	33
<b>Total Liabilities</b>	<b>\$17,442,319</b>	<b>\$549</b>	<b>\$390</b>	<b>\$327</b>	<b>\$81</b>	<b>\$73</b>
<b>Net Assets Held in Trust for</b>						
<b>Pension Benefits (see Required</b>						
<b>Supplemental Schedule of</b>						
<b>Funding Progress)</b>						
	<b>\$156,274,397</b>	<b>\$138,736</b>	<b>\$32,372</b>	<b>\$51,982</b>	<b>\$2,374</b>	<b>\$75,165</b>

**NOTE:**

The accompanying notes are an integral part of these financial statements.

## COMBINED STATEMENT OF FIDUCIARY NET ASSETS (continued)

As of June 30, 2001 (with Comparative Totals, as of June 30, 2000)

(Dollars in Thousands)

Pension Trust Funds			Agency Fund	Totals	
IRC 457	RBF	SCPF	OASI	2001	2000
\$ —	\$1	\$1	\$6,365	\$31,884	\$16,811
\$ —	\$ —	\$ —	\$ —	\$1,276,753	\$951,593
99	—	—	—	1,332,056	1,254,595
209	2	3	—	844,007	714,684
—	—	—	—	11,085	3,975
<b>\$308</b>	<b>\$2</b>	<b>\$3</b>	<b>\$ —</b>	<b>\$3,463,901</b>	<b>\$2,924,847</b>
\$42,439	\$85	\$281	\$ —	\$3,230,938	\$3,113,974
—	—	—	—	95,335	64,309
—	—	—	—	14,307,037	14,443,444
127,506	—	11,132	—	63,354,698	74,823,348
5,873	—	3,771	—	27,733,610	34,921,129
19,280	—	6,134	—	37,094,043	38,363,875
—	—	—	—	5,035,864	6,291,570
—	—	—	—	12,650,582	9,255,329
—	—	—	—	7,148,443	7,138,749
<b>\$195,098</b>	<b>\$85</b>	<b>\$21,318</b>	<b>\$ —</b>	<b>\$170,650,550</b>	<b>\$188,415,727</b>
\$ —	\$ —	\$ —	\$ —	\$95,611	\$80,733
<b>\$195,406</b>	<b>\$88</b>	<b>\$21,322</b>	<b>\$6,365</b>	<b>\$174,241,946</b>	<b>\$191,438,118</b>
\$ —	\$6	\$ —	\$ —	\$169,867	\$164,756
224	6	18	20	2,966,105	3,843,322
—	—	—	6,345	6,345	6,345
—	—	—	—	14,307,037	14,443,444
—	—	—	—	1,004	254
<b>\$224</b>	<b>\$12</b>	<b>\$18</b>	<b>\$6,365</b>	<b>\$17,450,358</b>	<b>\$18,458,121</b>
<b>\$195,182</b>	<b>\$76</b>	<b>\$21,304</b>	<b>\$ —</b>	<b>\$156,791,588</b>	<b>\$172,979,997</b>

**NOTE:**

The accompanying notes are an integral part of these financial statements.

# COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended June 30, 2001 (with Comparative Totals for the Year Ended June 30, 2000)

(Dollars in Thousands)

	Pension Trust Funds									Totals	
	PERF	LRF	JRF	JRF II	VFF	SPOFF	IRC 457	RBF	SCPF	2001	2000
<b>Additions</b>											
<b>Retirement Contributions</b>											
Members	\$1,766,256	\$33	\$11,377	\$4,197	\$ —	\$ —	\$67,385	\$ —	\$1,631	\$1,850,879	\$1,876,735
Employers	321,619	—	13,269	9,754	194	33,237	—	129	—	378,202	413,638
Appropriation from the State of California General Fund	—	—	77,750	—	—	—	—	—	—	77,750	61,250
<b>Total Retirement Contributions</b>	<b>\$2,087,875</b>	<b>\$33</b>	<b>\$102,396</b>	<b>\$13,951</b>	<b>\$194</b>	<b>\$33,237</b>	<b>\$67,385</b>	<b>\$129</b>	<b>\$1,631</b>	<b>\$2,306,831</b>	<b>\$2,351,623</b>
<b>Investment Income</b>											
Net (Depreciation)											
Appreciation in Fair Value of Investments	(\$17,715,081)	\$264	\$ —	(\$2,941)	(\$112)	(\$4,171)	(\$16,416)	\$ —	(\$2,137)	(\$17,740,594)	\$11,157,306
Interest, Dividends & Other Investment Income	6,435,960	17	3,755	78	1	100	897	4	545	6,441,357	5,946,642
Securities Lending Income	813,202	—	—	—	—	—	—	—	—	813,202	747,455
Less Investment Expenses:											
Costs of Lending											
Securities	(733,088)	—	—	—	—	—	—	—	—	(733,088)	(693,909)
Other	(1,056,815)	—	—	—	—	—	—	—	—	(1,056,815)	(547,954)
<b>Net Investment (Loss) Income</b>	<b>(\$12,255,822)</b>	<b>\$281</b>	<b>\$3,755</b>	<b>(\$2,863)</b>	<b>(\$111)</b>	<b>(\$4,071)</b>	<b>(\$15,519)</b>	<b>\$4</b>	<b>(\$1,592)</b>	<b>(\$12,275,938)</b>	<b>\$16,609,540</b>
<b>Other Income</b>	<b>\$7,481</b>	<b>\$ —</b>	<b>\$4,509</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$6</b>	<b>\$11,996</b>	<b>\$7,925</b>
<b>Total Additions</b>	<b>(\$10,160,466)</b>	<b>\$314</b>	<b>\$110,660</b>	<b>\$11,088</b>	<b>\$83</b>	<b>\$29,166</b>	<b>\$51,866</b>	<b>\$133</b>	<b>\$45</b>	<b>(\$9,957,111)</b>	<b>\$18,969,088</b>
<b>Deductions</b>											
Retirement, Death & Survivor Benefits	\$5,792,949	\$6,782	\$99,424	\$142	\$56	\$1,879	\$ —	\$145	\$ —	\$5,901,377	\$5,273,289
Refund of Contributions	128,866	169	—	34	—	—	—	—	—	129,069	140,830
Administrative Expenses	183,866	235	380	284	76	387	816	—	59	186,103	176,759
Participant Withdrawals	—	—	—	—	—	—	13,659	—	1,090	14,749	71,692
<b>Total Deductions</b>	<b>\$6,105,681</b>	<b>\$7,186</b>	<b>\$99,804</b>	<b>\$460</b>	<b>\$132</b>	<b>\$2,266</b>	<b>\$14,475</b>	<b>\$145</b>	<b>\$1,149</b>	<b>\$6,231,298</b>	<b>\$5,662,570</b>
<b>(Decrease) Increase in Net Assets</b>	<b>(\$16,266,147)</b>	<b>(\$6,872)</b>	<b>\$10,856</b>	<b>\$10,628</b>	<b>(\$49)</b>	<b>\$26,900</b>	<b>\$37,391</b>	<b>(\$12)</b>	<b>(\$1,104)</b>	<b>(\$16,188,409)</b>	<b>\$13,306,518</b>
<b>Net Assets Held in Trust for Pension Benefits</b>											
<b>Beginning of Year</b>	<b>\$172,540,544</b>	<b>\$145,608</b>	<b>\$21,516</b>	<b>\$41,354</b>	<b>\$2,423</b>	<b>\$48,265</b>	<b>\$157,791</b>	<b>\$88</b>	<b>\$22,408</b>	<b>\$172,979,997</b>	<b>\$159,673,479</b>
<b>End of Year</b>	<b>\$156,274,397</b>	<b>\$138,736</b>	<b>\$32,372</b>	<b>\$51,982</b>	<b>\$2,374</b>	<b>\$75,165</b>	<b>\$195,182</b>	<b>\$76</b>	<b>\$21,304</b>	<b>\$156,791,588</b>	<b>\$172,979,997</b>

**NOTE:**

The accompanying notes are an integral part of these financial statements.

## COMBINED STATEMENT OF NET ASSETS—PROPRIETARY FUNDS

As of June 30, 2001 (with Comparative Totals, as of June 30, 2000)

(Dollars in Thousands)

	Enterprise Funds				Totals	
	HCF	CRF	LTCF	DCF	2001	2000
<b>Assets</b>						
<b>Current Assets</b>						
<b>Cash &amp; Cash Equivalents</b>	<b>\$783</b>	<b>\$234</b>	<b>\$599</b>	<b>\$ —</b>	<b>\$1,616</b>	<b>\$3,018</b>
<b>Receivables</b>						
Member, Public Agency, State & School	9,324	—	651	—	9,975	10,484
Interest & Dividends	3,024	49	13	5	3,091	2,800
Due from Other Funds	—	739	—	—	739	340
Other	—	—	—	105	105	581
<b>Total Receivables</b>	<b>\$12,348</b>	<b>\$788</b>	<b>\$664</b>	<b>\$110</b>	<b>\$13,910</b>	<b>\$14,205</b>
<b>Investments, at Fair Value</b>						
Short-Term Investments:						
Domestic	\$130,403	\$14,772	\$56	\$1,651	\$146,882	\$77,052
Equity Securities:						
Domestic	—	—	337,240	—	337,240	283,805
International	—	—	66,270	—	66,270	57,049
Debt Securities:						
Domestic	39,791	—	245,150	—	284,941	312,951
<b>Total Investments</b>	<b>\$170,194</b>	<b>\$14,772</b>	<b>\$648,716</b>	<b>\$1,651</b>	<b>\$835,333</b>	<b>\$730,857</b>
<b>Total Assets</b>	<b>\$183,325</b>	<b>\$15,794</b>	<b>\$649,979</b>	<b>\$1,761</b>	<b>\$850,859</b>	<b>\$748,080</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Insurance Premiums & Claims						
in Process of Payment	\$69,427	\$ —	\$67	\$ —	\$69,494	\$60,243
Estimated Insurance Claims						
Due to the State & Public Agencies	103,871	—	—	—	103,871	94,072
Due to Other Funds	3,665	4,538	1,486	1,131	10,820	4,061
Other	629	439	6,685	445	8,198	9,547
<b>Total Current Liabilities</b>	<b>\$177,592</b>	<b>\$4,977</b>	<b>\$8,238</b>	<b>\$1,576</b>	<b>\$192,383</b>	<b>\$167,923</b>
<b>Long-Term Liabilities</b>						
Estimated Liability for Future						
Policy Benefits	\$ —	\$ —	\$760,441	\$ —	\$760,441	\$527,909
<b>Total Long-Term Liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$760,441</b>	<b>\$ —</b>	<b>\$760,441</b>	<b>\$527,909</b>
<b>Total Liabilities</b>	<b>\$177,592</b>	<b>\$4,977</b>	<b>\$768,679</b>	<b>\$1,576</b>	<b>\$952,824</b>	<b>\$695,832</b>
<b>Total Unrestricted Net Assets (Deficit)</b>	<b>\$5,733</b>	<b>\$10,817</b>	<b>(\$118,700)</b>	<b>\$185</b>	<b>(\$101,965)</b>	<b>\$52,248</b>

**NOTE:**

The accompanying notes are an integral part of these financial statements.

# COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS—PROPRIETARY FUNDS

For the Year Ended June 30, 2001 (with Comparative Totals for the Year Ended June 30, 2000)

(Dollars in Thousands)

	Enterprise Funds				Totals	
	HCF	CRF	LTCF	DCF	2001	2000
<b>Operating Revenues</b>						
Self-Insurance Premiums	\$569,751	\$ —	\$168,625	\$ —	\$738,376	\$613,630
Health Care Premiums Collected	653,858	1,483	—	—	655,341	543,785
Other	164	11,140	—	1,396	12,700	13,700
<b>Total Operating Revenues</b>	<b>\$1,223,773</b>	<b>\$12,623</b>	<b>\$168,625</b>	<b>\$1,396</b>	<b>\$1,406,417</b>	<b>\$1,171,115</b>
<b>Operating Expenses</b>						
Claims Expense	\$550,964	\$ —	\$18,090	\$ —	\$569,054	\$499,802
Increase in Estimated Liabilities	9,799	—	232,532	—	242,331	234,790
Health Care Premiums Remitted to Insurance Carriers	653,858	1,483	—	—	655,341	543,785
Administrative Expenses	41,180	9,169	15,462	2,141	67,952	57,787
<b>Total Operating Expenses</b>	<b>\$1,255,801</b>	<b>\$10,652</b>	<b>\$266,084</b>	<b>\$2,141</b>	<b>\$1,534,678</b>	<b>\$1,336,164</b>
<b>Operating (Loss) Income</b>	<b>(\$32,028)</b>	<b>\$1,971</b>	<b>(\$97,459)</b>	<b>(\$745)</b>	<b>(\$128,261)</b>	<b>(\$165,049)</b>
<b>Non-Operating Revenues</b>						
Net Appreciation (Depreciation) in Fair Value of Investments	\$1,356	\$ —	(\$38,652)	\$ —	(\$37,296)	\$32,237
Interest, Dividends & Other Investment Income	9,744	674	850	76	11,344	13,633
<b>Total Non-Operating Revenues</b>	<b>\$11,100</b>	<b>\$674</b>	<b>(\$37,802)</b>	<b>\$76</b>	<b>(\$25,952)</b>	<b>\$45,870</b>
<b>Changes in Unrestricted Net Assets</b>	<b>(\$20,928)</b>	<b>\$2,645</b>	<b>(\$135,261)</b>	<b>(\$669)</b>	<b>(\$154,213)</b>	<b>(\$119,179)</b>
<b>Total Unrestricted Net Assets (Deficit)</b>						
<b>Beginning of Year</b>	<b>\$26,661</b>	<b>\$8,172</b>	<b>\$16,561</b>	<b>\$854</b>	<b>\$52,248</b>	<b>\$171,427</b>
<b>End of Year</b>	<b>\$5,733</b>	<b>\$10,817</b>	<b>(\$118,700)</b>	<b>\$185</b>	<b>(\$101,965)</b>	<b>\$52,248</b>

**NOTE:**

The accompanying notes are an integral part of these financial statements.

## COMBINED STATEMENT OF CASH FLOWS—PROPRIETARY FUNDS

For the Year Ended June 30, 2001 (with Comparative Totals for the Year Ended June 30, 2000)

*(Dollars in Thousands)*

	Enterprise Funds				Totals	
	HCF	CRF	LTCF	DCF	2001	2000
<b>Cash Flows From Operating Activities</b>						
Self-Insurance Premiums Collected	\$570,200	\$ —	\$168,685	\$ —	\$738,885	\$608,531
Health Care Premiums Collected	653,858	1,483	—	—	655,341	543,785
Claims Paid	(541,440)	—	(18,363)	—	(559,803)	(483,374)
Health Care Premiums Remitted	(653,858)	(1,483)	—	—	(655,341)	(543,785)
Other Receipts (Payments)	(40,764)	3,601	(12,182)	(420)	(49,765)	(46,903)
<b>Net Cash (Used) Provided by Operating Activities</b>	<b>(\$12,004)</b>	<b>\$3,601</b>	<b>\$138,140</b>	<b>(\$420)</b>	<b>\$129,317</b>	<b>\$78,254</b>
<b>Cash Flows From Investing Activities</b>						
Proceeds from Sales of Investments	\$68,627	\$ —	\$ —	\$ —	\$68,627	\$67,418
Purchases of Investments	—	—	(140,569)	—	(140,569)	(142,329)
Net Change in Short-Term Investments	(65,540)	(4,583)	(6)	299	(69,830)	(19,663)
Interest and Dividends Received	9,393	683	856	121	11,053	13,750
<b>Net Cash (Used) Provided by Investing Activities</b>	<b>\$12,480</b>	<b>(\$3,900)</b>	<b>(\$139,719)</b>	<b>\$420</b>	<b>(\$130,719)</b>	<b>(\$80,824)</b>
Net Increase (Decrease) in Cash & Cash Equivalents	\$476	(\$299)	(\$1,579)	\$ —	(\$1,402)	(\$2,570)
<b>Cash &amp; Cash Equivalents, July 1</b>	<b>\$307</b>	<b>\$533</b>	<b>\$2,178</b>	<b>\$ —</b>	<b>\$3,018</b>	<b>\$5,588</b>
<b>Cash &amp; Cash Equivalents, June 30</b>	<b>\$783</b>	<b>\$234</b>	<b>\$599</b>	<b>\$ —</b>	<b>\$1,616</b>	<b>\$3,018</b>
<b>Reconciliation of Operating (Loss) Income to Net Cash Provided (Used) by Operating Activities:</b>						
Operating (Loss) Income	(\$32,028)	\$1,971	(\$97,459)	(\$745)	(\$128,261)	(\$165,049)
Changes in Assets and Liabilities:						
Receivables:						
Member, Public Agency, State & School	449	—	60	—	509	(5,097)
Due from Other Funds	10	(409)	—	—	(399)	(70)
Other	138	—	326	12	476	273
Insurance Premiums and Claims in Process of Payment	9,524	—	(273)	—	9,251	16,428
Estimated Insurance Claims Due to Health Care Providers	9,799	—	—	—	9,799	18,829
Liability for Future Policy Benefits Due to Other Funds	3,332	1,840	1,382	205	6,759	(3,786)
Other	(3,228)	199	1,572	108	(1,349)	764
<b>Net Cash (Used) Provided by Operating Activities</b>	<b>(\$12,004)</b>	<b>\$3,601</b>	<b>\$138,140</b>	<b>(\$420)</b>	<b>\$129,317</b>	<b>\$78,254</b>

**NOTE:**

The accompanying notes are an integral part of these financial statements.



# NOTES TO THE BASIC FINANCIAL STATEMENTS

## 1. General Description of the Plan

### ***General***

The State Employees' Retirement System, the predecessor to the Public Employees' Retirement System of the State of California (CalPERS), was created after voters approved a constitutional amendment authorizing legislation to establish a pension system for State employees. Such legislation became effective January 1, 1932. CalPERS has expanded to include, among others, employees of local agencies which elect to participate in the System. The Board of Administration (Board) of CalPERS administers a total of 14 funds, including five defined benefit retirement plans: the Public Employees' Retirement Fund (PERF), the Legislators' Retirement Fund (LRF), the Judges' Retirement Fund (JRF), the Judges' Retirement Fund II (JRF II), and the Volunteer Firefighters' Length of Service Award Fund (VFF). The CalPERS Board administers four defined contribution retirement plans: the State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF), the Public Agency Deferred Compensation Program (IRC 457), the Replacement Benefit Fund (RBF), and the Supplemental Contributions Program Fund (SCPF); two health care plans; the Public Employees' Health Care Fund (HCF); the Public Employees' Contingency Reserve Fund (CRF); and three other plans: the Public Employees' Long-Term Care Fund (LTCF), the Public Employees' Deferred Compensation Fund (DCF), and the Old Age & Survivors' Insurance Revolving Fund (OASI).

### ***Reporting Entity***

The basic financial statements of CalPERS include fund financial statements reporting the financial activities of all of the above funds and assets under trust. The CalPERS Board of Administration has plenary authority and fiduciary responsibility for the investment of monies and the administration of the System pursuant to the State Constitution, Article XVI, Section 17. CalPERS is a unit of the State of California State and Consumer Services Agency;

however, CalPERS is not subject to administrative direction by any department, commission, board, bureau, or agency of the State. As such, CalPERS is classified as a component unit of the State of California for financial reporting purposes, in accordance with the provisions of Governmental Accounting Standards Board Statement No. 14.

CalPERS financial statements are included in fiduciary and proprietary funds in the State of California Comprehensive Annual Financial Report.

### ***Defined Benefit Pension Plans***

The PERF, LRF, JRF, and JRF II are defined benefit pension plans which provide benefits based on members' years of service, age, final compensation, and benefit formula. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. California Government Code Section 50951 created the VFF as an award system that provides benefits based on members' years of service and age. VFF enrollment, receipt of an award, and service credit shall not be construed as a retirement, retirement allowance or benefit, or as retirement system service credit, respectively. However, for financial statement purposes, the VFF is classified as a defined benefit pension plan in accordance with generally accepted accounting principles.

The State of California and 1,411 public agencies and schools (representing more than 2,400 entities) contribute to the PERF, JRF, and JRF II, which are agent multi-employer defined benefit pension plans. CalPERS acts as the common investment and administrative agent for the member agencies, including schools (for classified employees). The LRF is a single-employer defined benefit pension plan for the State of California. The VFF is an agent multi-employer defined benefit pension plan with 57 participating fire departments. The VFF provides

## NOTES TO THE BASIC FINANCIAL STATEMENTS

cities, counties, or districts that have fire departments with volunteer firefighting members the opportunity to offer such members an award for lifelong and faithful volunteer service.

Members of the PERF, LRF, JRF, and JRF II become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier

members) of credited service. VFF members become vested after 10 years of credited service and are eligible to receive an award payment at age 60.

The PERF was established in 1932, the LRF in 1947, the JRF in 1937, JRF II in 1994, and the VFF in 1980.

The number of affiliated employers for the PERF, LRF, JRF, JRF II, and VFF are as follows:

	<u>2001</u>	<u>2000</u>
<b>Public Employees' Retirement Fund</b>		
State	1	1
School	61	61
Public Agency	1,350	1,333
<b>Total Employers—Public Employees' Retirement Fund</b>	<b>1,412</b>	<b>1,395</b>
<b>Legislators' Retirement Fund</b>	<b>1</b>	<b>1</b>
<b>Judges' Retirement Fund</b>	<b>59</b>	<b>59</b>
<b>Judges' Retirement Fund II</b>	<b>59</b>	<b>59</b>
<b>Volunteer Firefighters' Award Fund</b>	<b>57</b>	<b>57</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

As of June 30, 2001 and 2000, benefit recipients and members in the PERF, LRF, JRF, JRF II, and VFF consisted of the following:

	2001								
	PERF			Total PERF	LRF	JRF	JRF II	VFF	Total
	State	School	Public Agency						
Retirees	116,143	94,934	103,689	314,766	160	948	—	55	315,929
Survivors & Beneficiaries	22,482	15,297	16,733	54,512	112	501	1	—	55,126
Members:									
Active	235,272	280,955	235,853	752,080	28	1,062	462	3,000	756,632
Inactive	61,502	56,205	46,845	164,552	40	102	—	—	164,694
<b>Total</b>	<b>435,399</b>	<b>447,391</b>	<b>403,120</b>	<b>1,285,910</b>	<b>340</b>	<b>2,613</b>	<b>463</b>	<b>3,055</b>	<b>1,292,381</b>

	2000								
	PERF			Total PERF	LRF	JRF	JRF II	VFF	Total
	State	School	Public Agency						
Retirees	111,415	92,047	99,839	303,301	164	926	—	37	304,428
Survivors & Beneficiaries	21,746	14,665	15,978	52,389	101	483	2	—	52,975
Members:									
Active	226,000	265,794	223,311	715,105	34	1,157	353	2,907	719,556
Inactive	56,272	51,068	41,336	148,676	46	84	—	—	148,806
<b>Total</b>	<b>415,433</b>	<b>423,574</b>	<b>380,464</b>	<b>1,219,471</b>	<b>345</b>	<b>2,650</b>	<b>355</b>	<b>2,944</b>	<b>1,225,765</b>

The membership consists of the following categories:

### **PERF**

- **Safety**—includes California Highway Patrol, peace officers, firefighters, and other employees whose principal duties are in active law enforcement or fire prevention and suppression work, or who occupy positions designated by law as safety member positions.

- **Schools**—includes non-teaching, non-certificated school employees.
- **State Industrial**—includes all employees of the Department of Corrections and the California Youth Authority who are not safety members.
- **General**—includes all other members, defined by statute as “miscellaneous” members.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### ***LRF***

- State Legislators
- Constitutional Officers
- Legislative Statutory Officers

### ***JRF***

- *Justices*—includes Supreme Court, Courts of Appeal, Superior Courts, Municipal Courts, and Justice Courts appointed or elected prior to November 9, 1994.

### ***JRF II***

- *Justices*—includes Supreme Court, Courts of Appeal, Superior Courts, Municipal Courts, and Justice Courts appointed or elected on or subsequent to November 9, 1994.

### ***VFF***

- Volunteer Firefighters

### ***Financing***

The benefits for the PERF, LRF, JRF, and JRF II are funded by contributions from members and employers, and earnings from investments. The benefits for the VFF are funded solely by contributions from employers and earnings from investments. Member and employer contributions for the PERF, LRF, JRF, and JRF II are a percentage of applicable member compensation. Member contribution rates for the PERF, LRF, JRF, and JRF II are defined by law and depend on the respective employer's benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by State statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions, including lump-sum contributions made when agencies first join the Public Employees' Retirement Fund, are credited with a market value adjustment in determining contribution rates.

The required contribution rates of active plan members are based on a percentage of salary over a base compensation amount ranging from \$133 to \$863 monthly. For the fiscal year ended June 30, 2001, the required contribution rates for active plan members are as follows:

### ***PERF***

State Employees:	
Miscellaneous & Industrial	5% or 6%
Miscellaneous & Industrial —Second Tier	0%
Safety	6% or 8%
California Highway Patrol	8%
Classified School Employees	7%
Public Agency Employees	7% to 9%
Peace Officers & Firefighters	8%

<b><i>LRF</i></b>	0%
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<b><i>JRF</i></b>	8%
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<b><i>JRF II</i></b>	8%
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<b><i>VFF</i></b>	Non-Contributory
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These contributions are deposited in a fund established for each entity for the purpose of creating actuarial reserves for future benefits.

All employees who work on a half-time basis or more are eligible to participate in the retirement plans. CalPERS administers several different retirement plans, each providing a monthly allowance based on age, years of credited service, the benefit formula, and highest average compensation over an established period of one year to three years. However, for the VFF, highest average compensation is not a consideration in determining a monthly allowance. All plans, except the VFF, provide death and disability benefits. Within the PERF, the benefit provisions for the State and school employees are established by statute. The benefits for the public agencies are established by contract with the System in accordance with the provisions of the Public Employees' Retirement Law. The benefits for the LRF are established in accordance with the provisions of the Legislators' Retirement Law. The benefits for the JRF are established in accordance with the provisions of the Judges' Retirement Law. The benefits for the JRF II are established in accordance with the provisions of the Judges' Retirement System II Law. The benefits for the VFF are established in accordance with the provisions of the Volunteer Firefighters' Length of Service Award Act.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

In November 1990 the voters added Article IV, Section 4.5 to the State Constitution by adopting Proposition 140. This section effectively prohibited current and future legislators from earning State retirement benefits for service in the Legislature on or after November 7, 1990, though it recognized vested pension benefits that had accrued before that date.

The California Supreme Court held in the case of *Legislature v. Eu* (1991) that the portion of Proposition 140 limiting accrual of additional pension rights for incumbents was unconstitutional. Thus, the court permitted incumbent legislators who were in office on November 1, 1990 to continue to accrue retirement benefits during legislative service after that date. The affected members may continue to make retroactive contributions until the prior allowable contribution levels have been attained and have made such retroactive contributions during fiscal years 1992-2001. The State is required to contribute the corresponding retroactive amount.

Due to the effects of Proposition 140, the Legislators' Retirement Fund is in transition. The number of legislators eligible to participate in the LRF is declining as incumbent legislators leave office and are replaced by new legislators who are not eligible to participate in the program. Eventually, the only active members in the Fund will be approximately 16 constitutional officers (including the Insurance Commissioner and members of the Board of Equalization) and approximately four legislative statutory officers.

Costs of administering the Funds are financed through the contributions and investment earnings of the Funds.

In September 1999, Senate Bill 400 (S.B. 400), Chapter 555 of the 1999 Statutes, was signed into law by the Governor. S.B. 400, which became effective January 1, 2000, revises the statutes guiding the administration of the PERF and provides for enhanced benefits for State and school members of the PERF. Benefit enhancements include increased benefits for active State and school members, various one-time cost-of-living adjustments to State and school retirees, and the opportunity for State Second Tier PERF members to elect participation in the First Tier. The enactment of S.B. 400 increased the actuarial present value of benefits to be paid by the PERF by approximately \$9 billion.

Management believes that the assets available on an actuarial basis will be sufficient to fund these benefit enhancements, thereby mitigating the impact upon employer contributions.

### ***Termination***

Upon separation from the retirement plans, members' accumulated employee contributions are refundable with interest credited through the date of refund, as required by applicable laws. Withdrawal of such accumulated contributions results in forfeiture of the related vested benefits.

In the event that public agencies elect to terminate their contracts with the retirement plans, accumulated member and employer contributions, interest, and the related liability for benefits may be transferred to the employers. If amounts are not transferred to the employer, sufficient assets required to cover the related liability for benefits are retained in the retirement plans. Excess assets above those required, if any, are returned to the employer.

### ***Defined Contribution Plans***

**The State Peace Officers' and Firefighters' Defined Contribution Plan Fund (SPOFF)** is a defined contribution pension plan established in 1998 by Chapter 820 of the 1998 Statutes. The plan is a qualified money purchase pension plan under Section 401(a) of Title 26 of the Internal Revenue Code, and is intended to supplement the retirement benefits provided by the PERF to correctional officers employed by the State of California in Bargaining Unit 6.

Contributions to the plan are funded entirely by the employer, with a contribution rate of 2 percent of the employee's base pay, not to exceed contribution limits established by the Internal Revenue Code. Contribution requirements are established and may be amended through a memorandum of understanding from the State of California Department of Personnel Administration. These contributions, as well as the participant's share of the net earnings of the Fund, are credited to the participant's account.

The net earnings of the Fund are allocated to the participant's account as of each valuation date, in the ratio that the participant's account balance bears to the

## NOTES TO THE BASIC FINANCIAL STATEMENTS

aggregate of all participants' account balances. The benefit paid to participants will depend only on the amount contributed to participant's account and earnings on the value of the participant's account. Plan provisions are established and may be amended by statute. At June 30, 2001 and 2000, there were 32,358 and 31,838 participants, respectively.

**The Public Agency Deferred Compensation Program (IRC 457)** is an Internal Revenue Code Section 457(g) defined contribution plan administered by State Street Bank & Trust Company (acting as an agent of CalPERS) to provide benefits at retirement to State of California public agency employees. Plan participation is voluntary to employees of participating State of California public agencies, and contributions are separate from the defined benefit contributions made to CalPERS.

Members may contribute up to 25 percent of covered salary, to a maximum contribution of \$8,500 for the fiscal year ended June 30, 2001. The contribution requirements are established under the Internal Revenue Code. At June 30, 2001 and 2000, there were 10,472 and 7,623 participants, respectively, with account balances.

Members of the plan are allowed to change their contribution amount, transfer account balances among 13 investment options, or change the contribution percentages designated to each option on a daily basis. The 13 investment options are: Money Market Fund, Stable Fixed Income Fund, Bond Fund, S&P 500 Equity Index Fund, Active Large Cap Equity Fund, Russell 2000 Index Fund, Active Small Cap Equity Fund, International Equity Fund, Conservative Allocation Fund, Moderate Allocation Fund, Aggressive Allocation Fund, Certificate of Deposit, and the Self-Managed Options. Members may access their funds upon retirement, separation from employment, or other distributions as allowed under the Internal Revenue Code. The CalPERS Board of Administration has authorization under the Government Code of the State of California to establish Plan provisions.

**The Replacement Benefit Fund (RBF)** was established by Chapter 938 of the 1995 Statutes and initially funded in 1998 to provide benefits to members of the PERF whose retirement benefit exceeds Internal

Revenue Code Section 415(b) limits. IRC Section 415(b) imposes a dollar limit on the annual retirement benefits an individual may receive from a qualified defined benefit pension plan.

The RBF is funded on a "pay-as-you-go" basis. That is, money collected from an employer during any calendar year must be paid to the retiree during that same year. Employer contributions must be in amounts "equivalent to" the benefits not paid as a result of the limitations of IRC Section 415(b). CalPERS calculates the member's retirement allowance based on the member's choice of retirement option. CalPERS also is responsible for calculating the applicable dollar limit under IRC Section 415(b), and setting the employer rates. At June 30, 2001 and 2000, there were six and seven retirees, respectively, in the RBF.

**The Supplemental Contributions Program Fund (SCPF)** was established January 1, 2000 by Chapter 307 of the 1999 Statutes, as a separate trust fund for the Supplemental Contributions Program (Program), a defined contribution plan that provides supplemental benefits at retirement to members of CalPERS. The Program is a qualified plan under Section 401(a) of Title 26 of the United States Code, administered by CalPERS.

Currently, the Program is available only to State of California employees who are members of CalPERS. The Program is entirely member funded, and participation is voluntary. Participant contributions are made on an after-tax basis and are separate from the defined benefit contributions made to CalPERS. Participants may be able to contribute to a deferred compensation or 401(k) plan in conjunction with the Program, if the participant remains within the Internal Revenue Code Section 415(c) limits. Distributions are allowed only at retirement or permanent separation from employment. The CalPERS Board of Administration has authorization under the Government Code of the State of California to establish Plan provisions. At June 30, 2001 and 2000, there were 1,199 and 1,203 participants in the SCPF, respectively.

Prior to the establishment of the SCPF, the assets, liabilities, and changes in net assets of the Program were reported in the PERF.



## NOTES TO THE BASIC FINANCIAL STATEMENTS

### *Other Funds Administered by CalPERS*

**The Old Age & Survivors' Insurance Revolving Fund (OASI)** was established to consolidate the collection and payment for California public agencies of employee and employer contributions under the provisions of the federal Social Security regulations.

Federal legislation was enacted on October 21, 1986, which requires direct remittance of Social Security contributions by individual public agencies and eliminates the intermediary collection and remittance of such contributions by individual public agencies and by State Social Security agencies, such as the OASI. As such, effective January 1, 1987, the OASI stopped receiving contributions from public agencies. The OASI has continued to operate in an agency capacity during the transition period. During the transition period, the OASI functions as an intermediary in the reconciliation of prior year payroll reporting with the federal government. As reconciliations are completed, amounts will be collected and remitted to the federal government or returned to local governments as refunds. If any liabilities are owed which the OASI cannot collect, the State of California or the appropriate public agency is responsible for payment.

**The Public Employees' Health Care Fund (HCF)** was established under the Public Employees' Medical and Hospital Care Act (PEMHCA) as of July 1, 1988. The self-funded plans, PERS Choice and PERSCare, are risk pools available to all entities that contract for health insurance coverage under PEMHCA. PERS Choice and PERSCare retain all the risk of loss of allowable health claims. Fund members are not subject to a supplemental assessment in the event of deficiencies. Premium rates for PERS Choice and PERSCare are set by the Board based on a trend analysis of the historic cost, utilization, demographics, and administrative expenses of the HCF to provide for the claims incurred and the actuarially determined required level of reserves.

PERS Choice and PERSCare rely on operating cash flows and investment income to fund health benefit payments. During the 2001 fiscal year, the Board

increased member premiums and modified the plans' benefit structures to mitigate against increasing costs associated with rapid enrollment growth, increases in provider pricing, and increased benefit utilization. Management believes that the current sources of funding for PERS Choice and PERSCare will be adequate to provide for benefits of the plans.

PERS Choice and PERSCare provide a Basic health plan for active employees and retirees not eligible for both Parts A and B of Medicare and a supplemental plan for members who are eligible for Parts A and B of Medicare.

Public agencies participating in PERS Choice and PERSCare are required to make periodic premium payments based on rates as established by the Health Benefit Services Division of CalPERS. Plan members pay the difference between the premium rate and the employers' contribution. Administrative costs are financed by administrative fees billed to public agencies and through investment earnings.

Public agency employers whose employees do not elect PERS Choice and PERSCare submit the provider-determined, Board-approved premiums to the HCF which, in turn, submits the premiums to the respective provider.

At June 30, 2001 and 2000, 1,433 and 1,341 entities, respectively, participated in health insurance coverage under PEMHCA, including the self-funded plans in the following categories:

- public agency employees, annuitants, and their families;
- State and enrolled employees, annuitants, and their families;
- municipal, superior and appellate court judges, annuitants, and their families; and
- legislators, annuitants, and their families.

PEMHCA establishes eligibility rules for the following:

- retirees and beneficiaries receiving health care benefits;
- terminated plan members entitled to but not yet receiving benefits; and
- active plan members.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**The Public Employees' Contingency Reserve Fund (CRF)** was established in 1962, with the passage of PEMHCA, to fund administrative costs related to the PEMHCA program and as a contingency reserve for such items as increases in future rates or in future benefits. PEMHCA was expanded to include local public agency employees on a contract basis in 1967. The CRF is reimbursed by the State and contracting public agencies for costs incurred from administering the program.

Administrative costs include direct costs of the program and a proportionate share of indirect costs allocated to the CRF by the PERF. The administrative allocation rate is determined as a percentage of insurance premiums paid by the employers. The administrative allocation rate for the year ended June 30, 2001 and 2000 was 0.5 percent. Contribution rates are reviewed annually and are adjusted, if needed, to cover budgeted administrative costs.

The CRF also collects health care premiums from annuitants whose retirement allowances are not sufficient to pay their total contributions for the health care plans in which they are enrolled. The CRF remits these amounts to the Public Employees' Retirement Fund, which pays the appropriate health care plan.

**The Public Employees' Long-Term Care Fund (LTCF)** began providing self-insured long-term care plans in 1995. The LTCF operates by providing long-term care coverage to enrolled members under the Public Employees' Long-Term Care Act (PERL, Article 8). The Fund contracts with a third party to administer the program. Long-term care coverage is offered to all public employees (active or retired), their spouses, parents, and parents-in-law. The LTCF is a member-paid program with no contributions from employers. Premium rates are recommended to the Board by the program actuary and are set by the Board. Prospective enrollees apply directly to the program for long-term care coverage. Twenty plan options are offered to eligible participants.

As of June 30, 2001, there are 147,169 enrollees and 1,199 participants receiving benefits. As of June 30, 2000, there were 130,081 enrollees and 843 participants receiving benefits.

**The Public Employees' Retirement System Deferred Compensation Fund (DCF)** accounts for fees earned by CalPERS for managing investments. Fees include: 1) management fees CalPERS has received under a contract with the State of California Department of Personnel Administration, sponsor of the State of California Savings Plus Program, for managing three investment portfolios; and 2) management fees CalPERS has received under contracts with various State of California public agencies for managing 13 investment portfolios of the Public Agency Deferred Compensation Program (IRC 457). The DCF was established by Chapter 1659 of the 1990 Statutes, which added Government Code Sections 21420-21429. Operation and initial funding of the DCF commenced July 1991. Administrative expenses incurred by the DCF represent the reimbursement to the PERF of actual administrative expenses incurred by the PERF on behalf of the DCF. Financial statements for the three portfolios managed by CalPERS for the State of California Savings Plus Program may be obtained by contacting CalPERS.

## 2. Summary of Significant Accounting Policies

### *Measurement Focus, Basis of Accounting, and Basis of Presentation*

The accounts of CalPERS are organized and operated on the basis of funds. CalPERS has the following fund types at June 30, 2001.

*Fiduciary funds*, including pension trust and agency funds, account for assets held by the government in a trustee capacity or as an agent on behalf of others. The pension trust funds (PERF, LRF, JRF, JRF II, VFF, SPOFF, IRC 457, RBF, and SCPF) are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Member contributions for the PERF, LRF, JRF, and JRF II are recognized in the period in which the contributions are due. Employer contributions for the PERF, LRF, JRF, JRF II, SPOFF, and RBF are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits under the defined benefit plans and refunds are recognized when due and payable in accordance with the terms of each plan. The



## NOTES TO THE BASIC FINANCIAL STATEMENTS

agency fund (OASI) is custodial in nature and does not measure the results of operations. Assets and liabilities are recorded using the accrual basis of accounting.

*Proprietary funds*, including enterprise funds (LTCF, DCF, HCF, and CRF) are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. CalPERS applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations, unless they conflict with or contradict GASB pronouncements.

Operating revenues and expenses are distinguished from nonoperating items and generally result from providing services in connection with ongoing operations. The principal operating revenues of the HCF, CRF, LTCF, and DCF are derived from self-insurance premiums and providing administrative services. Operating expenses include the cost of claims and related administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

### ***New Accounting Pronouncement***

In June 1999 the GASB issued Statement No. 34, *Basic Financial Statements—Management’s Discussion and Analysis—for State and Local Governments* (GASB 34). In June 2001 the GASB issued Statement No. 37, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments: Omnibus*, which amended certain provisions of GASB 34. Although not required to implement GASB 34 until fiscal year 2002, CalPERS elected to adopt the new pronouncement, as amended, for the year ended June 30, 2001. The adoption of GASB 34 required CalPERS to make several changes to the presentation of its basic financial statements, in addition to requiring the presentation of CalPERS Management’s Discussion and Analysis (MD&A). The MD&A is considered to be required supplementary information and precedes the financial statements.

To conform to the requirements of GASB 34, several changes have been made to CalPERS basic financial statements:

- The Combined Statement of Net Assets—Proprietary funds (formerly Combined Balance Sheets) has been modified to report current and noncurrent asset and liability classifications;
- Proprietary funds’ retained earnings have been reclassified as unrestricted net assets; and
- The Statement of Cash Flows—Proprietary funds has been presented using the direct method.

The adoption of GASB 34 did not have an impact on the net assets of CalPERS funds.

### ***Investments***

As a result of Proposition 162 (State Constitution, Article XVI, Section 17), the CalPERS Board of Administration has plenary authority and fiduciary responsibility for the investment of monies. CalPERS invests in stocks, bonds, mortgages, real estate, alternative, and other investments. Alternative investments include two components: direct investments and partnerships. CalPERS maintains certain deposits, cash equivalents, and other investments with financial institutions.

All investments are reported at fair value. The fair values of investments in securities are generally based on published market prices and quotations from major investment firms. Many factors are considered in arriving at fair value. In general, corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Investments in certain restricted common stocks are valued at the quoted market price of the issuer’s unrestricted common stock, less an appropriate discount. Investments held in internal investment pools have been reported at fair value.

Mortgages are valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar instruments. The fair value of real estate investments, principally rental property subject to long-term net leases, is estimated based on independent appraisals. Short-term investments are reported at market value, when available, or at cost plus

## NOTES TO THE BASIC FINANCIAL STATEMENTS

accrued interest, which approximates market value when market values are not available. For investments where no readily ascertainable market value exists, management, in consultation with their investment advisors, has determined the fair values for the individual investments.

There are certain market risks, credit risks, liquidity risks, foreign currency exchange risks, and event risks which may subject CalPERS to economic changes occurring in certain industries, sectors, or geographies.

### ***Derivatives***

Under the State Constitution and statutory provisions governing CalPERS investment authority, CalPERS, through its outside investment managers, holds investments in futures and options and enters into forward foreign currency exchange contracts. Futures and options of approximately \$143,775,000 and \$1,024,000 are held for investment purposes at June 30, 2001 and 2000, respectively. Gains and losses on futures and options are determined based upon quoted market values and recorded in the statement of changes in net assets.

Forward foreign currency exchange contracts are used primarily to hedge against changes in exchange rates related to foreign securities. At June 30, 2001 and 2000, CalPERS has approximately \$142,309,000 and \$228,000 net exposure to loss from forward foreign currency exchange transactions related to the approximately \$33 billion and \$41 billion international debt and equity portfolios, respectively.

CalPERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. CalPERS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. CalPERS anticipates that the counterparties will be able to satisfy their obligations under the contracts.

### ***Capital Assets***

Capital assets are defined by CalPERS as assets with an initial individual cost of \$5,000 or more, and an estimated useful life in excess of one year.

Capital assets held by the PERF, consisting of buildings, furniture, and equipment, are recorded at cost or, if donated, at their estimated fair market value at the date of donation. Capital assets are depreciated over their estimated useful lives, ranging from one to five years for furniture and equipment and 40 years for buildings, using the straight-line method of depreciation.

### ***Actuarial Valuation***

The information included in the required supplemental schedules is based on the actuarial valuations performed as of June 30, 2000, which is the latest available information. Significant actuarial assumptions used in the valuations are included in the notes to the required supplemental schedules.

### ***Reclassification of Prior Year Amounts***

Certain amounts in the prior year comparative totals have been reclassified to conform with the current year presentation.

### ***Use of Estimates in the Preparation of Financial Statements***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at June 30, 2001, and the reported amounts of additions to and deductions from net assets during the year then ended. Actual results could differ from those estimates.

## **3. Cash, Cash Equivalents, & Investments**

Cash and cash equivalents of approximately \$33,500,000 and \$19,829,000 in 2001 and 2000, respectively, represent amounts held in the CalPERS general operating accounts with the State Treasury. These deposits are not individually identifiable by fund, as they are pooled with the deposits of other State agencies and invested by the State Treasurer's Office. In accordance with GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse*

## NOTES TO THE BASIC FINANCIAL STATEMENTS

*Repurchase Agreements* (GASB 3), these deposits have not been categorized.

For the years ended June 30, 2001 and 2000, State Street Bank & Trust was the master custodian for significantly all of the securities of CalPERS. The investments held by LRF, JRF II, VFF, SCPE, and LTCF have been commingled in three investment pools. Two of these investment pools are U.S. equity securities and U.S. debt securities, which are managed by CalPERS. The third pool is international equity securities, which is

managed by State Street Bank & Trust. Each of the five funds has a different asset allocation based on Board-approved policy.

CalPERS investments are categorized below to give an indication of the category risk level assumed by the System at June 30, 2001, as defined by GASB 3. Category 1, the lowest risk, includes investments that are insured or registered or for which the securities are held by CalPERS or its agent in the name of CalPERS. Category 2 includes uninsured and unregistered

The following table presents CalPERS investments by type, at June 30, 2001.

*(Dollars in Thousands)*

Investment Type	Category 1	Category 2	Category 3	Category Rating Not Required	Total
<b>PERF</b>					
<b>Categorized</b>					
Short-Term Investments:					
Commercial Paper & Banker's Acceptances	\$1,209,053	\$ —	\$ —	\$ —	\$1,209,053
International Currency	84,982	—	—	—	84,982
Securities Lending Collateral	14,307,037	—	—	—	14,307,037
Equity Securities	82,409,705	—	—	—	82,409,705
Debt Securities	36,545,680	—	—	—	36,545,680
<b>Not Categorized</b>					
Alternative Investments:					
Limited Partnership	\$ —	\$ —	\$ —	\$5,590,796	\$5,590,796
Private Equity	—	—	—	1,557,647	1,557,647
Pooled Investments	—	—	—	1,958,385	1,958,385
Real Estate Equity Investments	—	—	—	12,650,582	12,650,582
Investments Held by Broker-Dealers					
Under Securities Loans:					
Equity Securities	—	—	—	8,368,339	8,368,339
Debt Securities	—	—	—	5,455,203	5,455,203
<b>Total Investments—PERF</b>	<b>\$134,556,457</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$35,580,952</b>	<b>\$170,137,409</b>
<b>All Other Funds</b>					
<b>Categorized</b>					
Deposits	\$26,183	\$ —	\$ —	\$ —	\$26,183
Debt Securities	413,965	—	—	—	413,965
Equity Securities	713,774	—	—	—	713,774
<b>Not Categorized</b>					
Pooled Investments	\$ —	\$ —	\$ —	\$194,552	\$194,552
<b>Total Investments—All Other Funds</b>	<b>\$1,153,922</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$194,552</b>	<b>\$1,348,474</b>
<b>Total Investments</b>	<b>\$135,710,379</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$35,775,504</b>	<b>\$171,485,883</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

investments for which the securities are held by the counterparty's trust department or agent in the name of CalPERS. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the name of CalPERS. Investment pools managed by other governments, alternative investments, real estate equity investments, and securities on loan are not categorized.

### ***Securities Lending***

The State Constitution and CalPERS Board policies permit CalPERS to use investments of the PERF to enter into securities lending transactions—loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. CalPERS has contracted with Boston Global Advisors (BGA), Credit Suisse First Boston (CSFB), State Street Bank & Trust (SSB) and Metropolitan West (Met West) as third-party securities lending agents to lend domestic equity and debt securities for cash collateral of 102 percent and international debt and equity securities for cash collateral of 105 percent. Securities on loan at year-end are presented as not categorized in the

preceding table. At June 30, 2001, management believes CalPERS has no credit risk exposure to borrowers because the amounts CalPERS owes the borrowers exceed the amounts the borrowers owe CalPERS. Contracts with the lending agents require them to indemnify CalPERS if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or if the borrowers fail to pay CalPERS for income distributions by the securities' issuers while the securities are on loan.

All securities loans can be terminated on demand by either CalPERS or the borrower, although the average term of the overall loans managed by BGA, CSFB, SSB, and Met West is 42 days, 22 days, 29 days, and 30 days, respectively. The cash collateral received on each security loan was invested, in accordance with CalPERS investment guidelines, in short-term investment funds which at June 30, 2001, had weighted average maturities of 147 days, 147 days, 172 days, and 120 days for the BGA, CSFB, SSB, and Met West portfolios, respectively. CalPERS is not permitted to pledge or sell collateral received unless the borrower defaults.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (depreciation) appreciation in the fair value of investments for the years ended June 30 was as follows:

*(Dollars in Thousands)*

	PERF		LRF		JRF II		VFF	
	2001	2000	2001	2000	2001	2000	2001	2000
Realized Gain (Loss) on Sale of Investments	\$6,311,755	\$7,006,303	\$14,278	\$2,951	(\$530)	\$217	\$64	\$41
(Depreciation) Appreciation in Fair Value of Investments	(24,026,836)	4,124,876	(14,014)	6,825	(2,411)	2,458	(176)	88
<b>Net (Depreciation) Appreciation in Fair Value of Investments</b>	<b>(\$17,715,081)</b>	<b>\$11,131,179</b>	<b>\$264</b>	<b>\$9,776</b>	<b>(\$2,941)</b>	<b>\$2,675</b>	<b>(\$112)</b>	<b>\$129</b>

Due to the types of investments held by the JRF, RBF, CRF, and DCF, there was no appreciation (depreciation) in fair value of investments in those funds for the years ended June 30, 2001 or 2000.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

SPOFF		IRC 457		SCPF		HCF		LTCF		Total	
2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
\$133	\$654	(\$538)	\$11,656	(\$134)	(\$8)	(\$154)	(\$922)	\$ —	\$ —	\$6,324,874	\$7,020,892
(4,304)	1,698	(15,878)	(91)	(2,003)	(362)	1,510	(231)	(38,652)	33,390	(24,102,764)	4,168,651
(\$4,171)	\$2,352	(\$16,416)	\$11,565	(\$2,137)	(\$370)	\$1,356	(\$1,153)	(\$38,652)	\$33,390	(\$17,777,890)	\$11,189,543

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### 4. Contributions & Reserves

#### ***Employer Contributions Actuarially Determined & Contributions Made***

Employer contributions are calculated as a percentage of employer payroll. The payroll for employees covered by the PERF, LRF, JRF, and JRF II in 2001 was approximately \$28,762,332,000, \$2,914,000, \$149,984,000, and \$52,536,000 respectively.

The PERF and JRF II use a modified Entry Age Normal Actuarial Cost Method, which is a projected benefit cost method. That is, the method takes into account those benefits that are expected to be earned in the future, as well as those already accrued.

According to this cost method, the normal cost for an employee pension liability is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. The Entry Age Normal Actuarial Cost Method used by the PERF and JRF II is modified by CalPERS so that the employers' total normal cost is expressed as a level percentage of payroll. The PERF and JRF II use the level percentage of payroll method to amortize any unfunded actuarial liabilities.

The VFF uses the Unit Credit Actuarial Cost Method as the basis for its valuation. The LRF and JRF use the Aggregate Actuarial Cost Method as the basis for their valuations.

The significant actuarial assumptions used in the 2000 valuations to compute the actuarially determined contribution requirements for the PERF, JRF II, and VFF are the same as those used to compute the actuarial accrued liability.

Assumptions used in the actuarial valuations are included in the Notes to Required Supplemental Schedules.

#### ***Restrictions on Net Assets Available for Benefits***

Included in the Net Assets Held in Trust For Pension Benefits is a restricted reserve that, by law, is retained in the PERF and LRF as a reserve against deficiencies in interest earned, potential losses under investments,

court-mandated costs, and actuarial losses resulting from terminations, mergers, or dissolutions of contracting agencies. This reserve cannot exceed 0.2 percent of total assets of the PERF and the LRF, and totaled approximately \$319,000,000 and \$353,000,000 as of June 30, 2001 and 2000, respectively.

#### ***PERF***

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Actuarial valuations of the PERF are performed annually. The last valuation was performed as of June 30, 2000, for the State, schools, and public agencies.

The total 2001 net retirement contributions for the PERF amounted to approximately \$2,087,875,000, of which \$321,619,000 (the actuarially determined annual required contribution) came from 1,412 employers and approximately \$1,766,256,000 came from more than 723,000 members (excluding State Second Tier). Approximately \$88,877,000 of actuarially determined excess reserves were used by 558 eligible employers to fund the required contributions of their employees. Normal cost is 8.466 percent of covered payroll, and amortization of over-funded liabilities is (7.348) percent of covered payroll. These figures are averages for all employers. The actual figures vary by each employer's plan.

#### ***LRF***

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The current contribution requirements of the LRF are based on actuarially determined rates promulgated as part of legislation passed in 1977.

Actuarial valuations of the LRF are required to be carried out at least every two years. The Board of Administration utilizes these actuarial valuations to make recommendations to the State for financing the Fund. For the fiscal year ending June 30, 2001, the statutory contribution was determined to be \$0.00 based on the June 30, 1999 valuation.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### *JRF*

Contributions made by the State of California to the JRF are made pursuant to State statute and are not actuarially determined; however, an actuarial valuation of the JRF assets and liabilities is performed every year and is used by CalPERS to make recommendations for financing the JRF.

The California law which states that on and after January 1, 2002, the JRF shall be funded and actuarially sound was amended in conjunction with the adoption of the Judges' Retirement System II Law, which, among other provisions, eliminated the requirement that the JRF be funded and actuarially sound. Recommendations to achieve the necessary level of contributions have been submitted by the CalPERS Board to the Legislature.

As of June 30, 2001, funding was provided from the following sources to meet benefit payment requirements:

- Member Contributions      8% of applicable member compensation
- Employer Contributions      8% of applicable member compensation
- Filing Fees                      Varying amounts depending on fee rate and number of filings.
- Investments                      Current yield on short-term investments.

- State of California "Balancing Contributions"

An amount required by the Judges' Retirement Law, at least equal to the estimated benefits payable during the ensuing fiscal year less the sum of 1) the estimated member contributions during the ensuing fiscal year and; 2) net assets available for benefits at the beginning of the fiscal year.

Under the pay-as-you-go basis, short-term investments as well as contributions received during the year are used to make benefit payments. Management and legal counsel believe the State of California is legally required to provide these required contributions to fund the benefits.

For the year ended June 30, 2001, the actual contributions made by the State to the JRF were approximately \$91,019,000, which is significantly less than the actuarially determined annual required contribution of approximately \$162,055,000.

Because current contributions are used to make benefit payments, the Fund does not retain the accumulated contributions of active members. The cumulative contributions of all currently active members since inception were approximately \$130,229,000 and \$127,906,000 at June 30, 2001 and 2000, respectively, which exceeded net assets held in trust for pension benefits by approximately \$97,857,000 and \$106,390,000 at June 30, 2001 and 2000, respectively.



## NOTES TO THE BASIC FINANCIAL STATEMENTS

### ***JRF II***

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Actuarial valuations for the JRF II are required to be carried out annually. The legislated State contribution rate will be adjusted periodically as part of the annual Budget Act in order to maintain or restore the actuarial soundness of the Fund. The last actuarial valuation was performed as of June 30, 2000.

For the year ending June 30, 2001, the statutory employer contribution rate was 18.13 percent based on the June 30, 1999 actuarial valuation. Therefore, for the year ended June 30, 2001, the contributions made by the State to the Fund were approximately \$9,754,000, which is greater than the actuarially determined required contributions of approximately \$9,573,000.

### ***VFF***

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The current contribution requirements of the VFF are based on actuarially determined rates promulgated as part of the Volunteer Firefighters' Length of Service Award Act passed in 1979.

Actuarial valuations of the VFF are required to be carried out at least every two years. The last valuation was performed as of June 30, 2000. The Board of Administration utilizes these actuarial valuations to make recommendations for financing the Fund.

Contributions for prior service credits are recognized as revenue by VFF at the time a contract with the participating agency is executed. The participating agency may elect to pay the contributions for prior service credits in a lump sum or over a period of up to 10 years.

## 5. Contingencies

CalPERS is a defendant in litigation involving individual benefit payment and participant eligibility issues and arising from its normal activities. In the event of an adverse decision, any payments awarded by the courts would be recovered by CalPERS through prospective adjustments to the employer contribution rate. Based upon consultation with legal counsel, management believes there will be no material adverse effect on the basic financial statements as a result of the ultimate outcome of these matters.

## 6. Health Care Fund

### ***Basis for Estimated Liabilities***

The Public Employees' Health Care Fund (HCF) establishes claim liabilities based on estimates of the ultimate costs of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been "incurred but not reported" (IBNR). The estimated claims liability was calculated by Blue Cross, the HCF's third-party administrator, at June 30, 2001, using a variety of actuarial and statistical techniques and adjusted for actual experience to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. The estimated claims liability of \$103,871,000 is carried at its face amount, and no interest discount is assumed. The IBNR portion represents an estimate for claims that have been incurred prior to June 30, 2001, but have not been reported to the HCF.

### ***Anticipated Investment Income***

Anticipated investment income is not included in the calculation of the annual premium requirement for HCF members.

### ***Reinsurance***

The HCF has not entered into any reinsurance or excess insurance agreements.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The following represents changes in the aggregate estimated claims liabilities of the HCF for the years ended June 30:

*(Dollars in Thousands)*

	PERSCare/ PERS Choice	PERSCare/ PERS Choice
	2001	2000
<b>Total Estimated Claims at Beginning of Fiscal Year</b>	<b>\$94,072</b>	<b>\$75,244</b>
Incurred Claims & Claim Adjustment Expenses:		
Provision for Insured Events of the Current Fiscal Year	\$599,337	\$537,181
Decrease in Provision for Insured Events of Prior Years	(38,574)	(29,233)
<b>Total Incurred Claims &amp; Claim Adjustment Expenses</b>	<b>\$560,763</b>	<b>\$507,948</b>
<b>Payments:</b>		
Claims & Claim Adjustment Expenses Attributable to Insured Events of the Current Year	\$495,466	\$443,109
Claims & Claim Adjustment Expenses Attributable to Insured Events of the Prior Fiscal Year	55,498	46,011
<b>Total Payments</b>	<b>\$550,964</b>	<b>\$489,120</b>
<b>Total Estimated Claims at End of the Fiscal Year</b>	<b>\$103,871</b>	<b>\$94,072</b>

### 7. Long-Term Care Fund

The Public Employees' Long-Term Care Fund (LTCF) began operations in March 1995. The estimated funding level to provide for the payment of future claim benefits is predicated upon participation levels that are expected to be achieved by the program. The premiums from the LTCF are recognized when due from policyholders.

The LTCF establishes the liability for future policy benefits based on the present value of future benefits and expenses less the present value of future premiums.

The liability for future policy benefits was calculated by Tillinghast-Towers Perrin, the Fund's independent actuary, using a variety of actuarial and statistical techniques as part of their actuarial review as of June 30, 2001. Certain key assumptions used in this calculation are a discount rate of 8 percent (the average rate of assumed investment yields in effect for the current year), morbidity, disability continuance, mortality, voluntary termination, and claims expense. The estimated liability for future policy benefits as of June 30, 2001, was \$760,441,000.



required supplemental  
**Schedules**

Accountability



## REQUIRED SUPPLEMENTAL SCHEDULE OF FUNDING PROGRESS

*(Dollars in Millions)*

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
<b>PERF</b>						
6/30/93	\$73,190	\$75,910	\$2,720	96.42%	\$19,000	14.3%
6/30/94	77,850	80,530	2,680	96.67	19,900	13.5
6/30/95	83,775	87,673	3,898	95.55	20,800	18.7
6/30/96	94,230	96,838	2,608	97.30	22,322	11.7
6/30/97	108,566	97,925	(10,641)	110.90	22,504	(47.3)
6/30/98	128,830	106,938	(21,892)	120.50	24,672	(88.7)
6/30/99	148,605	115,748	(32,857)	128.39	27,636	(118.9)
6/30/00	162,439	135,970	(26,469) <sup>2</sup>	119.47	28,098	(94.2)
<b>LRF</b>						
6/30/93	\$83.3	\$97.4	\$14.1	85.5%	\$6.7	210.4%
6/30/94	85.3	99.6	14.3	85.6	5.0	286.0
6/30/95	88.5	101.6	13.1	87.1	4.9	267.3
6/30/96	94.2	105.2	11.0	89.5	4.8	229.2
6/30/97 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
6/30/98 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
6/30/99 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
6/30/00 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A

**NOTES:**

<sup>1</sup> Beginning with the June 30, 1997 actuarial valuation, actuarial valuations were performed using the Aggregate Cost Valuation Method, which does not identify unfunded actuarial liabilities. Prior to the June 30, 1997 valuation, actuarial valuations were performed using the Aggregate Entry Age Normal Cost Valuation Method.

<sup>2</sup> The Unfunded Actuarial Accrued Liability (net assets in excess of the total Actuarial Liability) of the PERF by major employer group from the June 30, 2000 valuation is as follows: 1) (\$6,416) for the State of California; 2) (\$6,172) for schools; and 3) (\$13,881) for public agencies.

## REQUIRED SUPPLEMENTAL SCHEDULE OF FUNDING PROGRESS (continued)

*(Dollars in Millions)*

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
<b>JRF</b>						
6/30/93	\$23.3	\$1,403.5	\$1,380.2	1.7%	\$146.6	941.4%
6/30/94	14.9	1,289.7	1,274.8	1.2	150.0	849.9
6/30/95	9.3	1,406.0	1,396.7	0.7	156.8	890.1
6/30/96	12.5	1,460.1	1,447.6	0.9	153.8	941.0
6/30/97 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
6/30/98 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
6/30/99 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
6/30/00 <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A
<b>JRF II</b>						
6/30/95	\$ .239	\$ .071	(\$ .168)	338.6%	\$ .9	(18.7%)
6/30/96	2.388	2.813	.425	84.9	8.1	5.3
6/30/97	7.242	7.906	.664	91.6	15.4	4.3
6/30/98	15.120	15.043	(.077)	100.5	33.9	(0.2)
6/30/99	27.155	26.921	(.234)	100.9	40.0	(0.6)
6/30/00	40.503	41.619	1.116	97.3	43.0	2.6
<b>VFF</b>						
6/30/93	\$ .691	\$ .600	(\$ .091)	115.2%	N/A	N/A
6/30/94	.799	.689	(.110)	116.0	N/A	N/A
6/30/95	.931	.815	(.116)	114.2	N/A	N/A
6/30/96	1.078	.934	(.144)	115.4	N/A	N/A
6/30/97	1.360	1.121	(.239)	121.3	N/A	N/A
6/30/98	1.678	1.500	(.178)	111.8	N/A	N/A
6/30/99	1.987	1.805	(.182)	110.1	N/A	N/A
6/30/00	2.302	2.296	(.006)	100.3	N/A	N/A

## REQUIRED SUPPLEMENTAL SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30	PERF Employer Contributions		LRF Employer Contributions	
	Annual Required Contribution	% of Required Contributions Made	Annual Required Contribution	% of Required Contributions Made
1992	\$439,493,081 <sup>1</sup>	100%	\$2,233,177	33.2%
1993	1,454,682,211 <sup>1</sup>	100	2,714,641	24.3
1994	1,518,539,347 <sup>1</sup>	100	2,498,313	23.4
1995	1,578,933,781 <sup>1</sup>	100	2,051,934	27.5
1996	1,850,103,438 <sup>1</sup>	100	2,014,826	28.3
1997	2,285,043,412 <sup>1</sup>	147 <sup>2</sup>	1,933,367	127.8 <sup>3</sup>
1998	2,289,526,403	100	2,022,421	33.4
1999	1,598,316,666	100	— <sup>4</sup>	N/A
2000	362,614,344	100	— <sup>4</sup>	N/A
2001	321,618,855	100	— <sup>4</sup>	N/A

### NOTES:

<sup>1</sup> Employer contributions to the PERF are shown net of the reduction in actuarially determined contributions resulting from the usage of A.B. 702 credits of approximately \$323,000, \$410,000, \$642,000, \$200,405,000, \$359,944,000, and \$1,502,948,000 in 1997, 1996, 1995, 1994, 1993, and 1992, respectively.

<sup>2</sup> Includes \$1.2 billion payment resulting from a court ruling of the S.B. 240 lawsuit (*Board of Administration v. Wilson*) which was appealed by the State and denied review by the California Supreme Court in May 1997. The Annual Required Contribution for 1997 is not affected by this payment.

<sup>3</sup> Includes additional contributions made in arrears. The Annual Required Contribution is not affected by this payment.

<sup>4</sup> Based on the June 30, 1999, 1998, and 1997 actuarial valuations, the annual required contributions for the years ended June 30, 2001, 2000, and 1999 were \$0.

REQUIRED SUPPLEMENTAL SCHEDULE OF EMPLOYER CONTRIBUTIONS  
(continued)

JRF Employer Contributions		JRF II Employer Contributions		VFF Employer Contributions	
Annual Required Contribution	% of Required Contributions Made	Annual Required Contribution	% of Required Contributions Made	Annual Required Contribution	% of Required Contributions Made
\$100,099,663	51.6%	\$ —	—%	\$97,967	100%
102,919,084	60.9	—	—	72,313	100
100,500,000	41.5	—	—	99,848	100
104,438,091	47.8	167,999	100	58,515	100
91,379,475	66.6	1,507,116	100	54,844	100
133,373,900	38.1	2,956,457	102.4	162,880	100
133,754,812	42.0	5,339,054	102.2	166,708	100
139,537,660	60.6	7,297,687	100.8	124,291	100
138,895,276	53.3	7,419,121	100.6	202,395	100
162,054,610	56.2	9,572,604	101.9	193,530	100



## NOTES TO REQUIRED SUPPLEMENTAL SCHEDULES

### 1. Actuarial Information

The information presented in the required supplemental schedules was determined as part of the actuarial valuations as of the dates indicated. Additional information as of the latest actuarial valuation is as follows:

	<u>PERF</u>	<u>LRF</u>	<u>JRF</u>	<u>JRF II</u>	<u>VFF</u>
Valuation Date	June 30, 2000	June 30, 2000	June 30, 2000	June 30, 2000	June 30, 2000
Actuarial Cost Method	Individual Entry Age Normal Cost	Aggregate Cost Method	Aggregate Cost Method	Aggregate Entry Age Normal Cost	Unit Credit
Amortization Method	Level Percentage of Payroll Closed	None <sup>2</sup>	None <sup>2</sup>	Level Percentage of Payroll Closed	None
Remaining Amortization Period	12 Years for Schools, Average of 32 Years for Public Agencies, and 10 Years for the State	None <sup>2</sup>	None <sup>2</sup>	Average of 15 Years	None
Asset Valuation Method	Smoothing of Market Value	Smoothing of Market Value	Market Value	Smoothing of Market Value	Smoothing of Market Value
Actuarial Assumptions:					
Net Investment Rate of Return	8.25%	7.5%	7.5%	7.75%	8.00%
Projected Salary Increases <sup>1</sup>	Varies, Based on Duration of Service	3.75%	3.75%	3.75%	None
Post Retirement Benefit Increase	State 2% or 3% Depending on System Varies 2% to 5% for Public Agencies	3.5%	3.75%	3.0%	None
<sup>1</sup> Includes Inflation at:	3.5%	3.5%	3.5%	3.5%	N/A

<sup>2</sup> The Aggregate Cost Method does not identify or separately amortize unfunded actuarial liabilities.

## REQUIRED SUPPLEMENTAL SCHEDULE OF CLAIMS DEVELOPMENT INFORMATION

### Public Employees' Health Care Fund

The table on the next page illustrates how the HCF earned revenues and investment income compare to related costs of loss and other expenses assumed by HCF as of the end of each of the years presented. The rows of the table are defined as follows:

- 1) This line shows the total of each fiscal year's earned contribution revenues and investment revenues.
- 2) This line shows each fiscal year's other operating costs of the HCF, including overhead and claims expense not allocable to individual claims.
- 3) This line shows the HCF's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called *policy year*).
- 4) This section shows the cumulative amounts paid as of the end of successive years for each policy year.
- 5) This section shows how each policy year's incurred claims changed as of the end of successive years. This annual re-estimation results from new information received on known claims, as well as emergence of new claims not previously known.
- 6) This line compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

## REQUIRED SUPPLEMENTAL SCHEDULE OF CLAIMS DEVELOPMENT INFORMATION

### Public Employees' Health Care Fund—June 30, 2001

*(Dollars in Thousands)*

	Fiscal & Policy Year Ended				
	1992	1993	1994	1995	1996
1. Net Earned Required Contribution & Investment Revenues	\$321,419	\$327,235	\$336,490	\$339,018	\$340,907
2. Unallocated Expenses	\$20,219	\$19,410	\$26,330	\$22,202	\$27,031
3. Estimated Incurred Claims & Expenses, End of Policy Year	\$236,634	\$256,004	\$250,249	\$241,588	\$263,264
4. Paid (Cumulative) as of:					
End of Policy Year	\$168,183	\$184,453	\$171,039	\$171,950	\$187,679
One Year Later	218,421	237,423	220,470	218,480	236,082
Two Years Later	218,421	237,423	220,470	218,480	236,082
Three Years Later	218,421	237,423	220,470	218,480	236,082
Four Years Later	218,421	237,423	220,470	218,480	236,082
Five Years Later	218,421	237,423	220,470	218,480	236,082
Six Years Later	218,421	237,423	220,470	218,480	—
Seven Years Later	218,421	237,423	220,470	—	—
Eight Years Later	218,421	237,423	—	—	—
Nine Years Later	218,421	—	—	—	—
5. Re-estimated Incurred Claims & Expenses:					
End of Policy Year	\$236,634	\$256,004	\$250,249	\$241,588	\$263,264
One Year Later	218,421	237,423	220,470	218,480	236,082
Two Years Later	218,421	237,423	220,470	218,480	236,082
Three Years Later	218,421	237,423	220,470	218,480	236,082
Four Years Later	218,421	237,423	220,470	218,480	236,082
Five Years Later	218,421	237,423	220,470	218,480	236,082
Six Years Later	218,421	237,423	220,470	218,480	—
Seven Years Later	218,421	237,423	220,470	—	—
Eight Years Later	218,421	237,423	—	—	—
Nine Years Later	218,421	—	—	—	—
6. Decrease in Estimated Incurred Claims & Expenses From End of Policy Year	(\$18,213)	(\$18,581)	(\$29,779)	(\$23,108)	(\$27,182)





supporting schedules **Section**

# E v a l u a t i o n



## ADMINISTRATIVE EXPENSES — ALL FUNDS

*(Dollars in Thousands)*

<b>Personnel Services</b>	
Salaries & Wages	\$75,271
Employee Benefits	12,228
<b>Total Personnel Services</b>	<b>\$87,499</b>
<b>Consultant &amp; Professional Services</b>	
State of California Agencies	\$2,852
External Consultants	61,809
Health Plan Administrator Fees	36,804
Deferred Compensation Management/Custody Fees	2,270
Long-Term Care Fees	13,977
<b>Total Consultant &amp; Professional Services</b>	<b>\$117,712</b>
<b>Operating Expenses &amp; Equipment</b>	
General Expense	\$5,802
Software	4,645
Printing	3,000
Postage	2,823
Communications	2,145
Data Processing Services	7,687
Travel	2,062
Training	1,926
Medical Examiners	658
Facilities Operation	10,260
Central Administrative Services	4,113
CSUS Foundation - Students	1,325
Administrative Hearings	180
Consolidated Data Center	862
Equipment	2,223
<b>Total Operating Expenses &amp; Equipment</b>	<b>\$49,711</b>
<b>Other Expenses &amp; Adjustments</b>	
Depreciation Expense	\$5,177
Increase in Paid Absence Obligation	2,096
Reimbursements	(1,425)
Prior Year & Other Adjustments	(6,715)
<b>Total Other Expenses &amp; Adjustments</b>	<b>(\$867)</b>
<b>Total Administrative Expenses — All Funds</b>	<b>\$254,055</b>

## INVESTMENT EXPENSES — PERF

(Dollars in Thousands)

### External Securities Management Fees & Other Fees

	Net Assets Managed at Fair Value	Fees
<b>External Domestic Equity Managers</b>		
Alliance Cap Mgt., L.P./Sanford C. Bernstein	\$832,799	\$523
Artisan Partners L.P.	482,143	95
Broadmark Asset Management	69,246	77
Brown Capital Management	872,226	986
Dimensional Fund Advisors	1,672,918	670
Geewax, Terker & Company	803,899	984
Golden Cap (Core Large Cap)	45,248	142
Golden Cap (Core Small Cap)	51,912	49
Golden Cap (Large Volume)	99,435	96
Goldman Sachs Asset Management	1,109,215	1,476
J. P. Morgan	803,294	130
Oak Associates, Ltd.	1,067,463	1,511
Oppenheimer Capital	838,543	611
Osprey Partners	634,225	714
Phillippe Investment Management, Inc.	146,387	72
Progress Highcrest Investment, LLC	3,015	1,241
Putnam Advisory Company	1,004,386	1,410
Pzena Investment Managers, LLC	606,153	671
Strategic Investment Group Invests, LLC	—	43
Strategic Investment Group Ventures, LLC	—	671
The Boston Company Asset Mgmt., LLC	696,792	759
<b>Total External Domestic Equity Managers</b>		<b>\$12,931</b>
<b>Global Equity Managers</b>		
Arrowstreet Capital L.P.	\$85,415	\$236
Axa Rosenberg	531,980	921
Bailey Gifford Overseas Limited	541,027	157
Bank of Ireland	836,150	528
Bea Associates	18,967	1,435
Capital Guardian	773,514	709
Deutsche Asset Mgt./Morgan Grenfell Invest.	—	1,887
GE Asset Management	575,771	129
Grantham, Mayo, Van Otterloo, & Co., LLC	267,075	119
Mastholm Asset Management, LLC	506,741	133
Newport Pacific Management, Inc.	196,047	877
Nomura Asset Management U.S.A., Inc.	590,804	2,264
Oechsle International Advisors	766,960	2,525
Pareto Partners	—	2,191
Paribas Asset Management	—	1,554
Schroder Capital Management	636,039	2,441
State Street Bank & Trust	—	718
ValueQuest Ltd., LLC - International	—	1,130
<b>Total Global Equity Managers</b>		<b>\$19,954</b>

Net Assets Managed  
at Fair Value

Fees

### Global Fixed Income Managers

Baring Asset Management	\$904,684	\$1,114
Bridgewater Associates	953,600	558
Fiduciary Trust Company International	—	63
Julius Baer Investment Management, Inc.	1,030,889	839
Merrill Lynch/Mercury Asset Mgt. Intl., Ltd.	976,410	794
Rogge Global Partners	958,060	553
Wellington Management Company	1,173,133	630
Western Asset Global Management	479,653	226
<b>Total Global Fixed Income Managers</b>		<b>\$4,777</b>

### Total External Securities Management Fees & Other Fees

**\$37,662**

### External Securities Performance Fees

#### External Domestic Equity Managers

Golden Cap (Core Large Cap) <sup>1</sup>	\$46
Oak Associates, Ltd. <sup>1</sup>	21,099
Progress Highcrest Invest, LLC <sup>1</sup>	222
Strategic Invest Group Investors, LLC <sup>1</sup>	191
The Boston Company Asset Management, LLC <sup>1</sup>	1,570
The Putnam Advisory Company <sup>1</sup>	4,130

**Total External Domestic Equity Managers** **\$27,258**

#### Global Equity Managers

Arrowstreet Capital L.P. <sup>1</sup>	\$82
Deutsche Asset Mgt./Morgan Grenfell Invest. <sup>1</sup>	2,272
Nomura Asset Management U.S.A., Inc. <sup>1</sup>	2,584
Oechsle International Advisors <sup>1</sup>	2,633
Schroder Capital Management <sup>1</sup>	2,055

**Total Global Equity Managers** **\$9,626**

#### Global Fixed Income Managers

Julius Baer Investment Management, Inc. <sup>1</sup>	\$176
------------------------------------------------------	-------

**Total Global Fixed Income Managers** **\$176**

### Total External Securities Performance Fees

**\$37,060**

### Total External Securities Management Fees, Performance Fees, & Other Fees

**\$74,722**

#### NOTE:

<sup>1</sup>Net Assets at Market Value listed under Management Fees.



## INVESTMENT EXPENSES — PERF (continued)

(Dollars in Thousands)

### Real Estate Managers, Advisors, & Partners

	Net Assets Managed at Fair Value	Fees
<b>Real Estate Advisors Asset Management Fees</b>		
Andrew Miller Capital Advisors	\$512,135	\$1,326
CB Richard Ellis	114,241	746
Lend Lease	243,051	1,219
<b>Total Real Estate Advisors Asset Management Fees</b>		<b>\$3,291</b>
<b>Real Estate Partners Asset Management Fees</b>		
Campbell Group	\$457,351	\$3,282
CIM Urban Fund Group, LLC	1,733	1,094
CNL Net Lease Investors	134,950	545
Commonwealth	962,008	4,636
General Investment & Development	565,482	3,249
Global Innovation Partners	26,607	2,100
Great Eastern Timber Group	805,144	2,894
Hearthstone Housing Partners	23,168	994
Hines	1,826,805	6,318
Infill Investments	26,482	15
International - Security Capital	83,045	1,500
Institutional Housing Partners	366,139	8,532
Johnson/MacFarlane	50,542	126
Kennedy Associates	41,908	500
LaSalle	733,155	3,569
Lend Lease (EQK)	200,485	1,956
MacFarlane/Weyerhaeuser	35,034	1,221
National Retail Partners	1,219,849	4,506
Newland Capital Advisors	125,610	416
Olympic Realty Advisors	73,718	2,746
Pical	15,350	616
Residential	39,050	2,043
RREEF	1,789,888	7,423
SSR	576,967	2,555
Wells Fargo Housing Fund	33,052	1,148
<b>Total Real Estate Partners Asset Management Fees</b>		<b>\$63,984</b>
<b>Incentive Fees Real Estate Partners</b>		<b>\$31,087</b>
<b>Incentive Fees AIM Partnership Investment &amp; Corporation Governance Limited Partnerships</b>		<b>\$18,418</b>
<b>Internal Mortgage Loan Fees</b>		<b>\$7,031</b>
<b>Total Real Estate Managers, Advisors, &amp; Partners</b>		<b>\$123,811</b>

### Other Investment Consultants

	Fees
<b>Consultants Fees</b>	
Hamilton Lane Advisors, Inc.	\$1,325
McKinsey & Company, Inc.	4,729
Pacific Corporate Group, Inc.	1,400
Pension Consulting Alliance/Ernst & Young Kenneth Leventhal Co.	649
Pension Consulting Alliance	222
R.V. Kuhns & Associates	63
Strategic Investment Solutions	77
Wilshire Associates	1,182
<b>Total Consultant Fees</b>	<b>\$9,647</b>
<b>Attorneys &amp; Master Custodian Fees</b>	
Paul, Hastings, Janofsky & Walker	\$430
McDonough, Holland, & Allen	360
Pillsbury, Madison, Sutro	510
State Street Bank & Trust	3,925
<b>Total Attorney &amp; Master Custodian Fees</b>	<b>\$5,225</b>
<b>Real Estate Partnerships Operating Expenses</b>	
Administrative, Property Maintenance & Support, and Other	\$843,410
<b>Total Real Estate Partnerships Operating Expenses</b>	<b>\$843,410</b>
<b>Total Other Investment Consultants</b>	<b>\$858,282</b>
<b>Total Investment Expenses</b>	<b>\$1,056,815</b>

## CONSULTANT AND PROFESSIONAL SERVICES EXPENSES — PERF

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Computer Resources Group	\$7,653	Consulting Services; eBusiness/Maintenance Support
Synergy Consulting, Inc.	7,161	Support Efforts; T-Log System Doc.; Business Impl. Team Mentor/Liaison
Convansys	3,892	Maint. & Support; Process Documentation; Architecture Extensions/Maint.
Princeton Solutions Group, Inc.	3,314	COMET Data Admin. & QA Support; COMET Proj. Architecture Extension/Maint.
Jones, Day, Reavis & Pogue	2,663	Alternative Investment; Advise Board Staff; Coordinating Services
Information Technology SW Professionals	2,324	Benefit Equity/AR Project Development & Legacy Support/Enhancement
Deloitte & Touche	2,217	Consultant-Vendor Pool; Self-Funded Benefits Plan Diagnostic Project
Trinity Technology Group, Inc.	1,998	EDI Tech. Asst.; Developer Mentoring; Enterprise Middleware Proj. & Archit.
Hewlett-Packard	1,785	Hardware/Software Maintenance; Technical Support Services
State Controller's Office	1,664	Warrant Processing; Tracking System; Payment of Expedites
Gabriel, Roeder, Smith Company	1,644	Actuarial Consulting; Evaluation System Software
Logicon Advanced Technology	1,338	COMET System & Integration Test IV & V; COMET Development IV & V
Lance Jackson Enterprise	1,229	Service Level Imp. Project/Legacy Support; Benefit Equity II Systems Dev.
Stealth Network Communication	1,162	Customer Contact Center; Aces High Availability Network Implementation
Shooting Star Solutions, LLC	1,100	Technical Writer Support; Internet Strategic Governance; Member Svc. A/R Sys.
Moore Business Communications	916	Board Elections; Mailing Open Enrollment; Annual Member Statements
Preston, Gates & Ellis	904	Legal Service to Board
KPMG Peat Marwick	846	Enterprise Tech. Architecture; Middleware-Identification, Implementation
ADSI, Inc.	773	Annual SW Maint. for Checkpoint Reporting, Floodgate Subscription Advantage
Russbo, Inc.	747	Fault Free Year Y2K Language
Roberta Reagan, Inc.	710	Service Level Improvement Project; COMET Legacy Support
Pillsbury, Madison & Sutro	708	Healthcare Law Counsel
Steptoe & Johnson, LLP	600	Tax Counsel/Consultant
Eclipse Solutions, Inc.	593	PeopleSoft Financials and HRMS Applications
McDonough, Holland & Allen	577	Outside Counsel; Healthcare Law Counsel
Paul, Hastings, Janofsky, Walk	549	Alternative Investments Counsel
Regents of the University of California	548	Training Courses
David Vienna & Associates	506	Federal Legal Representative
Newton Partners, Inc.	488	PAM & IAR Functionality
Ragingmouse.com, Inc.	485	Mainframe System Enhancements
Live Networking, Inc.	477	Customer Contact Center Network Technology Technical Project Review, Implement and Test; Enterprise Network Services Integration Support
IBM Corporation	467	Network Firewall Enhancement Project; Project Support Services
R & G Associates	463	Contribution Reporting Project
Systems That Work	445	Programming/Tech. Assist. for Service Credit Buyback Accounting Iteration II
Advanced Programming Institute	444	COMET System Data Administration & Data Modeling
Insync Consulting & Education, LLC	417	Cognos Impromptu Upgrade; Testing; Training
Roberta Almeida	414	Legacy Support; Service Requests
Mara Consulting, Inc.	402	Benefit Equity System Development
Spherion	373	COMET Service Requests; Legacy Support
Pilot Computer Services, Inc.	364	Mainframe Application Support
Compaq Computer Corporation	352	E-Service Architecture Service; CHPIS Maintenance & Migration
Oracle	331	Oracle NT Support; Oracle Baseline
Futures International, Inc.	291	Executive Search
Christensen, Miller, Fink, Jacobs, Glaser, Weil & Shapiro	285	Alternative Investments Counsel; AIM Fund Counsel
Accountemps	281	Cashier Processing; Reconciliation; Enhanced EFT Program Participation
Townsend, Raimundo, Besler & Usher	279	Marketing and Communication Services
PricewaterhouseCoopers, LLP	270	Consulting Services; Audit of Financial Statements
Primavera Systems, Inc.	267	Team Play Coaching and Mentoring
Business Advantage Consulting	251	Records Retention Project-Backfile Conversion Coordinator
Paradigm Learning, Inc.	247	Training
Optical Imaging Solutions	245	Imaging Service
California Image Associates	241	Video Service
Global Access	230	Oracle Database Administrator Support
Delegata	211	Consulting Services for ACES Project
Nolte and Associates, Inc.	193	R Street Project Site Remediation

## CONSULTANT AND PROFESSIONAL SERVICES EXPENSES — PERF (continued)

*(Dollars in Thousands)*

Individual or Firm	Fee	Nature of Service
SAIC	\$193	Distributed Application Security; Physical Model Consulting
Emerald Solutions	188	Human Resources Self-Service Center
Maxim Group, Inc.	179	Oracle Database Administrator Support
Conrad & Associates	173	Real Estate and R Street
Maximus, Inc.	173	PeopleSoft Financials Implementation Support/Upgrade
Barra	171	Board Meeting Speaker Fees
Wright On-Line Systems	168	Oracle DBA Support
PM/CM Services, Inc.	159	Project/Construction Management Consultation
Natoma Technologies	157	Account Adjustment Application
Hilton Anaheim	153	Employer Conference 2000
Dee Hansford Consulting	147	Strategic Plan; All Staff Training
Interactive Data	135	COMET
Eagle Management Group	132	Conference Exhibit Management
Hogan & Hartson	132	Securities Counsel; Legal Service Securities
Kenda Systems, Inc.	129	Database Administrator Support to COMET
Sunrise Technologies, Inc.	128	INVO Specialized Services Disaster Recovery Strategy Implementation Proj.
Dapru, Inc.	128	Database Administrator Support
DSS Research	125	Member Satisfaction Survey
LPA Sacramento	124	Residential Planning
TMP Worldwide	113	Job Search
Watson Wyatt Worldwide	111	Actuarial Vendor Pool
Complete Business Solutions, Inc.	104	IAR Support
Union Bank	101	Banking Service
Accenture, LLP	99	Proof of Concept for the Proposed Customer Contact Center System
Orrick, Herrington & Sutcliffe, Inc.	90	Outside Counsel for AIM
Newsedge Corporation	89	News wire DB Service
State Personnel Board	81	Online Services
Racestudio	78	Community Outreach
Neo Design	77	Graphic Design Service
Gartner Group	75	Access to Research & Advisory Services
Cooperative Personnel Services	74	HR Projects; Strategic Plan Projects
City of Sacramento	68	Plan Check
Project Mentors	65	Key Project Management Assistance
Gail Mancarti Consulting	64	Intervention; Training
Concero, LP	59	Web Site Analysis
Kindred Group, LLC	56	Operational Recovery Plan; Gap Analysis
Stockman and Associates	51	Change Management Consultant
Office Workouts, Inc.	51	Wellness Services
Practical Consulting Group	46	Automated Account Tracking System
Ryno Technology, Inc.	44	Internet Security Testing Consulting Services
Ed Friend, Inc.	39	Actuarial Audit Services; Actuarial Consultant
Keilty, Goldsmith & Company	39	Multi-Rater Feedback Leadership Program
Los Rios Community College	38	Training; Student Assistants
Peters Shorthand Reporting	37	Certified Hearing Report
Grant & Eisenhofer, PA	34	Year-End Adjustments to Encumbrance
James E. Williams	33	Customer Service Contract
Legalgard Partners, LP	29	Audit Outside Counsel
Group One Consultants, Inc.	28	Consultation Sessions
Firestar Productions	26	Video Production
MSX International	24	Accounts Receivable; Fix Programming Support
Warren T. Trepeta	24	Investment Research
Cost Effectiveness Measurement	24	Bench Marking Services
Straight Ahead Management	24	Organizational Development Activity
Results Group	23	Strategic Plan Consulting
Foley & Lardner	22	Securities Counsel
Other	393	
<b>Total Consultant &amp; Professional Services</b>	<b>\$64,661</b>	

investment  
**Section**

S e c u r i t y



## CHIEF INVESTMENT OFFICER'S LETTER



CalPERS  
Investment Office  
P.O. Box 2749  
Sacramento, CA 95812-2749

November 19, 2001

On behalf of the CalPERS Investment Operations, I am pleased to present reports on the PERF Summary of Investments, California Investments, Investment Performance, and the largest holdings in our portfolio for the year ended June 30, 2001. This data was compiled by our Investment Operations staff, CalPERS pension consultant Wilshire Associates, and our master custodian State Street Bank & Trust. It is presented in accordance with statutes found in the Retirement Law.

Our investment portfolio fell back to \$156 billion for the fiscal year, a negative 7.2 percent return attributable to a lackluster stock market. Nevertheless, our long-term investment returns still remain solid and positive. We earned a 10.6 percent return for the last five years, and an 11.4 percent return for the last 10 years. Our long-term performance fared better than most multi-billion dollar public pension funds, according to data compiled by the Trust Universe Comparison Service. Our investment portfolio remains in good shape and well ahead of where we need to be in terms of growth of assets and long-term returns. We remain confident in our investment strategy and ability to effectively manage the System's assets in the current market environment.

Clearly, our performance for the fiscal year interjected a sense of reality into what has been a fairytale environment in the equity markets. Equity market returns in particular have been abnormally high in recent years, and a return to more normal conditions was expected. We have always known that we would have to give back some of the spectacular stock market returns, and we have planned for this event by maintaining a well-diversified investment portfolio.

At the end of the year, U.S. and international stock investments represented approximately 59 percent of our investment assets. U.S. and international bonds made up 28 percent of our investments, and real estate and private equity investments represented 8 percent and 5 percent, respectively. We continued to invest in the State, providing a strong economic boost for California's growth. As the year ended, we had nearly \$21 billion invested in California entrepreneurial businesses, real estate, housing, and stocks and bonds in corporations that make California their home.

Daniel M. Szente  
Chief Investment Officer

## INVESTMENTS—PERF

### Summary of Investments

Category	Book Value	Market Value	% of Investments at Market Value
<b>Cash Equivalents &amp; Net Receivables/Payables</b>			
<b>Domestic Cash Equivalents</b>	<b>\$3,153,445,071</b>	<b>\$3,157,085,199</b>	<b>2.02%</b>
<b>International Cash Equivalents</b>			
Cash Equivalents	\$10,364,310	\$10,353,501	0.01%
International Currency	85,603,545	84,982,254	0.05%
<b>Total International Cash Equivalents</b>	<b>\$95,967,855</b>	<b>\$95,335,755</b>	<b>0.06%</b>
<b>Net Investment Receivables/Payables</b>	<b>\$211,449,560</b>	<b>\$211,449,560</b>	<b>0.14%</b>
<b>Total Cash Equivalents &amp; Net Receivables/Payables</b>	<b>\$3,460,862,486</b>	<b>\$3,463,870,514</b>	<b>2.22%</b>
<b>Fixed Income</b>			
Domestic Fixed Income	\$36,487,658,899	\$36,965,019,502	23.69%
International Fixed Income	5,290,254,493	5,035,863,773	3.23%
<b>Total Fixed Income</b>	<b>\$41,777,913,392</b>	<b>\$42,000,883,275</b>	<b>26.92%</b>
<b>Equity</b>			
Domestic Equity	\$36,398,246,417	\$63,077,631,347	40.43%
International Equity	24,885,667,941	27,700,412,888	17.75%
<b>Total Equity</b>	<b>\$61,283,914,358</b>	<b>\$90,778,044,235</b>	<b>58.18%</b>
<b>Alternative Investment Management Program</b>			
<b>Direct Component Investments</b>			
Domestic	\$1,313,693,732	\$1,511,037,294	0.97%
International	48,283,129	46,609,523	0.03%
<b>Total Direct Component Investments</b>	<b>\$1,361,976,861</b>	<b>\$1,557,646,817</b>	<b>1.00%</b>
<b>Partnership Component Investments</b>			
Domestic	\$5,502,739,617	\$5,423,578,452	3.48%
International	211,200,356	167,217,393	0.11%
<b>Total Partnership Component Investments</b>	<b>\$5,713,939,973</b>	<b>\$5,590,795,845</b>	<b>3.59%</b>
<b>Total Alternative Investment Management Program</b>	<b>\$7,075,916,834</b>	<b>\$7,148,442,662</b>	<b>4.59%</b>
<b>Total Real Estate Programs</b>	<b>\$11,349,510,630</b>	<b>\$12,632,222,717</b>	<b>8.09%</b>
<b>Total Investment Value</b>	<b>\$124,948,117,700</b>	<b>\$156,023,463,403</b>	<b>100.00%</b>
<b>Investment in R Street Project</b>	<b>\$18,359,022</b>	<b>\$18,359,022</b>	
<b>Total Investment Value</b>	<b>\$124,966,476,722</b>	<b>\$156,041,822,425</b>	

#### NOTE:

Differences between Total Investment Value in the Summary of Investments and Total Investments shown on page 22 are due to differences in reporting methods. In accordance with GASB Statement No. 28, the financial statements include Securities Lending Collateral as part of Total Investments, which is not included here. The Summary of Investments also includes Net Investment Receivables/Payables that are not reported on page 22 in Total Investments.

## INVESTMENTS—PERF

### Investment Performance

Wilshire Associates, the Board's pension consultant, prepares a Quarterly Report of Investment Performance for the Fund based on performance calculations made by the Fund's custodian, State Street Bank & Trust Company. The one-year, three-year, and five-year time-weighted rates of return for the year ended June 30, 2001, are:

### CalPERS Portfolio Comparisons

Category	1-Year Return	3-Year Return	5-Year Return	Index	1-Year Return	3-Year Return	5-Year Return
<b>Total Fund</b>	<b>-7.2%</b>	<b>4.9%</b>	<b>10.6%</b>	Asset Allocation Policy Index <sup>1</sup>	-7.9%	4.4%	10.0%
				Actuarial Rate	8.3%	8.3%	8.3%
				Trust Universe Comparison Service (TUCS) Public Fund Median	-5.4%	4.8%	10.4%
				Trust Universe Comparison Service (TUCS) Public Fund Median > \$1 billion	-6.1%	4.8%	10.4%
Domestic Equities	-14.0%	4.0%	13.7%	PERS Wilshire 2500	-15.4%	3.3%	13.3%
				PERS State Street Global			
International Equities	-20.1%	1.2%	5.5%	Advisors Custom Index	-21.8%	-0.2%	4.1%
Alternative Investments	-17.8%	14.3%	18.7%	Annual Hurdle Rate	15%	15%	15%
Private Equity	51.3%	31.8%	28.5%	Annual Hurdle Rate	15%	15%	15%
<b>Total Equity</b> <sup>2</sup>	<b>-15.5%</b>	<b>3.9%</b>	<b>4.7%</b>				
Domestic Fixed Income	12.6%	5.9%	8.3%	Salomon Brothers Large Pension Fund Index	11.8%	5.7%	7.9%
				Salomon Brothers Non-U.S. World Government Bond Index			
International Fixed Income	-7.4%	-2.0%	0.8%	(Net Italy Tax)	-7.5%	-0.2%	0.5%
<b>Total Fixed Income</b>	<b>9.5%</b>	<b>4.8%</b>	<b>7.3%</b>				
Real Estate	14.4%	11.8%	12.6%	NCREIF <sup>3</sup>	11.2%	11.9%	12.7%
Cash Equivalents	6.7%	6.1%	5.9%	90 Day T-Bill	5.9%	5.3%	5.4%

Additional information on CalPERS investment policies, operations, investment results, and detailed asset information can be found in the accompanying 2001 Operations Summary and the 2001 Annual Report of Investments, and at the CalPERS web site.

#### NOTES:

<sup>1</sup> The Asset Allocation Policy Index return equals the return for each asset class benchmark, weighted at the current target asset allocations.

<sup>2</sup> Includes alternative investments, domestic, international, and private equities.

<sup>3</sup> National Council of Real Estate Investment Fiduciaries, index on a quarter lag.

## INVESTMENTS—PERF

### Portfolio of California Investments at Market Value

(Dollars in Millions)

Category	California Investments
<b>Real Estate</b>	
<b>Mortgages</b>	
AFL-CIO Housing Investment Trust	\$3.2
California Community Mortgage Fund	41.2
Commercial (Whole Loans/Mortgage-Backed Securities)	123.8
Member Home Loan Program	1,750.0
ULLICO	66.1
<b>Total Real Estate Mortgages</b>	<b>\$1,984.3</b>
<b>Equity</b>	
AFL-CIO Building Investment Trust	\$23.9
Bay Area Real Estate (Catellus)	295.6
CIM Urban	125.0
CNL Net Lease Program	23.9
CUREI - Kennedy	150.0
Bridge	100.0
CUREI - RREEF	100.0
AIM/Real Estate Technology Program	200.0
CUIP	200.0
Equity	2,901.3
Housing Program	603.9
Infill Investment Partners	100.0
Kennedy Urban	26.5
Senior Housing AEW	15.0
Senior Housing - Shattuck Hammond	25.0
<b>Total Real Estate Equity</b>	<b>\$4,890.1</b>
<b>Total Real Estate Mortgages &amp; Equity</b>	<b>\$6,874.4</b>
<b>Equities</b>	
<b>Alternative Investment Management Program</b>	
Direct Component	\$122.1
Partnership Component	954.8
Domestic Equity	8,203.1
International Equity	—
<b>Total Equities</b>	<b>\$9,280.0</b>
<b>Total Real Estate &amp; Equities</b>	<b>\$16,154.4</b>
<b>Fixed Income</b>	
<b>Domestic Fixed Income</b>	
Cash Equivalents & Receivables	\$ —
Corporate Bonds	766.1
Member Home Loan Program - FNMA/GNMA	1,750.0
Mortgage Pass-Through CMOs	2,112.2
Treasury Bonds	—
<b>Total Domestic Fixed Income</b>	<b>\$4,628.3</b>
<b>International Fixed Income</b>	<b>\$ —</b>
<b>Total Fixed Income</b>	<b>\$4,628.3</b>
<b>Total Investments</b>	<b>\$20,782.7</b>



## INVESTMENTS—PERF

### Largest Stock Holdings (Market Value)<sup>1</sup>

*(Dollars in Thousands)*

Rank	Company	Shares	Market Value
1	General Electric Company	42,732,673	\$2,083,217
2	Microsoft Corporation	23,430,864	1,710,453
3	Citigroup, Inc.	24,599,761	1,299,851
4	Exxon Mobil Corporation	14,873,303	1,299,182
5	Pfizer, Inc.	29,772,089	1,192,372
6	AOL Time Warner, Inc.	19,215,108	1,018,400
7	Wal-Mart Stores, Inc.	19,083,650	931,282
8	International Business Machines	8,237,420	930,828
9	Intel Corporation	30,932,799	904,784
10	American International Group, Inc.	10,332,659	888,609

### Largest Bond Holdings (Market Value)<sup>1</sup>

*(Dollars in Thousands)*

Rank	Company	Par Value	Market Value
1	PERS High Quality 1.0% due 12/31/2001	\$1,782,398	\$1,884,830
2	United States Treasury Bonds 6.25% due 5/15/2030	579,700	612,853
3	Deutsche Telekom International Finance BV 8.25% due 6/15/2030	537,000	544,813
4	United States Treasury Bonds 8.125% due 8/15/2019	424,650	528,757
5	United States Treasury Bonds 3.875% due 4/15/2029	421,231	449,925
6	United States Treasury Bonds 8.0% due 11/15/2021	343,040	427,352
7	United States Treasury Bonds 7.85% due 2/15/2021	300,000	367,641
8	Federal National Mortgage Association 5.0% due 9/15/2027	368,179	343,327
9	British Telecommunications PLC 8.625% due 12/15/2030	297,000	322,281
10	United States Treasury Bonds 9.25% due 2/15/2016	213,900	285,154

#### NOTE:

<sup>1</sup> A complete list of portfolio holdings is available on request.

actuarial  
**Section**  
Year Ended  
June 30, 2000

D i s c i p l i n e





CalPERS  
Actuarial and Employer Services Division  
P.O. Box 942709  
Sacramento, CA 94229-2709

September, 2001

As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the CalPERS State and school plans; the latest such valuation is as of June 30, 2000.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the funded condition of the CalPERS State and school plans. This valuation is based on the employee data provided by the CalPERS Member Services Division, retiree data provided by the CalPERS Benefit Services Division, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits plans as outlined in Appendix B. It is our opinion that the valuation has been performed by qualified actuaries in accordance with generally accepted actuarial principles, in accordance with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for these plans, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Further, information has been provided by us for the completion of the trend data schedules (Required Supplemental Schedule of Funding Progress and Required Supplemental Schedule of Employer Contributions) in the Financial Section and Exhibits A through G in the Actuarial Section of this CAFR.

Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.  
Enrolled Actuary  
Chief Actuary, CalPERS

## CaIPERS ACTUARIAL METHODS AND ASSUMPTIONS

### Actuarial Methods

The ultimate cost that a retirement system such as CalPERS incurs is equal to benefits paid plus the expenses resulting from administration and financing. These costs are paid through contributions to the plan and investment earnings on the System's assets.

The actuarial valuations rely upon data extracted from central databases maintained by CalPERS. These databases are created from data supplied by the individual employers. The data was not audited by the actuarial staff, but appears to be reasonable for valuation purposes. Summary information regarding plan membership data for various groups only is provided in Exhibits F and G.

Using each plan's schedule of benefits, member data described above, and a set of actuarial assumptions, the plan's actuary estimates the cost of the benefits to be paid. Then, using a particular actuarial funding method, the actuary allocates these costs to the fiscal years within the employee's career.

In the case of the CalPERS plans with pay-related benefits, the financial objective is to fund in a manner which keeps contribution rates approximately as a level percentage of payroll from generation to generation, while accumulating sufficient assets over each member's working career. The primary funding method used to accomplish this objective is the Entry Age Normal Cost Method. This method is used for all defined benefit pay-related plans within the PERF and for JRS II. It is also used for the Indexed Level of 1959 Survivor Benefits. CalPERS uses the level dollar Aggregate Cost Method for those pay-related plans which are closed and declining in membership. This method is used for LRS and JRS I.

For CalPERS non-pay-related plans, the financial objective is to produce annual costs that coincide with the value of benefits for that year. The Term Insurance Cost Method is used for the plans within the 1959 Survivor Program that are not indexed and for the State Group Term Life Insurance Program. The Unit Credit Cost Method is used for the VFF.

Annual actuarial valuations are performed each June 30 using these methods. This report contains information through the most recent valuation date of June 30, 2000. Progress in financing can be found in the Summary of Funding Progress, Exhibits A and B.

The actuarial assumptions and methods used for funding purposes meet the parameters set for disclosures presented in the financial section by Governmental Accounting Standards Board Statement No. 25.

### *Entry Age Normal Cost Method*

Under the Entry Age Normal Cost Method, projected benefits are determined for all members. For active members, liabilities are spread in a manner that produces level annual costs as a percent of pay in each year from the age of hire (entry age) to the assumed retirement age. The cost allocated to the current fiscal year is called the normal cost. The actuarial accrued liability for active members is then calculated as the portion of the total cost of the plan allocated to prior years.

The actuarial accrued liability for members currently receiving benefits, for active members beyond the assumed retirement age, and for members entitled to deferred benefits is equal to the present value of the benefits expected to be paid. No normal costs are applicable for these participants.

## CaIPERS ACTUARIAL METHODS AND ASSUMPTIONS

The excess of the total actuarial accrued liability over the value of plan assets is called the unfunded actuarial accrued liability.

The required contribution is then determined by adding the normal cost and an amortization of the unfunded liability as a level percentage of assumed future payroll.

In the CalPERS case, the unfunded liability is broken down into components, or bases, according to their date of origin and the cause that gave rise to that component. A component of the unfunded liability that arose due to a change in plan provisions or in actuarial methods or assumptions is separately tracked and amortized over 20 years.

The actuarial assumptions discussed in this section are used to determine projected benefits. The effect of differences between those assumptions and the actual experience of the plan is calculated each year when the annual actuarial valuation is performed. These differences are actuarial gains or losses.

Actuarial gains and losses are separately tracked and offset against one another. Ten percent of the net unamortized gains and losses are included in the required amortization payment each year.

A maximum 30-year amortization payment on the entire unfunded liability is enforced on the amortization methods described above. In addition, for those plans in which the amortization methods described above result in either mathematical inconsistencies or unreasonable actuarial results, all unfunded liability components are combined into a single base and amortized over a period of time, as determined by the CalPERS Chief Actuary.

### ***Term Insurance Cost Method***

The actuarial funding method for non-indexed levels of the 1959 Survivor Program is a modified Term Insurance Cost Method. Under this method, there is no actuarial accrued liability for active members; all liability is due to current beneficiaries. The normal cost is calculated as the amount needed to provide benefits to survivors of deaths expected in the next one-year period.

The Term Insurance Cost Method is also used for the State Group Term Life Insurance Program. The required contributions are calculated as one and one-half times the expected life insurance payments for the coming year less the current assets available to pay those benefits, but not less than zero.

### ***Unit Credit Cost Method***

The Unit Credit Cost Method is used to value the VFF. Under this method, the actuarial accrued liability is the sum of the present value of accrued benefits of all participants. The normal cost is the present value of the benefits earned during the valuation year by all participants.

### ***Aggregate Cost Method***

The Aggregate Cost Method is used for the LRS and JRS I systems. Under this method, the difference between the present value of projected benefits and the assets of the plan are allocated over a specified period of time as a level dollar amount. The amount allocated to the current fiscal year is called the normal cost. There is no actuarial accrued liability calculated using the Aggregate Cost Method.

## CaIPERS ACTUARIAL METHODS AND ASSUMPTIONS

### *Asset Valuation Method*

Because wide swings in the Market Value of Assets might produce employer contribution rates that swing wildly from year to year, actuaries typically employ techniques which place a year-to-year value on assets in an attempt to smooth such swings.

At CalPERS the following asset-smoothing technique is used: first an Expected Value of Assets is computed by bringing forward the prior year's Actuarial Value of Assets and the contributions received and benefits paid during the year at the assumed actuarial rate of return. The Actuarial Value of Assets is then computed as the Expected Value of Assets plus one-third of the difference between the actual Market Value of Assets and the Expected Value of Assets as of the valuation date. The resulting actuarial value is then limited to be not less than 90 percent, nor more than 110 percent of the Market Value of Assets. This methodology is used in the valuations for all programs except the JRS I, which uses an Actuarial Value of Assets equal to the Market Value of the Fund plus accrued interest.

In October 1999, the CalPERS Board approved a change in the Actuarial Asset Method. For State and school plans for the June 30, 1998 valuation, 95 percent of the Market Value of Assets was used as the Actuarial Value of Assets. For other plans within the PERF that improved benefits during fiscal years 1999-00 or 2000-01, and such improvements result in an increase in the present value of benefits, the June 30, 1998 or the June 30, 1999 Actuarial Value of Assets was set to equal 95 percent of the Market Value of Assets.

In June 2001, the CalPERS Board approved another change in the methodology used to compute the Actuarial Value of Assets. Public agencies choosing to amend their contract based on the June 30, 2000 annual valuation will have the option to increase their Actuarial Value of Assets by twice the increase in the Present Value of Benefits that resulted from the amendment. The Actuarial Value of Assets used to offset accrued liabilities, however, cannot exceed 110 percent of the Market Value of Assets under any circumstance. This methodology change option expires on June 30, 2002, after which the Actuarial Value of Assets will be calculated as usual.

### *Actuarial Assumptions*

The actuarial assumptions used in determining actuarial liabilities and required employer contributions include both economic and non-economic assumptions. These assumptions represent the actuary's best estimate of anticipated future experience and are reviewed in depth periodically.

#### *Economic Assumptions*

The economic assumptions include an assumed inflation assumption of 3.5 percent compounded annually. The inflation assumption is a component of assumed investment return, assumed wage growth, and assumed future post-retirement cost-of-living increases.

Based upon the asset allocation for plans within the PERF, the assumed investment return (net of administrative and investment expenses) is 8.25 percent per year, compounded annually. Different asset allocations and lower assumed investment returns apply to LRS, JRS I, JRS II, and VFF.

For plans within the PERF, the overall payroll is assumed to increase 3.75 percent annually. This is based upon the 3.5 percent inflation assumption and a .25 percent per annum productivity increase assumption. The overall payroll growth assumption is used to project future payroll over which the unfunded liability is amortized.

For plans within the PERF, the assumed growth in an individual employee's future pay is composed of the 3.5 percent inflation component, an additional .25 percent per annum productivity component, and an annual merit increase based on the member's length of service. The service-based merit increase in an individual's salary recognizes that larger salary increases tend to occur earlier in an employee's career. Pay increase assumptions for individual members are shown for sample lengths of service in Exhibit C.

## CHANGES SINCE PRIOR VALUATION

### *Non-Economic Assumptions*

Non-economic assumptions for plans within the PERF are based upon demographic studies covering the period June 30, 1988 through June 30, 1992. The probabilities of service retirement, withdrawal from service, non-industrial disability, industrial disability, and death-in-service are shown for sample ages in Exhibit D. Individuals hired on or before June 30, 1982 are entitled to subsidized optional benefits. Certain valuation liabilities are increased to reflect this subsidy.

Post-retirement mortality tables are based upon CalPERS experience. These tables are used to estimate the value of benefits expected to be paid for service and disability retirements. For disability retirements, impaired longevity is recognized by a separate table. Sample life annuity values based on these tables are shown in Exhibit E.

All assumption and methodology changes used in the State and school valuations were adopted by the CalPERS Board of Administration in May of 2001. All changes made in the JRS II and LRS programs were adopted in April of 2001.

The following changes were made beginning with the June 30, 2000 annual evaluation.

### Changes in Actuarial Assumptions

Changes were made to the retirement assumptions used for State and schools, and a new set of retirement rates was developed as a result of an analysis showing that 1) members with more service retire at higher rates than members of the same age with less service; and 2) safety members who have reached the cap on the maximum pension accrual retire at higher rates than members of the same age who have not reached the cap. In addition, assumptions were adjusted to reflect the expected increase in State retirement rates as a result of Senate Bill 400 (Chapter 555, Statutes of 1999).

Senate Bill 400 allows members of the State Miscellaneous and Industrial Second Tier plans to join the equivalent First Tier plan at any time in their career. No assumptions were made about future elections to transfer from Second Tier to First Tier. This implicitly assumes that no members will elect to transfer in the future.

For JRS II, a change in the overall payroll growth assumption was made to incorporate the uneven rate at which the program's population is growing. This assumption is used to produce an increasing annuity over which the unfunded actuarial liability will be amortized.

For LRS, the mortality assumption has been changed from the 1983 Group Annual Mortality Table to the 1994 Group Annual Mortality Table. Both tables were published and recorded in the transactions of the Society of Actuaries.

### Changes in Actuarial Methods

Revised participant data extract programs were used for the schools data, and amortization methods were changed to a 10-year fresh start for all State plans and a 12-year fresh start for the schools plan to better achieve the intent of the funding policy.

Effective January 1, 2001 (and retroactive to January 1, 2000), Assembly Bill 1009 (Chapter 483, Statutes of 2000) changed the Purchasing Power Protection Allowance (PPPA) calculations for public agencies and made each responsible for its own PPPA benefit payments.



## CHANGES SINCE PRIOR VALUATION

### Changes in Plan Provision

Senate Bill 400 changed the Miscellaneous and Industrial First Tier and schools benefits to the new 2% at 55 benefit formula; POFF benefits to 3% at 55; and CHP benefits to 3% at 50. The maximum benefit in the CHP plan was increased to 90 percent of final compensation, and the benefits in the schools plan were based on one-year final average compensation, rather than three. Retired members in the State and schools plans received an ad hoc benefit increase which varied depending on the year of retirement. State Miscellaneous and Industrial Second Tier members were given the option to convert to the First Tier with or without converting their past Second Tier service. The change to the benefit formulas of the State plans applied only to members who were active in State service on or after January 1, 2000, members employed by California State University, and members formerly employed in the legislative or judicial branches of government.

Senate Bill 615 (Chapter 778, Statutes of 1999) increased the maximum benefit in the POFF plan to 90 percent of final compensation and required patrol members to pay 1.5 percent of their employee contributions beginning July 1, 2001. Senate Bill 401 (Chapter 457, Statutes of 1999) eliminated the reduction prior to age 50 when the alternate death benefit is payable (State plans only).

For public agencies, the June 30, 2000 valuation used to set employer contribution rates commencing July 1, 2002, recognized all plan changes made between June 30, 2000 and June 30, 2001. Assembly Bill 1009 increased the PPPA minimum maintenance target from 75 percent to 80 percent, and Assembly Bill 2621 (Chapter 1031, Statutes of 2000) enhanced the Special Death Benefit.

### Summary of Funding Progress

For plans in the PERF, unfunded actuarial accrued liabilities are the difference between Entry Age Normal Accrued Liabilities and the assets of the Fund. It is required that these unfunded liabilities be financed systematically over future years.

Because of inflation, comparing the dollar amounts of assets, benefits paid, member salaries, and unfunded actuarial accrued liabilities can be misleading. While no one or two measures can fully describe the financial condition of the plan, unfunded actuarial accrued liability dollars divided by member salary dollars provide a meaningful index. The smaller the ratio, the stronger the System. Observation of this relative index over a period of years will give an indication of the financial strength of the System. Such a measure is presented in Exhibit A. The JRS and LRS use the Aggregate Cost Method to determine annual plan costs. Under the Aggregate Cost Method, no accrued liabilities are calculated, so this exhibit is not appropriate for these Systems.

Exhibit B, Funding Progress—Solvency Test, demonstrates System solvency as measured under the Governmental Accounting Standards Board Statement No. 25. Again, as stated in the Summary of Funding Progress, the LRS and JRS use the Aggregate Cost Method; therefore, measuring System solvency under Exhibit B is not appropriate for these Systems.



## EXHIBIT A—UNFUNDED ACTUARIAL ACCRUED LIABILITIES (UAAL)

*(Dollars in Millions)*

Actuarial Valuation Date	(1) Actuarial Value of Assets <sup>1</sup>	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2) - (1) <sup>2</sup>	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
<b>PERF</b>						
6/30/92	\$63,400	\$69,460	\$6,060	91.28%	\$19,000	31.9%
6/30/93	73,190	75,910	2,720	96.42	19,000	14.3
6/30/94	77,850	80,530	2,680	96.67	19,900	13.5
6/30/95	83,775	87,673	3,898	95.55	20,800	18.7
6/30/96	94,230	96,838	2,608	97.30	22,322	11.7
6/30/97	108,566	97,925	(10,641)	110.90	22,504	(47.3)
6/30/98	128,830	106,938	(21,892)	120.50	24,672	(88.7)
6/30/99	148,605	115,748	(32,857)	128.39	27,636	(118.9)
6/30/00	162,439	135,970	(26,469)	119.47	28,098	(94.2)
<b>LRF</b>						
6/30/92	\$78.6	\$97.8	\$19.2	80.4%	\$6.2	309.7%
6/30/93	83.3	97.4	14.1	85.5	6.7	210.4
6/30/94	85.3	99.6	14.3	85.6	5.0	286.0
6/30/95	88.5	101.6	13.1	87.1	4.9	267.3
6/30/96	94.2	105.2	11.0	89.5	4.8	229.2
6/30/97	N/A	N/A	N/A	N/A	N/A	N/A
6/30/98	N/A	N/A	N/A	N/A	N/A	N/A
6/30/99	N/A	N/A	N/A	N/A	N/A	N/A
6/30/00	N/A	N/A	N/A	N/A	N/A	N/A
<b>JRF</b>						
6/30/92	\$9.1	\$1,292.5	\$1,283.4	0.7%	\$146.5	876.0%
6/30/93	23.3	1,403.5	1,380.2	1.7	146.6	941.4
6/30/94	14.9	1,289.7	1,274.8	1.2	150.0	849.9
6/30/95	9.3	1,406.0	1,396.7	0.7	156.8	890.1
6/30/96	12.5	1,460.1	1,447.6	0.9	153.8	941.0
6/30/97	N/A	N/A	N/A	N/A	N/A	N/A
6/30/98	N/A	N/A	N/A	N/A	N/A	N/A
6/30/99	N/A	N/A	N/A	N/A	N/A	N/A
6/30/00	N/A	N/A	N/A	N/A	N/A	N/A

## EXHIBIT A—UNFUNDED ACTUARIAL ACCRUED LIABILITIES (UAAL) (continued)

(Dollars in Millions)

Actuarial Valuation Date	(1) Actuarial Value of Assets <sup>1</sup>	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2) - (1) <sup>2</sup>	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
<b>JRF II</b>						
6/30/95	\$ .239	\$ .071	(\$ .168)	338.6%	\$ .9	(18.7%)
6/30/96	2.388	2.813	.425	84.9	8.1	5.3
6/30/97	7.242	7.906	.664	91.6	15.4	4.3
6/30/98	15.120	15.043	(.077)	100.5	33.9	(0.2)
6/30/99	27.155	26.921	(.234)	100.9	40.0	(0.6)
6/30/00	40.503	41.619	1.116	97.3	43.0	2.6

### VFF

6/30/92	\$ .596	\$ .528	(\$ .068)	112.9%	N/A	N/A
6/30/93	.691	.600	(.091)	115.2	N/A	N/A
6/30/94	.799	.689	(.110)	116.0	N/A	N/A
6/30/95	.931	.815	(.116)	114.2	N/A	N/A
6/30/96	1.078	.934	(.144)	115.4	N/A	N/A
6/30/97	1.360	1.121	(.239)	121.3	N/A	N/A
6/30/98	1.678	1.500	(.178)	111.8	N/A	N/A
6/30/99	1.987	1.805	(.182)	110.1	N/A	N/A
6/30/00	2.302	2.296	(.006)	100.3	N/A	N/A

### NOTES:

<sup>1</sup> Includes employer surplus.

### Supplemental Schedule of Differences

Reconciliation Between the Net Assets Held in Trust for Pension Benefits and the Net Assets Allocated to Fund the Pension Benefit Obligation or the Actuarial Liability—June 30, 2000

	PERF	LRF	JRF	JRF II	VFF
Net Assets Held in Trust for Pension Benefits Less:	<b>\$172,540,544,000</b>	<b>\$145,608,000</b>	<b>\$21,516,000</b>	<b>\$41,354,000</b>	<b>\$2,423,000</b>
Member Additional Contributions	2,523,103	—	—	—	—
Reserve for Post-Retirement Redeposit	46,305,245	—	—	—	—
Reserve for Disability Installment Payments	104,131	—	—	—	—
Reserve for Unclaimed Benefits	8,121,591	—	—	—	—
Reserve for Deficiencies	383,000,000	—	—	—	—
Reserve for Fiduciary Self-Insurance	20,000,000	—	—	—	—
Reserve for A.B. 702 Credits	450,291	—	—	—	—
Other Reserves	(82,928,725)	—	—	—	—
Difference Between Smoothed Market Values & Fair Value	9,723,968,364	8,524,000	—	851,000	121,000
<b>Actuarial Value of Assets</b>	<b>\$162,439,000,000</b>	<b>\$137,084,000</b>	<b>\$21,516,000</b>	<b>\$40,503,000</b>	<b>\$2,302,000</b>

<sup>2</sup> The Unfunded Actuarial Accrued Liability/(Surplus) (net assets in excess of the total Actuarial Accrued Liability) of the PERF by major employer groups is as follows: 1) (\$6,416) for the State of California, 2) (\$6,172) for schools, and 3) (\$13,881) for public agencies.

## EXHIBIT B—FUNDING PROGRESS — SOLVENCY TEST

The funding objective for a retirement system is to be able to pay long-term benefit promises through contributions that remain approximately level from year to year as a percent of salaries earned by members. In this way, members and employers in each year pay their fair share for retirement services accrued in that year by the retirement system's members.

If a system follows level contribution rate financing principles, it will pay all promised benefits when due—the ultimate test of financial soundness.

A short-term solvency test is one means of checking a system's funding progress. In a short-term solvency test, the plan's present assets (investments and cash) are compared with 1) member contributions on deposit, 2) the liabilities for future benefits to persons who have retired or terminated, and 3) the liabilities for projected benefits for service already rendered by active

members. In a system that has been following the discipline of level contribution rate financing, the liabilities for member contributions on deposit (liability 1) and the liabilities for future benefits to present retirees (liability 2) will be fully covered by present assets, except in rare circumstances.

In addition, the liabilities for service already rendered by members (liability 3) will be partially covered by the remainder of present assets. Generally, if the system has been using level contribution rate financing, the funded portion of liability 3 will increase over time.

Exhibit B illustrates the progress of funding liability of the PERF, JRS, JRS II, and VFF retirement systems and is indicative of their policy to follow the discipline of level contribution rate funding.

## EXHIBIT B—FUNDING PROGRESS — SOLVENCY TEST

Valuation Date	Member Contributions (1) <sup>1</sup>	Terminated, Retirees & Beneficiaries (2)	Employer-Financed Portion of Active Members (3)	Valuation Assets	Portion of Actuarial Accrued Liabilities Covered by Reported Assets		
					(1)	(2)	(3)
<b>PERF</b>							
<i>(Dollars in Billions)</i>							
6/30/92	\$12.68	\$29.25	\$27.53	\$63.4	100%	100%	78.0%
6/30/93	13.70	32.14	30.07	73.2	100	100	91.0
6/30/94	14.77	35.62	30.14	77.9	100	100	91.1
6/30/95	16.06	39.61	32.00	83.8	100	100	87.8
6/30/96	17.52	42.55	36.77	94.2	100	100	92.8
6/30/97	18.70	50.81	28.42	108.6	100	100	137.5
6/30/98	20.06	55.35	31.53	128.9	100	100	169.6
6/30/99	21.52	58.03	36.20	148.6	100	100	190.7
6/30/00	22.88	66.33	46.76	162.4	100	100	156.6

### LRF

*(Dollars in Millions)*

6/30/92	\$5.9	\$59.6	\$32.3	\$78.6	100%	100%	40.6%
6/30/93	6.0	66.2	25.2	83.3	100	100	44.0
6/30/94	7.1	68.1	24.4	85.3	100	100	41.4
6/30/95	6.5	73.5	21.6	88.5	100	100	39.4
6/30/96	6.9	77.8	20.5	94.2	100	100	46.3
6/30/97	5.6	82.0	9.9	105.3	100	100	100.0
6/30/98	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6/30/99	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6/30/00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### JRF

*(Dollars in Millions)*

6/30/92	\$78.2	\$798.2	\$416.1	\$9.1	11.6%	0%	0%
6/30/93	84.3	768.0	551.2	23.3	27.6	0	0
6/30/94	91.5	701.1	497.1	14.9	16.3	0	0
6/30/95	96.5	785.3	524.2	9.3	9.6	0	0
6/30/96	102.0	821.8	536.3	12.5	12.3	0	0
6/30/97	105.4	938.9	619.3	6.1	5.8	0	0
6/30/98	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6/30/99	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6/30/00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### NOTE:

<sup>1</sup> Includes accrued interest on member contributions.

## EXHIBIT B—FUNDING PROGRESS — SOLVENCY TEST (continued)

Valuation Date	Member Contributions (1) <sup>1</sup>	Terminated, Retirees & Beneficiaries (2)	Employer-Financed Portion of Active Members (3)	Valuation Assets	Portion of Actuarial Accrued Liabilities Covered by Reported Assets		
					(1)	(2)	(3)

### JRF II

*(Dollars in Millions)*

6/30/95	\$0.075	\$ —	(\$0.004)	\$0.2	100%	100%	100.0%
6/30/96	0.698	—	2.115	2.4	100	100	79.9
6/30/97	1.877	0.273	5.757	7.2	100	100	87.7
6/30/98	3.979	0.378	10.686	15.1	100	100	100.7
6/30/99	6.509	0.195	20.217	27.2	100	100	101.2
6/30/00	9.680	0.292	31.647	40.5	100	100	96.5

### VFF

*(Dollars in Millions)*

6/30/92	N/A	\$0.195	\$0.333	\$0.596	N/A	100%	120.4%
6/30/93	N/A	0.040	0.560	0.691	N/A	100	116.3
6/30/94	N/A	0.045	0.644	0.799	N/A	100	117.1
6/30/95	N/A	0.054	0.761	0.931	N/A	100	115.2
6/30/96	N/A	0.046	0.887	1.078	N/A	100	116.3
6/30/97	N/A	0.089	1.033	1.360	N/A	100	123.1
6/30/98	N/A	0.156	1.344	1.678	N/A	100	113.2
6/30/99	N/A	0.178	1.627	1.987	N/A	100	111.2
6/30/00	N/A	0.275	2.021	2.302	100%	100	100.3

#### NOTE:

<sup>1</sup> Includes accrued interest on member contributions.

# EXHIBIT C-SAMPLE PAY INCREASE ASSUMPTIONS FOR INDIVIDUAL MEMBERS

## Annual Percentage Increases Vary by Duration of Service <sup>1</sup>

Duration of Service	State Miscellaneous First & Second Tier	State Industrial First & Second Tier	California Highway Patrol
5	8.45 %	6.89 %	8.71 %
10	5.32	6.89	4.27
15	5.32	4.01	4.27
20	5.32	4.01	4.27
25	5.32	4.01	4.27
30	5.32	4.01	4.27
35	3.75	4.01	4.27
40	3.75	4.01	4.27

Duration of Service	State Safety & Peace Officer/Firefighter		
	Entry Under Age 25	Entry 25 & Over	Schools
5	18.38 %	11.33 %	5.84 %
10	4.80	4.80	5.84
15	4.80	4.80	5.84
20	4.80	4.80	5.84
25	4.80	4.80	5.84
30	4.80	4.80	3.75
35	4.80	4.80	3.75
40	4.80	4.80	3.75

Duration of Service	Public Agency Miscellaneous	Public Agency Safety	
		Entry Under Age 40	Entry 40 & Over
5	6.36 %	7.41 %	4.27 %
10	4.79	5.16	4.27
15	4.79	5.16	4.27
20	4.79	5.16	4.27
25	4.79	5.16	4.27
30	3.75	5.16	4.27
35	3.75	5.16	4.27
40	3.75	5.16	4.27

**NOTE:**

<sup>1</sup> Increase includes 3.5 percent inflation increase.

## EXHIBIT D–SAMPLE NON-ECONOMIC ASSUMPTIONS

### State Miscellaneous First Tier (Male)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of		Service Retirement		Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
	Refund <sup>1</sup>	Deferred Benefit	10 Years	25 Years				
15	0.06839	0.00000	N/A	N/A	0.00024	0.00000	N/A	N/A
20	0.04045	0.03278	N/A	N/A	0.00033	0.00189	N/A	N/A
25	0.02393	0.02631	N/A	N/A	0.00046	0.00205	N/A	N/A
30	0.01415	0.02112	N/A	N/A	0.00064	0.00223	N/A	N/A
35	0.00837	0.01695	N/A	N/A	0.00089	0.00243	N/A	N/A
40	0.00495	0.01360	N/A	N/A	0.00122	0.00264	N/A	N/A
45	0.00293	0.01092	N/A	N/A	0.00169	0.00287	N/A	N/A
50	0.00173	0.00000	0.0219	0.0306	0.00234	0.00312	N/A	N/A
55	0.00102	0.00000	0.0327	0.0458	0.00324	0.00339	N/A	N/A
56	0.00092	0.00000	0.0284	0.0399	0.00346	0.00345	N/A	N/A
57	0.00083	0.00000	0.0351	0.0492	0.00369	0.00351	N/A	N/A
58	0.00075	0.00000	0.0431	0.0604	0.00393	0.00357	N/A	N/A
59	0.00067	0.00000	0.0601	0.0843	0.00420	0.00363	N/A	N/A
60	0.00061	0.00000	0.0921	0.1290	0.00448	0.00369	N/A	N/A
61	0.00055	0.00000	0.1115	0.1563	0.00478	0.00375	N/A	N/A
62	0.00049	0.00000	0.2092	0.2931	0.00510	0.00381	N/A	N/A
63	0.00044	0.00000	0.2382	0.3337	0.00544	0.00388	N/A	N/A
64	0.00040	0.00000	0.1595	0.2236	0.00580	0.00394	N/A	N/A
65	0.00000	0.00000	0.1969	0.2759	0.00619	0.00401	N/A	N/A
70	0.00000	0.00000	0.0952	0.1334	0.00000	0.00000	N/A	N/A

### State Miscellaneous First Tier (Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of		Service Retirement		Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
	Refund <sup>1</sup>	Deferred Benefit	10 Years	25 Years				
15	0.05605	0.00000	N/A	N/A	0.00015	0.00000	N/A	N/A
20	0.03579	0.04056	N/A	N/A	0.00021	0.00153	N/A	N/A
25	0.02286	0.03230	N/A	N/A	0.00030	0.00176	N/A	N/A
30	0.01460	0.02573	N/A	N/A	0.00041	0.00201	N/A	N/A
35	0.00932	0.02049	N/A	N/A	0.00058	0.00230	N/A	N/A
40	0.00595	0.01632	N/A	N/A	0.00080	0.00263	N/A	N/A
45	0.00380	0.01300	N/A	N/A	0.00111	0.00300	N/A	N/A
50	0.00243	0.00000	0.0302	0.0438	0.00155	0.00343	N/A	N/A
55	0.00155	0.00000	0.0475	0.0688	0.00216	0.00393	N/A	N/A
56	0.00142	0.00000	0.0470	0.0681	0.00231	0.00403	N/A	N/A
57	0.00130	0.00000	0.0519	0.0751	0.00246	0.00414	N/A	N/A
58	0.00118	0.00000	0.0641	0.0928	0.00263	0.00426	N/A	N/A
59	0.00108	0.00000	0.0804	0.1164	0.00281	0.00437	N/A	N/A
60	0.00099	0.00000	0.1141	0.1653	0.00300	0.00449	N/A	N/A
61	0.00091	0.00000	0.1286	0.1863	0.00321	0.00461	N/A	N/A
62	0.00083	0.00000	0.2139	0.3098	0.00343	0.00474	N/A	N/A
63	0.00076	0.00000	0.2398	0.3474	0.00366	0.00487	N/A	N/A
64	0.00069	0.00000	0.1973	0.2859	0.00391	0.00500	N/A	N/A
65	0.00000	0.00000	0.2562	0.3711	0.00418	0.00514	N/A	N/A
70	0.00000	0.00000	0.1333	0.1931	0.00000	0.00000	N/A	N/A

**NOTE:** <sup>1</sup> These probabilities apply to those who terminate vested with at least five years of service and withdraw their contributions. Higher probabilities of termination and refund apply to those not yet vested.

EXHIBIT D–SAMPLE NON-ECONOMIC ASSUMPTIONS (continued)

State Miscellaneous Second Tier (Male)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of Refund <sup>1</sup>	Deferred Benefit	Service Retirement <sup>2</sup>	Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
15	N/A	0.00000	N/A	0.00043	0.00000	N/A	N/A
20	N/A	0.00000	N/A	0.00055	0.00102	N/A	N/A
25	N/A	0.06629	N/A	0.00070	0.00136	N/A	N/A
30	N/A	0.05090	N/A	0.00088	0.00183	N/A	N/A
35	N/A	0.03909	N/A	0.00112	0.00245	N/A	N/A
40	N/A	0.03002	N/A	0.00142	0.00328	N/A	N/A
45	N/A	0.02306	N/A	0.00180	0.00439	N/A	N/A
50	N/A	0.01771	0.0320	0.00228	0.00587	N/A	N/A
55	N/A	0.00000	0.0369	0.00288	0.00786	N/A	N/A
56	N/A	0.00000	0.0237	0.00302	0.00834	N/A	N/A
57	N/A	0.00000	0.0185	0.00317	0.00884	N/A	N/A
58	N/A	0.00000	0.0376	0.00332	0.00937	N/A	N/A
59	N/A	0.00000	0.0417	0.00349	0.00993	N/A	N/A
60	N/A	0.00000	0.0198	0.00365	0.01053	N/A	N/A
61	N/A	0.00000	0.0846	0.00383	0.01116	N/A	N/A
62	N/A	0.00000	0.1395	0.00402	0.01183	N/A	N/A
63	N/A	0.00000	0.0769	0.00421	0.01254	N/A	N/A
64	N/A	0.00000	0.0691	0.00442	0.01330	N/A	N/A
65	N/A	0.00000	0.1638	0.00463	0.01410	N/A	N/A
70	N/A	0.00000	0.0762	0.00000	0.00000	N/A	N/A

State Miscellaneous Second Tier (Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of Refund <sup>1</sup>	Deferred Benefit	Service Retirement <sup>2</sup>	Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
15	N/A	0.00000	N/A	0.00007	0.00000	N/A	N/A
20	N/A	0.00000	N/A	0.00011	0.00076	N/A	N/A
25	N/A	0.05565	N/A	0.00016	0.00107	N/A	N/A
30	N/A	0.03922	N/A	0.00023	0.00150	N/A	N/A
35	N/A	0.02970	N/A	0.00035	0.00212	N/A	N/A
40	N/A	0.02351	N/A	0.00051	0.00298	N/A	N/A
45	N/A	0.01910	N/A	0.00075	0.00420	N/A	N/A
50	N/A	0.01572	0.0260	0.00111	0.00591	N/A	N/A
55	N/A	0.00000	0.0417	0.00163	0.00833	N/A	N/A
56	N/A	0.00000	0.0352	0.00176	0.00892	N/A	N/A
57	N/A	0.00000	0.0505	0.00190	0.00955	N/A	N/A
58	N/A	0.00000	0.0477	0.00206	0.01022	N/A	N/A
59	N/A	0.00000	0.0274	0.00222	0.01095	N/A	N/A
60	N/A	0.00000	0.0524	0.00240	0.01172	N/A	N/A
61	N/A	0.00000	0.0629	0.00260	0.01256	N/A	N/A
62	N/A	0.00000	0.1345	0.00281	0.01344	N/A	N/A
63	N/A	0.00000	0.1186	0.00303	0.01440	N/A	N/A
64	N/A	0.00000	0.1178	0.00328	0.01542	N/A	N/A
65	N/A	0.00000	0.1859	0.00354	0.01651	N/A	N/A
70	N/A	0.00000	0.1071	0.00000	0.00000	N/A	N/A

**NOTES:** <sup>1</sup> These probabilities apply to those who terminate vested with at least five years of service and withdraw their contributions. Higher probabilities of termination and refund apply to those not yet vested.

<sup>2</sup> These probabilities vary by age and gender only; there was insufficient data to generate retirement rates that varied by age and years of service.



## EXHIBIT D–SAMPLE NON-ECONOMIC ASSUMPTIONS (continued)

### State Safety (Male)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of		Service Retirement		Non-Industrial	Non-Industrial	Industrial	Industrial
	Refund <sup>1</sup>	Deferred Benefit	10 Years	25 Years	Death	Disability	Death	Disability
15	0.04851	0.00000	N/A	N/A	0.00043	0.00000	0.00036	0.00212
20	0.03260	0.01075	N/A	N/A	0.00050	0.00171	0.00045	0.00245
25	0.02191	0.00971	N/A	N/A	0.00062	0.00183	0.00056	0.00283
30	0.01472	0.00877	N/A	N/A	0.00081	0.00197	0.00070	0.00326
35	0.00989	0.00792	N/A	N/A	0.00112	0.00211	0.00088	0.00377
40	0.00665	0.00716	N/A	N/A	0.00163	0.00227	0.00109	0.00435
45	0.00447	0.00646	N/A	N/A	0.00292	0.00244	0.00136	0.00503
50	0.00300	0.00000	0.0350	0.0900	0.00529	0.00262	0.00169	0.00581
55	0.00202	0.00000	0.0486	0.1251	0.00852	0.00281	0.00211	0.00671
56	0.00186	0.00000	0.0414	0.1065	0.00926	0.00285	0.00221	0.00690
57	0.00172	0.00000	0.0431	0.1107	0.01004	0.00289	0.00231	0.00711
58	0.00159	0.00000	0.0451	0.1160	0.01089	0.00293	0.00241	0.00731
59	0.00147	0.00000	0.0559	0.1436	0.01192	0.00297	0.00252	0.00753
60	0.00000	0.00000	0.0687	0.1765	0.01312	0.00302	0.00263	0.00775
61	0.00000	0.00000	0.0933	0.2398	0.01444	0.00306	0.00275	0.00797
62	0.00000	0.00000	0.1120	0.2881	0.01586	0.00310	0.00287	0.00821
63	0.00000	0.00000	0.1018	0.2618	0.01741	0.00315	0.00300	0.00845
64	0.00000	0.00000	0.0955	0.2457	0.01919	0.00319	0.00314	0.00869
65	0.00000	0.00000	0.1617	0.4157	0.00000	0.00000	0.00000	0.00000
70	N/A	N/A	1.0000	1.0000	N/A	N/A	N/A	N/A

### California Highway Patrol (Male and Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of		Service Retirement		Non-Industrial	Non-Industrial	Industrial	Industrial
	Refund <sup>1</sup>	Deferred Benefit	10 Years	25 Years	Death	Disability	Death	Disability
15	0.03307	0.00000	N/A	N/A	0.00065	0.00000	0.00014	0.00068
20	0.01653	0.00822	N/A	N/A	0.00073	0.00031	0.00020	0.00119
25	0.00826	0.00631	N/A	N/A	0.00082	0.00043	0.00027	0.00210
30	0.00413	0.00484	N/A	N/A	0.00091	0.00059	0.00038	0.00370
35	0.00206	0.00372	N/A	N/A	0.00103	0.00080	0.00053	0.00652
40	0.00103	0.00285	N/A	N/A	0.00115	0.00109	0.00073	0.01150
45	0.00052	0.00219	N/A	N/A	0.00129	0.00149	0.00102	0.02027
50	0.00026	0.00000	0.0003	0.0204	0.00145	0.00203	0.00142	0.03573
55	0.00000	0.00000	0.0019	0.1573	0.00162	0.00277	0.00197	0.06298
56	0.00000	0.00000	0.0016	0.1323	0.00166	0.00295	0.00211	0.07055
57	0.00000	0.00000	0.0018	0.1466	0.00170	0.00314	0.00225	0.07902
58	0.00000	0.00000	0.0016	0.1270	0.00174	0.00334	0.00240	0.08850
59	0.00000	0.00000	0.0048	0.3909	0.00178	0.00356	0.00257	0.09913
60	0.00000	0.00000	0.0073	0.5879	0.00000	0.00000	0.00000	0.00000

**NOTE:**

<sup>1</sup> These probabilities apply to those who terminate vested with at least five years of service and withdraw their contributions. Higher probabilities of termination and refund apply to those not yet vested.

## EXHIBIT D–SAMPLE NON-ECONOMIC ASSUMPTIONS (continued)

### School Employees (Male)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of		Service Retirement		Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
	Refund <sup>1</sup>	Deferred Benefit	10 Years	25 Years				
15	0.09998	0.00000	N/A	N/A	0.00037	0.00000	N/A	N/A
20	0.07267	0.01832	N/A	N/A	0.00049	0.00138	N/A	N/A
25	0.05282	0.01591	N/A	N/A	0.00065	0.00165	N/A	N/A
30	0.03840	0.01381	N/A	N/A	0.00086	0.00197	N/A	N/A
35	0.02791	0.01199	N/A	N/A	0.00114	0.00235	N/A	N/A
40	0.02029	0.01041	N/A	N/A	0.00150	0.00281	N/A	N/A
45	0.01475	0.00904	N/A	N/A	0.00199	0.00335	N/A	N/A
50	0.01072	0.00000	0.0165	0.0309	0.00264	0.00400	N/A	N/A
55	0.00779	0.00000	0.0284	0.0531	0.00349	0.00478	N/A	N/A
56	0.00731	0.00000	0.0347	0.0650	0.00369	0.00495	N/A	N/A
57	0.00686	0.00000	0.0288	0.0539	0.00390	0.00513	N/A	N/A
58	0.00643	0.00000	0.0377	0.0705	0.00413	0.00531	N/A	N/A
59	0.00604	0.00000	0.0607	0.1134	0.00437	0.00551	N/A	N/A
60	0.00566	0.00000	0.0904	0.1691	0.00462	0.00570	N/A	N/A
61	0.00531	0.00000	0.1235	0.2311	0.00489	0.00591	N/A	N/A
62	0.00498	0.00000	0.2510	0.4695	0.00517	0.00612	N/A	N/A
63	0.00468	0.00000	0.2065	0.3863	0.00547	0.00634	N/A	N/A
64	0.00439	0.00000	0.2078	0.3888	0.00579	0.00657	N/A	N/A
65	0.00000	0.00000	0.3008	0.5626	0.00612	0.00681	N/A	N/A
70	0.00000	0.00000	0.1583	0.2960	0.00000	0.00000	N/A	N/A

### School Employees (Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of		Service Retirement		Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
	Refund <sup>1</sup>	Deferred Benefit	10 Years	25 Years				
15	0.12074	0.00000	N/A	N/A	0.00013	0.00000	N/A	N/A
20	0.08263	0.03801	N/A	N/A	0.00018	0.00028	N/A	N/A
25	0.05655	0.03132	N/A	N/A	0.00025	0.00036	N/A	N/A
30	0.03870	0.02580	N/A	N/A	0.00034	0.00047	N/A	N/A
35	0.02649	0.02125	N/A	N/A	0.00047	0.00062	N/A	N/A
40	0.01813	0.01751	N/A	N/A	0.00065	0.00081	N/A	N/A
45	0.01241	0.01442	N/A	N/A	0.00090	0.00105	N/A	N/A
50	0.00849	0.00000	0.0189	0.0294	0.00124	0.00138	N/A	N/A
55	0.00581	0.00000	0.0530	0.0824	0.00171	0.00180	N/A	N/A
56	0.00539	0.00000	0.0513	0.0796	0.00182	0.00190	N/A	N/A
57	0.00499	0.00000	0.0529	0.0821	0.00194	0.00201	N/A	N/A
58	0.00463	0.00000	0.0604	0.0937	0.00207	0.00212	N/A	N/A
59	0.00429	0.00000	0.0827	0.1283	0.00221	0.00223	N/A	N/A
60	0.00398	0.00000	0.1203	0.1867	0.00235	0.00236	N/A	N/A
61	0.00369	0.00000	0.1403	0.2177	0.00251	0.00249	N/A	N/A
62	0.00342	0.00000	0.2292	0.3558	0.00268	0.00262	N/A	N/A
63	0.00317	0.00000	0.2162	0.3357	0.00285	0.00277	N/A	N/A
64	0.00294	0.00000	0.2230	0.3463	0.00304	0.00292	N/A	N/A
65	0.00000	0.00000	0.3103	0.4817	0.00325	0.00308	N/A	N/A
70	0.00000	0.00000	0.2182	0.3387	0.00000	0.00000	N/A	N/A

**NOTE:**

<sup>1</sup> These probabilities apply to those who terminate vested with at least five years of service and withdraw their contributions. Higher probabilities of termination and refund apply to those not yet vested.

EXHIBIT D–SAMPLE NON-ECONOMIC ASSUMPTIONS (continued)

Public Agency Miscellaneous 2% at 60 (Male)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of Refund <sup>1</sup>	Deferred Benefit	Service Retirement <sup>2</sup>	Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
15	0.09319	0.00000	N/A	0.00019	0.00033	N/A	N/A
20	0.06393	0.02023	N/A	0.00027	0.00048	N/A	N/A
25	0.04386	0.01818	N/A	0.00039	0.00070	N/A	N/A
30	0.03009	0.01633	N/A	0.00055	0.00102	N/A	N/A
35	0.02064	0.01467	N/A	0.00078	0.00148	N/A	N/A
40	0.01416	0.01318	N/A	0.00110	0.00215	N/A	N/A
45	0.00971	0.01184	N/A	0.00155	0.00313	N/A	N/A
50	0.00666	0.01064	0.02654	0.00219	0.00456	N/A	N/A
55	0.00457	0.00956	0.04813	0.00310	0.00663	N/A	N/A
56	0.00424	0.00935	0.03957	0.00332	0.00715	N/A	N/A
57	0.00393	0.00916	0.04788	0.00356	0.00771	N/A	N/A
58	0.00365	0.00896	0.05500	0.00381	0.00000	N/A	N/A
59	0.00338	0.00877	0.06811	0.00409	0.00000	N/A	N/A
60	0.00314	0.00859	0.12807	0.00438	0.00000	N/A	N/A
61	0.00291	0.00840	0.12426	0.00469	0.00000	N/A	N/A
62	0.00270	0.00823	0.23818	0.00503	0.00000	N/A	N/A
63	0.00250	0.00805	0.21037	0.00539	0.00000	N/A	N/A
64	0.00232	0.00788	0.14311	0.00578	0.00000	N/A	N/A
65	0.00215	0.00771	0.24399	0.00619	0.00000	N/A	N/A
70	0.00000	0.00693	1.00000	0.00875	0.00000	N/A	N/A

Public Agency Miscellaneous 2% at 60 (Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of Refund <sup>1</sup>	Deferred Benefit	Service Retirement <sup>2</sup>	Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
15	0.11328	0.00000	N/A	0.00005	0.00022	N/A	N/A
20	0.07966	0.03299	N/A	0.00007	0.00032	N/A	N/A
25	0.05601	0.02910	N/A	0.00012	0.00047	N/A	N/A
30	0.03939	0.02567	N/A	0.00018	0.00069	N/A	N/A
35	0.02770	0.02264	N/A	0.00028	0.00102	N/A	N/A
40	0.01948	0.01997	N/A	0.00044	0.00150	N/A	N/A
45	0.01370	0.01762	N/A	0.00069	0.00220	N/A	N/A
50	0.00963	0.01554	0.03684	0.00108	0.00322	N/A	N/A
55	0.00677	0.01371	0.05390	0.00169	0.00473	N/A	N/A
56	0.00631	0.01337	0.04576	0.00185	0.00511	N/A	N/A
57	0.00588	0.01304	0.04213	0.00202	0.00551	N/A	N/A
58	0.00548	0.01271	0.06735	0.00221	0.00595	N/A	N/A
59	0.00511	0.01240	0.06523	0.00242	0.00000	N/A	N/A
60	0.00476	0.01209	0.09825	0.00264	0.00000	N/A	N/A
61	0.00444	0.01179	0.08696	0.00289	0.00000	N/A	N/A
62	0.00414	0.01150	0.18980	0.00316	0.00000	N/A	N/A
63	0.00386	0.01121	0.17706	0.00346	0.00000	N/A	N/A
64	0.00359	0.01094	0.12882	0.00378	0.00000	N/A	N/A
65	0.00335	0.01067	0.23837	0.00414	0.00000	N/A	N/A
70	0.00000	0.00941	1.00000	0.00647	0.00000	N/A	N/A

**NOTES:** <sup>1</sup> These probabilities apply to those who terminate vested with at least five years of service and withdraw their contributions. Higher probabilities of termination and refund apply to those not yet vested.

<sup>2</sup> These probabilities vary by age and gender only; there was insufficient data to generate retirement rates that varied by age and years of service.

## EXHIBIT D–SAMPLE NON-ECONOMIC ASSUMPTIONS (continued)

### Public Agency Police 2% at 50 (Male and Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of Refund <sup>1</sup>	Deferred Benefit	Service Retirement <sup>2</sup>	Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
15	0.05382	0.00000	N/A	0.00014	0.00013	0.00008	0.00180
20	0.03226	0.01309	N/A	0.00017	0.00018	0.00011	0.00250
25	0.01934	0.01155	N/A	0.00020	0.00024	0.00014	0.00347
30	0.01159	0.01018	N/A	0.00023	0.00033	0.00018	0.00482
35	0.00695	0.00898	N/A	0.00028	0.00044	0.00023	0.00669
40	0.00417	0.00792	N/A	0.00033	0.00060	0.00029	0.00928
45	0.00250	0.00699	N/A	0.00039	0.00082	0.00038	0.01289
50	0.00150	0.00616	0.05857	0.00046	0.00112	0.00048	0.01789
55	0.00090	0.00544	0.18571	0.00054	0.00000	0.00062	0.02484
56	0.00000	0.00530	0.11855	0.00056	0.00000	0.00065	0.02652
57	0.00000	0.00517	0.07146	0.00058	0.00000	0.00068	0.02832
58	0.00000	0.00504	0.08968	0.00060	0.00000	0.00072	0.03024
59	0.00000	0.00492	0.08743	0.00062	0.00000	0.00076	0.03229
60	0.00000	0.00479	1.00000	0.00064	0.00000	0.00077	0.03448
61	0.00000	0.00000	1.00000	0.00074	0.00000	0.00090	0.00000
62	0.00000	0.00000	1.00000	0.00086	0.00000	0.00106	0.00000
63	0.00000	0.00000	1.00000	0.00099	0.00000	0.00123	0.00000
64	0.00000	0.00000	1.00000	0.00115	0.00000	0.00145	0.00000
65	0.00000	0.00000	1.00000	0.00134	0.00000	0.00170	0.00000
70	0.00000	0.00000	1.00000	0.00279	0.00000	0.00375	0.00000

### Public Agency Fire 2% at 50 (Male and Female)

*Probability of Active Members Leaving Due To:*

Age	Termination & Election of Refund <sup>1</sup>	Deferred Benefit	Service Retirement <sup>2</sup>	Non-Industrial Death	Non-Industrial Disability	Industrial Death	Industrial Disability
15	0.01853	0.00000	N/A	0.00014	0.00006	0.00008	0.00022
20	0.01109	0.00669	N/A	0.00017	0.00009	0.00011	0.00040
25	0.00663	0.00590	N/A	0.00020	0.00015	0.00014	0.00073
30	0.00397	0.00521	N/A	0.00023	0.00024	0.00018	0.00133
35	0.00238	0.00460	N/A	0.00028	0.00039	0.00023	0.00242
40	0.00142	0.00406	N/A	0.00033	0.00062	0.00029	0.00441
45	0.00085	0.00358	N/A	0.00039	0.00099	0.00038	0.00802
50	0.00051	0.00316	0.03673	0.00046	0.00158	0.00048	0.01460
55	0.00030	0.00279	0.22109	0.00054	0.00000	0.00062	0.02658
56	0.00000	0.00272	0.11305	0.00056	0.00000	0.00065	0.02997
57	0.00000	0.00265	0.09843	0.00058	0.00000	0.00068	0.03378
58	0.00000	0.00259	0.11843	0.00060	0.00000	0.00072	0.03808
59	0.00000	0.00252	0.10456	0.00062	0.00000	0.00076	0.04293
60	0.00000	0.00246	1.00000	0.00064	0.00000	0.00077	0.04839
61	0.00000	0.00000	1.00000	0.00074	0.00000	0.00090	0.00000
62	0.00000	0.00000	1.00000	0.00086	0.00000	0.00106	0.00000
63	0.00000	0.00000	1.00000	0.00099	0.00000	0.00123	0.00000
64	0.00000	0.00000	1.00000	0.00115	0.00000	0.00145	0.00000
65	0.00000	0.00000	1.00000	0.00134	0.00000	0.00170	0.00000
70	0.00000	0.00000	1.00000	0.00279	0.00000	0.00375	0.00000

**NOTES:** <sup>1</sup> These probabilities apply to those who terminate vested with at least five years of service and withdraw their contributions. Higher probabilities of termination and refund apply to those not yet vested.

<sup>2</sup> These probabilities vary by age only; there was insufficient data to generate retirement rates that varied by age and years of service.

## EXHIBIT E—SINGLE LIFE RETIREMENT VALUES

### Present Value of \$1 Monthly Increasing 2% Annually After Two-Year Waiting Period

*Interest Rate of 8.25 Percent*

Sample Attained Ages	Service Retirement		Non-Industrial Disability Retirement		Industrial Disability Retirement
	Male	Female	Male	Female	Male & Female
50	152.126	163.362	117.529	136.720	145.932
51	150.276	161.740	116.433	135.621	143.698
52	148.365	160.049	115.296	134.462	141.389
53	146.387	158.299	114.113	133.252	139.011
54	144.335	156.486	112.879	131.972	136.572
55	142.203	154.589	111.600	130.630	134.077
56	139.998	152.616	110.257	129.206	131.533
57	137.713	150.579	108.842	127.707	128.931
58	135.341	148.470	107.348	126.125	126.263
59	132.872	146.285	105.777	124.440	123.557
60	130.325	144.014	104.119	122.654	120.818
61	127.691	141.667	102.363	120.760	118.036
62	124.945	139.235	100.497	118.746	115.262
63	122.104	136.725	98.529	116.638	112.473
64	119.154	134.128	96.435	114.439	109.695
65	116.083	131.448	94.219	112.174	106.906
70	99.989	116.733	81.590	99.598	92.863
75	83.427	99.932	67.325	84.455	78.648
80	67.774	81.953	53.492	67.247	65.175
85	53.408	63.975	41.806	49.547	53.033
90	41.143	48.455	31.914	34.310	40.217
95	31.566	36.451	23.369	23.911	28.431
100	22.448	24.081	16.068	16.363	18.807

## EXHIBIT F—HISTORY OF MEMBER SALARY DATA

Year	Number of Active Members	Annual Covered Payroll (in millions)	Average Annual Salary	% Increase In Average Pay
6/30/91	614,645	\$18,429	\$29,984	9.2%
6/30/92	613,600	18,992	30,952	3.2
6/30/93	610,084	19,022	31,180	0.7
6/30/94	618,910	19,919	32,184	3.2
6/30/95	619,695	23,559	38,017	18.1
6/30/96	631,166	22,876	36,245	(4.6)
6/30/97	584,735	21,712	37,131	2.4
6/30/98	620,643	22,174	35,727	(3.8)
6/30/99	668,700	25,324	37,870	6.0
6/30/00	707,585	28,098	39,709	4.9

## EXHIBIT G—MEMBERS IN VALUATION

### By Attained Age & Years of Service—June 30, 2000

#### State Miscellaneous First Tier (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	1,536	3	0	0	0	0	1,539	\$38,171,016
25-29	4,371	454	27	0	0	0	4,852	158,712,083
30-34	5,583	2,354	1,219	17	0	0	9,173	366,080,088
35-39	5,751	3,232	4,671	1,508	154	0	15,316	682,973,185
40-44	5,242	3,260	5,344	4,119	3,068	0	21,033	980,731,526
45-49	4,566	3,188	5,325	4,314	7,915	129	25,437	1,246,460,191
50-54	3,535	2,663	4,580	3,850	8,932	2,041	25,601	1,325,298,857
55-59	1,813	1,464	2,620	2,163	5,265	3,604	16,929	913,030,152
60-64	785	704	1,229	1,055	2,377	2,615	8,765	478,889,471
65 & Up	265	351	505	329	582	629	2,661	145,812,647
<b>Total</b>	<b>33,447</b>	<b>17,673</b>	<b>25,520</b>	<b>17,355</b>	<b>28,293</b>	<b>9,018</b>	<b>131,306</b>	<b>\$6,336,159,216</b>

#### State Miscellaneous Second Tier (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	1,277	8	0	0	0	0	1,285	\$31,280,773
25-29	3,106	727	14	0	0	0	3,847	120,487,776
30-34	3,031	2,105	470	4	0	0	5,610	202,064,035
35-39	2,524	1,969	1,198	201	26	0	5,918	227,472,786
40-44	2,162	1,630	1,119	423	432	0	5,766	224,687,775
45-49	1,644	1,289	912	346	900	13	5,104	207,550,479
50-54	1,190	973	640	240	806	186	4,035	170,983,723
55-59	596	510	275	104	291	195	1,971	82,562,966
60-64	258	267	144	33	109	131	942	39,768,165
65 & Up	129	142	82	17	21	43	434	18,084,800
<b>Total</b>	<b>15,917</b>	<b>9,620</b>	<b>4,854</b>	<b>1,368</b>	<b>2,585</b>	<b>568</b>	<b>34,912</b>	<b>\$1,324,943,278</b>

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

## EXHIBIT G—MEMBERS IN VALUATION (continued)

### By Attained Age & Years of Service—June 30, 2000

#### State Industrial First & Second Tier (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	214	1	0	0	0	0	215	\$5,047,456
25-29	540	107	2	0	0	0	649	17,953,581
30-34	648	338	87	3	0	0	1,076	33,684,264
35-39	621	418	221	66	2	0	1,328	45,839,565
40-44	684	440	316	129	54	0	1,623	60,931,896
45-49	553	382	361	118	84	1	1,499	59,798,179
50-54	505	315	351	131	89	21	1,412	59,362,459
55-59	231	243	245	74	57	28	878	38,499,322
60-64	76	101	120	41	34	18	390	18,076,141
65 & Up	27	64	65	26	18	7	207	13,316,408
<b>Total</b>	<b>4,099</b>	<b>2,409</b>	<b>1,768</b>	<b>588</b>	<b>338</b>	<b>75</b>	<b>9,277</b>	<b>\$352,509,271</b>

#### State Safety (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	58	1	0	0	0	0	59	\$1,784,148
25-29	350	38	0	0	0	0	388	14,107,127
30-34	702	176	29	0	0	0	907	37,876,701
35-39	904	371	186	6	0	0	1,467	65,667,323
40-44	1,196	571	416	82	10	0	2,275	108,299,850
45-49	1,423	618	552	134	75	1	2,803	139,630,453
50-54	1,213	637	633	185	139	2	2,809	147,776,317
55-59	770	359	422	124	96	11	1,782	97,926,076
60-64	389	241	234	73	46	11	994	58,023,002
65 & Up	189	119	110	29	33	8	488	34,209,807
<b>Total</b>	<b>7,194</b>	<b>3,131</b>	<b>2,582</b>	<b>633</b>	<b>399</b>	<b>33</b>	<b>13,972</b>	<b>\$705,300,804</b>

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

## EXHIBIT G—MEMBERS IN VALUATION (continued)

### By Attained Age & Years of Service—June 30, 2000

#### California Highway Patrol (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	63	0	0	0	0	0	63	\$3,014,431
25-29	744	78	0	0	0	0	822	43,753,022
30-34	671	358	201	0	0	0	1,230	69,428,891
35-39	234	278	643	167	0	0	1,322	79,602,283
40-44	44	65	291	669	110	0	1,179	74,327,394
45-49	51	0	51	357	383	0	842	54,586,816
50-54	41	0	0	57	505	117	720	50,088,870
55-59	17	0	0	6	123	229	375	27,240,725
60-64	0	0	0	0	2	2	4	318,048
65 & Up	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1,865</b>	<b>779</b>	<b>1,186</b>	<b>1,256</b>	<b>1,123</b>	<b>348</b>	<b>6,557</b>	<b>\$402,360,480</b>

#### State Peace Officer/Firefighter

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	1,316	12	0	0	0	0	1,328	\$37,098,949
25-29	3,112	611	17	0	0	0	3,740	153,454,460
30-34	3,003	2,336	567	14	0	0	5,920	282,983,339
35-39	1,945	1,992	3,039	566	12	0	7,554	398,491,837
40-44	1,346	1,373	2,532	1,652	193	0	7,096	391,914,758
45-49	802	903	1,853	1,531	825	21	5,935	345,358,468
50-54	515	569	1,311	1,283	1,120	171	4,969	301,891,096
55-59	198	261	584	481	326	101	1,951	118,564,527
60-64	37	74	221	117	55	36	540	32,165,762
65 & Up	10	15	51	25	9	12	122	7,309,867
<b>Total</b>	<b>12,284</b>	<b>8,146</b>	<b>10,175</b>	<b>5,669</b>	<b>2,540</b>	<b>341</b>	<b>39,155</b>	<b>\$2,069,233,063</b>

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.



EXHIBIT G—MEMBERS IN VALUATION (continued)

By Attained Age & Years of Service—June 30, 2000

School Employees (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	9,023	79	0	0	0	0	9,102	\$168,321,724
25-29	13,507	2,463	67	0	0	0	16,037	339,198,395
30-34	12,612	4,918	2,132	42	0	0	19,704	473,144,436
35-39	15,415	6,202	4,939	1,895	83	0	28,534	720,953,388
40-44	18,432	8,752	6,530	3,558	2,204	0	39,476	1,011,342,054
45-49	16,598	10,303	9,229	4,718	4,987	55	45,890	1,215,654,489
50-54	11,107	8,764	10,254	6,161	6,616	907	43,809	1,220,855,459
55-59	5,584	4,611	6,262	5,019	6,663	1,294	29,433	831,415,278
60-64	2,550	2,323	3,067	2,540	4,461	945	15,886	430,511,772
65 & Up	1,097	1,149	1,221	907	1,544	372	6,290	140,904,064
<b>Total</b>	<b>105,925</b>	<b>49,564</b>	<b>43,701</b>	<b>24,840</b>	<b>26,558</b>	<b>3,573</b>	<b>254,161</b>	<b>\$6,552,301,059</b>

Public Agency Miscellaneous (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	4,974	31	0	0	0	0	5,005	\$115,784,525
25-29	10,176	1,374	39	0	0	0	11,589	367,985,792
30-34	11,447	4,471	1,825	27	0	0	17,770	668,170,771
35-39	10,964	6,199	5,846	1,451	66	0	24,526	1,020,395,494
40-44	10,941	6,612	7,269	3,627	1,542	0	29,991	1,327,670,483
45-49	9,613	6,194	7,321	4,115	4,581	31	31,855	1,476,983,468
50-54	7,448	5,161	6,423	3,703	6,156	763	29,654	1,439,724,537
55-59	3,923	2,879	3,635	2,175	3,441	1,298	17,351	839,742,493
60-64	1,544	1,356	1,718	1,064	1,438	664	7,784	356,404,820
65 & Up	670	663	585	303	514	160	2,895	109,715,516
<b>Total</b>	<b>71,700</b>	<b>34,940</b>	<b>34,661</b>	<b>16,465</b>	<b>17,738</b>	<b>2,916</b>	<b>178,420</b>	<b>\$7,722,577,899</b>

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

EXHIBIT G—MEMBERS IN VALUATION (continued)

By Attained Age & Years of Service—June 30, 2000

Public Agency Safety (Male & Female)

Attained Age	Years of Service at Valuation Date						Total	Total Valuation Payroll (\$,000)
	0-4	5-9	10-14	15-19	20-29	30 & Up		
15-24	872	1	0	0	0	0	873	\$34,078,470
25-29	4,430	563	3	0	0	0	4,996	238,731,489
30-34	4,165	3,036	953	2	0	0	8,156	445,579,770
35-39	1,958	2,482	3,727	793	3	0	8,963	548,251,400
40-44	940	1,195	2,459	2,635	918	0	8,147	536,903,355
45-49	497	538	1,126	1,607	3,002	0	6,770	468,553,335
50-54	302	355	474	672	3,225	388	5,416	390,729,884
55-59	120	134	175	174	785	367	1,755	124,244,500
60-64	36	43	47	20	64	106	316	20,361,077
65 & Up	8	14	10	7	14	18	71	4,565,468
<b>Total</b>	<b>13,328</b>	<b>8,361</b>	<b>8,974</b>	<b>5,910</b>	<b>8,011</b>	<b>879</b>	<b>45,463</b>	<b>\$2,811,998,748</b>

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one coverage group. This does not result in double counting of liabilities.

## ACTUARIAL CERTIFICATIONS—OTHER SYSTEMS

### Judges' Retirement System

April, 2001

#### *Actuarial Certification*

As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Judges' Retirement System; the latest such valuation is as of June 30, 2000.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the actuarial funded condition of the Judges' Retirement System, as of June 30, 2000. Based on the employee data provided by the CalPERS Judges', Legislators', and Volunteer Firefighters' Office, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits as outlined in Appendix B, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods, as prescribed by the CalPERS Board of Administration, are reasonable for the System.

Further, information has been provided by us for the completion of (i) the trend data schedules (Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through G in the Actuarial Section of the CAFR.



Gale D. Patrick, F.S.A., M.A.A.A.  
Enrolled Actuary  
Senior Pension Actuary, CalPERS



Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.  
Enrolled Actuary  
Chief Actuary, CalPERS

### Judges' Retirement System II

April, 2001

#### *Actuarial Certification*

As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Judges' Retirement System II; the latest such valuation is as of June 30, 2000.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the actuarial funded condition of the CalPERS Judges' Retirement System II. Based on the employee data provided by the Judges' Retirement System administrative staff at CalPERS, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits plans as outlined in Appendix B, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods are reasonable for these plans.

Further, information has been provided by us for the completion of (i) the trend data schedules (Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through G in the Actuarial Section of the CAFR.



Leo Aguinaldo, A.S.A., M.A.A.A.  
Associate Pension Actuary, CalPERS



Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.  
Enrolled Actuary  
Chief Actuary, CalPERS

## ACTUARIAL CERTIFICATIONS—OTHER SYSTEMS

### Legislators' Retirement System

April, 2001

#### *Actuarial Certification*

As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Legislators' Retirement System; the latest such valuation is as of June 30, 2000.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to fully and fairly disclose the actuarial funded condition of the Legislators' Retirement System. Based on the employee data provided by the CalPERS Judges', Legislators', and Volunteer Firefighters' Office, the statement of assets provided by the CalPERS Fiscal Services Division, and the benefits plans as outlined in Appendix B, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods are reasonable for these plans.

Further, information has been provided by us for the completion of (i) the trend data schedules (Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through G in the Actuarial Section of the CAFR.



Kung-Pei Hwang, A.S.A., M.A.A.A.  
Senior Pension Actuary, CalPERS



Ron Seeling, Ph.D., F.C.A., A.S.A., M.A.A.A.  
Enrolled Actuary  
Chief Actuary, CalPERS

### Volunteer Firefighters' Length of Service Award System

April, 2001

#### *Actuarial Certification*

As authorized by the CalPERS Board of Administration, we perform an annual actuarial valuation of the Volunteer Firefighters' Length of Service Award System; the latest such valuation is as of June 30, 2000.

To the best of our knowledge, this report is complete and accurate and contains sufficient information to disclose fully and fairly the funded condition of the Volunteer Firefighters' Length of Service Award System (VFLSAS). Based on the participant and expense data provided by the Manager of the Volunteer Firefighters' System, the statement of assets provided by the CalPERS Fiscal Services Division, and the provisions of the system as outlined in Exhibit 7, it is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles and that the assumptions and methods are reasonable for this plan.

Further, information has been provided by us for the completion of (i) the trend data schedules (Schedule of Funding Progress and Schedule of Employer Contributions) in the Financial Section, and (ii) Exhibits A through G in the Actuarial Section of the CAFR.



Barbara J. Ware, F.S.A., E.A., M.A.A.A.  
Senior Pension Actuary, CalPERS

The actuarial report and supporting documents for the Judges' Retirement System, Judges' Retirement System II, Legislators' Retirement System, and the Volunteer Firefighters' Length of Service Award System can be obtained through the CalPERS Actuarial and Employer Services Division, P.O. Box 942709, Sacramento, CA 94229-2709.



statistical  
**Section**

# Consistency



## CaIPERS PROGRAM DATA

### Expenses by Type — 10-Year Review

	Benefit Payments	Contribution Refunds	Administrative Expenses <sup>1</sup>	Total
<b>PERF</b>				
2000/01	\$5,792,948,968	\$128,865,380	\$183,865,981	\$6,105,680,329
1999/00	5,176,073,695	140,644,318	175,050,565	5,491,768,578
1998/99	4,776,869,300	160,841,290	145,814,177	5,083,524,767
1997/98	4,425,923,411	160,964,495	128,583,553	4,715,471,459
1996/97	4,097,295,852	153,688,959	108,257,064	4,359,241,875
1995/96	3,846,390,136	138,296,520	80,682,335	4,065,368,991
1994/95	3,557,486,924	130,668,331	67,697,488	3,755,852,743
1993/94	3,290,614,000	133,909,292	60,351,296	3,484,874,588
1992/93	3,027,692,539	124,366,251	50,169,681	3,202,228,471
1991/92	2,729,372,130	130,069,995	48,699,336	2,908,141,461
<b>LRF</b>				
2000/01	\$6,782,467	\$169,520	\$234,926	\$7,186,913
1999/00	6,630,188	163,535	206,000	6,999,723
1998/99	6,855,856	175,155	203,580	7,234,591
1997/98	6,280,344	49,569	203,601	6,533,514
1996/97	6,010,347	479,747	255,234	6,745,328
1995/96	5,585,022	71,818	224,931	5,881,771
1994/95	5,380,690	279,193	156,098	5,815,981
1993/94	5,180,295	356,621	135,580	5,672,496
1992/93	4,956,622	19,028	190,070	5,165,720
1991/92	4,741,450	47,982	302,481	5,091,913
<b>JRF</b>				
2000/01	\$99,423,624	\$ —	\$379,818	\$99,803,442
1999/00	90,170,743	—	360,000	90,530,743
1998/99	82,503,531	49,456	354,000	82,906,987
1997/98	77,203,643	64,610	355,600	77,623,853
1996/97	74,445,877	641,840	354,000	75,441,717
1995/96	71,665,985	29,422	297,699	71,993,106
1994/95	68,248,989	467,920	239,443	68,956,352
1993/94	63,086,739	186,255	196,732	63,469,726
1992/93	59,877,108	208,828	286,000	60,371,936
1991/92	58,413,983	81,110	279,771	58,774,864
<b>JRF II</b>				
2000/01	\$142,234	\$34,369	\$283,767	\$460,370
1999/00	225,607	22,198	175,213	423,018
1998/99	192,697	—	172,000	364,697
1997/98	205,880	—	—	205,880
1996/97	18,736	—	—	18,736
1995/96	—	—	—	—
1994/95	—	—	—	—
<b>VFF</b>				
2000/01	\$55,785	\$ —	\$76,218	\$132,003
1999/00	41,438	—	75,000	116,438
1998/99	27,015	—	10,000	37,015
1997/98	26,445	—	10,000	36,445
1996/97	11,903	—	9,990	21,893
1995/96	12,215	—	10,000	22,215
1994/95	12,380	—	962	13,342
1993/94	8,880	—	12,620	21,500
1992/93	4,860	—	24,075	28,935
1991/92	2,990	—	29,302	32,292
<b>SPOFF</b>				
2000/01	\$1,879,169	\$ —	\$386,999	\$2,266,168
1999/00	—	—	214,326	214,326
1998/99	—	—	—	—

**NOTE:** <sup>1</sup> Excludes investment advisor fees.

## CaIPERS PROGRAM DATA

### Income by Source — 10-Year Review

	Member Contributions	Employer Contributions	Investment Income <sup>1</sup>	Miscellaneous Income	Total
<b>PERF</b>					
2000/01	\$1,766,256,113	\$321,618,826	(\$12,255,822,322)	\$7,480,923	(\$10,160,466,460)
1999/00	1,751,290,172	362,614,344	16,579,088,181	3,569,729	18,696,562,426
1998/99	1,522,507,527	1,598,316,666	17,621,490,197	1,036,725	20,743,351,115
1997/98	1,443,232,566	2,289,526,403	23,515,372,967	3,531,902	27,251,663,838
1996/97	1,379,743,571	1,986,282,287	20,147,569,883	308,296,547	23,821,892,288
1995/96	1,338,044,978	1,850,103,438	13,135,454,838	1,747,245	16,325,350,499
1994/95	1,290,624,208	1,578,933,781	12,502,185,919	2,342,343	15,374,086,251
1993/94	1,229,162,593	1,518,539,347	1,481,281,615	9,000,960	4,237,984,515
1992/93	1,183,545,532	1,454,682,211	9,649,572,002	3,359,011	12,291,158,756
1991/92	1,174,155,118	435,855,094	5,709,115,975	2,830,653	7,321,956,840
<b>LRF</b>					
2000/01	\$33,461	\$ —	\$280,786	\$ —	\$314,247
1999/00	178,860	339,351	9,788,721	—	10,306,932
1998/99	290,360	661,086	14,141,442	—	15,092,888
1997/98	312,546	674,777	22,924,284	58,708	23,970,315
1996/97	303,190	2,470,417	19,181,419	—	21,955,026
1995/96	422,381	575,032	13,299,421	—	14,296,534
1994/95	419,026	576,036	13,885,208	—	14,880,270
1993/94	444,540	596,331	(1,762,051)	—	(721,180)
1992/93	554,581	698,254	11,677,200	—	12,930,035
1991/92	615,094	761,175	5,816,754	—	7,193,023
<b>JRF</b>					
2000/01	\$11,377,068	\$91,019,008	\$3,754,582	\$4,509,380	\$110,660,038
1999/00	11,251,836	74,079,308	2,513,315	4,354,631	92,199,090
1998/99	11,098,731	84,352,990	1,776,583	4,121,354	101,349,658
1997/98	11,189,380	56,215,389	995,548	4,484,772	72,885,089
1996/97	11,837,184	56,361,102	1,266,708	—	69,464,994
1995/96	12,754,764	60,933,334	1,561,546	—	75,249,644
1994/95	12,389,358	49,725,805	1,274,102	—	63,389,265
1993/94	11,911,857	42,100,432	1,024,436	—	55,036,725
1992/93	11,461,805	62,243,640	943,544	—	74,648,989
1991/92	11,747,095	51,659,811	1,108,434	—	64,515,340
<b>JRF II</b>					
2000/01	\$4,196,862	\$9,754,298	(\$2,863,230)	\$ —	\$11,087,930
1999/00	3,209,544	7,460,518	2,734,601	—	13,404,663
1998/99	2,733,245	7,354,353	2,393,724	—	12,481,322
1997/98	1,948,588	5,455,217	1,803,800	—	9,207,605
1996/97	1,197,298	3,026,029	649,854	—	4,873,180
1995/96	626,033	1,507,116	15,247	—	2,148,396
1994/95	71,475	167,999	—	—	239,474
<b>VFF</b>					
2000/01	\$ —	\$193,530	(\$110,985)	\$ —	\$82,545
1999/00	—	202,395	130,123	—	332,518
1998/99	—	50,916	257,919	—	308,835
1997/98	—	166,708	323,592	—	490,300
1996/97	—	162,880	244,392	—	407,272
1995/96	—	54,844	129,586	—	184,430
1994/95	—	58,515	117,289	—	175,804
1993/94	—	99,848	2,287	—	102,135
1992/93	—	72,313	41,500	651	114,464
1991/92	—	97,967	46,946	—	144,913
<b>SPOFF</b>					
2000/01	\$ —	\$33,236,879	(\$4,070,443)	\$ —	\$29,166,436
1999/00	—	30,011,229	2,419,892	—	32,431,121
1998/99	—	15,518,376	529,477	—	16,047,853

**NOTE:** <sup>1</sup> Includes net appreciation or depreciation in fair value of investments, as restated, beginning in fiscal year 1992/93 with the adoption of GASB Statement No. 25.



## CaIPERS PROGRAM DATA

### Primary Benefits

Benefits are paid according to the category of employment and the type of benefit coverage provided by an employer. Local agencies have variations in benefits due to their specific contract obligations with CalPERS.

#### *The four categories of membership are:*

**Miscellaneous Members**—staff, operational, supervisory, and all other eligible employees who are not in special membership categories.

**Safety Members**—California Highway Patrol officers, police officers, firefighters, and other employees whose principal duties are in active law enforcement or fire prevention and suppression work, or who occupy positions designated by law as safety member positions.

**State Industrial Members**—employees of the Department of Corrections and the California Youth Authority who have the same service retirement and other benefits as miscellaneous members, but who also have industrial death and disability benefits under certain limited circumstances.

**State Peace Officer/Firefighter Members**—State employees who are involved in law enforcement, firefighting and fire suppression, public safety, protective services, or the management and supervision thereof, whose positions are defined as State peace officer/firefighter members in the Government Code or by the Department of Personnel Administration.

### Separation from Employment/Refunds

At permanent separation from employment, members may either leave their contributions on deposit and defer retirement<sup>1</sup> or terminate membership by electing to take a refund of member contributions plus interest (compounded annually). With a refund election, CalPERS is required to deduct federal withholding of 20 percent from the untaxed portion of the refund, unless the taxable portion is directly rolled over to a qualified plan or IRA.

### Service Retirement

#### *State Miscellaneous and State Industrial Members (First Tier), School Members, and University Members 2 Percent at 55 Formula*

Service Not Coordinated With Social Security—A guarantee of 2 percent of final compensation<sup>2</sup> at age 55 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 55 to age 63 with an increased rate.

Service Coordinated With Social Security—Same basic benefit rate; however, there is a reduction of \$133.33 of final compensation.<sup>3</sup>

#### *Local Miscellaneous Members 2 Percent at 60 Formula*

Service Not Coordinated With Social Security—A guarantee of 2 percent of final compensation at age 60 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 60 to age 63 with an increased rate.

Service Coordinated With Social Security—Same basic benefit rate; however, there is a reduction of \$133.33 of final compensation.

### NOTES:

<sup>1</sup> A member with less than the required amount of service credit must return to CalPERS-covered employment to obtain the minimum service credit required to be eligible for retirement.

<sup>2</sup> The term “final compensation” appears throughout this section. It means the average pay earned over the last three consecutive years of employment (or one year for State and school members or as a contract option for local members) unless the member elects a different period with a higher average.

<sup>3</sup> School member final compensation for service on and after January 1, 2001 is not subject to reduction.

## CaIPERS PROGRAM DATA

### ***State Miscellaneous and State Industrial Members (Second Tier)***

#### ***1.25 Percent at 65 Formula***

A guarantee of 1.25 percent of final compensation at age 65 for each year of service credit. Retirement may begin at age 55 or age 50, with a reduced benefit rate, if combined First Tier and Second Tier service.

### ***Local Miscellaneous Members (Second Tier)***

#### ***1.50 Percent at 65 Formula***

A guarantee of 1.50 percent of final compensation at age 65 for each year of service credit. Retirement may begin at age 55 or age 50, with a reduced benefit rate, if combined First Tier and Second Tier service.

### ***Local Miscellaneous Members***

#### ***2 Percent at 55 Formula***

Service Not Coordinated With Social Security—A guarantee of 2 percent of final compensation at age 55 for each year of service credit. Retirement may begin at age 50 with a reduced benefit rate, or after age 55 to age 63 with an increased rate.

Service Coordinated With Social Security—Same basic benefit rate; however, there is a reduction of \$133.33 of final compensation.

### ***Local Safety Members***

#### ***2 Percent at 50 Formula***

2 percent of final compensation for each year of service for retirement at age 50, with improvements to age 55. The maximum allowance payable is 85 percent of final compensation.

### ***Local Safety Members***

#### ***2 Percent at 55 Formula***

2 percent of final compensation for each year of service for retirement at age 55. The maximum allowance payable is 85 percent of final compensation. Retirement may begin at age 50 with a reduced benefit rate.

### ***Local Safety Members***

#### ***½ Pay at 55 Formula***

This benefit is no longer available as a contract amendment. Only a small number of local agencies are still covered under this formula which guarantees one-half of final compensation at age 55 with 20 or more years of service credit. Retirement may begin at age 50 with a reduced benefit rate.

### ***State Safety Members and Local Safety Members***

#### ***2.5 Percent at 55 Formula***

This benefit is no longer available as a contract amendment. It provides 2.5 percent of final compensation for each year of service for retirement at age 55. The maximum allowance payable is 80 percent of final compensation for State safety members and 85 percent for local safety members. Retirement may begin at age 50 with a reduced benefit rate.

### ***State Patrol Members and Local Safety Members***

#### ***3 Percent at 50 Formula***

3 percent of final compensation for each year of service for retirement at age 50. The maximum allowance payable is 90 percent of final compensation for State patrol members and 85 percent for local safety members.

### ***State Peace Officer/Firefighter Members and Local Safety Members***

#### ***3 Percent at 55 Formula***

3 percent of final compensation for each year of service for retirement at age 55. The maximum allowance payable is 90 percent for State peace officer/firefighter members and 85 percent for local safety members.

## CaIPERS PROGRAM DATA

### Disability Retirement

#### ***For Most Members***

A monthly allowance of 1.8 percent of final compensation for each year of service, improved under certain conditions to 33⅓ percent of final compensation, applicable to members with at least five years of service credit.

#### ***By Contract Amendment Only for Local Agencies***

A monthly allowance of 30 percent of final compensation, plus an additional 1 percent for each year of service over five years to a maximum of 50 percent.

#### ***For State Second Tier Members***

A monthly allowance of 1.125 percent of final compensation for each year of service, improved under certain conditions to 33⅓ percent of final compensation, applicable to members with at least 10 years of service credit or five years if credited as of January 1, 1985.

#### ***For Local Second Tier Members***

A monthly allowance of 1.35 percent of final compensation for each year of service, improved under certain conditions to 33⅓ percent of final compensation, applicable to members with at least five years of service credit.

### Industrial Disability Retirement

#### ***For Most Members***

A monthly allowance of 50 percent of final compensation, applicable to patrol members, State and local safety members, State peace officer/firefighter members, State industrial members, local miscellaneous members (by contract amendment only), and certain State miscellaneous members defined by law. State members in certain bargaining units are eligible for 60 percent of final compensation if disabled for any

job in State service and the injury occurred on or after January 1, 1993 and on or before December 31, 1999. The member must be serving in one of these categories at the time the industrial disability occurs. If membership in the category began after January 1, 1980, the allowance cannot exceed the service retirement payable if the member's service had continued to age 55 for patrol, peace officer/firefighter, safety, or local safety members; age 63 if a miscellaneous or industrial member; or age 65 if a State or local Second Tier member.

#### ***By Contract Amendment Only for Local Agencies***

A monthly allowance of 85 percent of final compensation, if found totally disabled.

#### ***By Contract Amendment Only for Local Agencies***

A monthly allowance of 50 percent to 90 percent of final compensation, depending on the disability rating by the Workers' Compensation Appeals Board.

### Death Benefits (Before Retirement)

#### ***Basic Death Benefit—All Members Except State Employees***

Eligible To Retire or Not—A return of member contributions plus interest (compounded annually) and an employer-paid portion equal to one month's compensation earnable for each year of current service to a maximum of six months.

#### ***Basic Death Benefit—State Employees Only***

Eligible To Retire or Not Eligible To Retire With 20 Years or More of Service Credit—A return of member contributions plus interest (compounded annually) and a State-paid portion equal to six months' pay (50 percent of the member's earnable pay for the 12 months prior to the member's death).

Not Eligible To Retire With Less Than 20 Years of Service Credit—A return of only the member contributions plus interest (compounded annually).

## CaIPERS PROGRAM DATA

### ***Insurance Benefit—State Employees Only***

Eligible To Retire or Not Eligible To Retire With 20 Years or More of Service Credit—\$5,000 in a lump sum.

Not Eligible To Retire With Less Than 20 Years of Service Credit—\$5,000 in a lump sum plus six months' pay (50 percent of annual compensation).

### ***Alternate Death Benefit<sup>1</sup>—For State Members in Bargaining Units Contracting for This Benefit, Who Are Not Eligible to Retire, With 20 Years or More of Service Credit***

A monthly allowance payable to a surviving spouse until death, then to children under age 18. It is calculated similarly to pre-retirement Option 2 (if the beneficiary is a spouse), or like a 1957 Survivor Benefit (if the beneficiary is a minor child), as though the member had been old enough to retire. A spouse or minor child may receive continued health and dental insurance with the Alternate Death Benefit.

### ***Alternate Death Benefit for Firefighters—Local Agency Employers Contracting for This Benefit, With 20 Years or More of Total Service Credit***

A monthly non-job-related allowance payable to a surviving spouse until death, then to children under age 18. It is calculated similarly to pre-retirement Option 2 (if the beneficiary is a spouse, even if the agency does not contract separately for the pre-retirement Option 2 benefit), or like a 1957 Survivor Benefit (if the beneficiary is a minor child), as though the member had either been old enough to retire (if the member died before reaching retirement age), or based on the member's actual age if the member was eligible to retire at the time of death. This benefit applies to all service credit earned by the member, including service that

may have been earned with a local agency that does not contract for the Alternate Death Benefit, as long as the member was employed at the time of death by a local agency that provides this benefit in their contract.

### ***Pre-Retirement Optional Settlement 2 Benefit—Local Agencies by Contract, Married***

A monthly allowance payable to the surviving spouse until death, equal to what the deceased member would have received had they retired on the date of their death and elected Optional Settlement 2W.

### ***Pre-Retirement Optional Settlement 2 Benefit<sup>1</sup>—For All State Members, Married***

A monthly allowance payable to the surviving spouse until death, equal to what the deceased member would have received had they retired on the date of their death and elected Optional Settlement 2W.

### ***1957 Survivor Benefit<sup>1</sup>—Local Members, Married***

For all married members eligible to retire, a monthly allowance payable to the surviving spouse until death, then to children under age 18, equal to one-half of the highest allowance (unmodified) the member would have received had they retired on the date of death.

### ***1957 Survivor Benefit<sup>1</sup>—All Members, Not Married***

For all unmarried members eligible to retire with surviving minor children, a monthly allowance payable to the unmarried surviving minor children until age 18, equal to one-half of the highest allowance (unmodified) the member would have received had they retired on the date of death. Once allowance stops, the total allowance paid is compared to the Basic Death Benefit amount, and any difference is paid in a lump sum to all of the member's surviving children.

#### **NOTE:**

<sup>1</sup> The surviving spouse of other than a State member, or guardian of a minor child, may elect the Basic Death Benefit or the 1957 Survivor Benefit. The surviving spouse of a State member may elect the Basic Death Benefit or the Optional Settlement 2 Death Benefit.

## CaIPERS PROGRAM DATA

### ***1959 Survivor Benefit—State and School Members and by Contract Option, Local Agency Members Not Coordinated With Social Security***

A monthly benefit paid to survivors of deceased members who died prior to retirement. This benefit is similar to the Social Security Survivor Benefit and is paid in addition to any other applicable pre-retirement death benefit, except the Special Death Benefit.

### ***Special Death Benefit<sup>1</sup>—Survivors of Patrol, State and Local Safety, State Industrial, and State Peace Officer/Firefighter Members, State Miscellaneous<sup>2</sup> and Local Miscellaneous by Contract Amendment<sup>2</sup>***

A monthly allowance equal to 50 percent of final compensation payable to the surviving spouse until death, or if no spouse, to natural or adopted unmarried children up to age 22. The monthly allowance is recalculated annually on October 1 based on the salary rates for employees who work in the position the member held at the time of death until such time as the member would have attained age 50.

### ***Special Death Benefit<sup>1</sup>—Violent Death***

Provides increased benefits (up to 75 percent of final compensation) based upon the number of surviving children, if the member's death is the result of external violence or physical force.

## **Death Benefits (After Retirement)**

### ***Basic Death Benefit—State Members Only***

A \$2,000 lump sum payable in addition to any optional settlement elected.

### ***Basic Death Benefit—Local and School Members***

A \$500, \$600, \$2,000, \$3,000, \$4,000, or \$5,000 lump sum (depending on the employer) payable in addition to any optional settlement elected.

### ***Survivor Continuance Benefit—State Members, School Members and, by Contract Option, Local Agency Members***

Service Not Coordinated With Social Security—50 percent of the deceased member's unmodified retirement allowance amount will continue to an eligible survivor.

Service Coordinated With Social Security—25 percent of the deceased member's unmodified retirement allowance amount will continue to an eligible survivor.

## **Optional Settlements**

### ***For All Members***

All the disability and service retirement allowances discussed in this section are the highest (unmodified) allowances payable to a retired member. There are six optional settlements to allow a member to reduce their allowance to provide a benefit to a named beneficiary at the member's death. Under two of these options, if the beneficiary predeceases the member, the member's allowance will be increased to the higher (unmodified) amount.

## **Cost-Of-Living Adjustments**

### ***For All Members—Except State Second Tier***

A maximum of 2 percent compounded annually (up to 5 percent maximum as a contract option for retired members of local agencies).

### ***For State Second Tier Members Only***

A fixed 3 percent compounded annually.

## **NOTES:**

<sup>1</sup> The surviving spouse or beneficiary may be eligible for the Special Death Benefit if the member's death is job-related.

<sup>2</sup> The survivor of a State or local miscellaneous member qualifies for the Special Death Benefit if the member was killed or fatally injured while performing their official duties.

## CaIPERS PROGRAM DATA

### Membership & Retirement Data

#### Three-Year Review

	2001	2000	1999
<b>Active &amp; Inactive Members</b>			
<b>State Members</b>			
State Miscellaneous	219,095	208,227	196,811
University of California	281	347	420
State Industrial	11,390	10,960	9,970
California Highway Patrol	6,668	6,542	6,529
State Safety	16,390	15,521	15,183
Peace Officer/Firefighter (POF)	42,950	40,675	39,790
<b>Total State Members</b>	<b>296,774</b>	<b>282,272</b>	<b>268,703</b>
<b>Contracting Public Agency Members</b>			
Schools	337,160	316,862	295,421
Cities	144,557	136,705	131,593
Counties	80,743	74,921	70,442
Districts & Other Public Agencies	57,398	53,021	50,353
<b>Total Public Agency Members</b>	<b>619,858</b>	<b>581,509</b>	<b>547,809</b>
<b>Total Members—Active &amp; Inactive</b>	<b>916,632</b>	<b>863,781</b>	<b>816,512</b>
<b>Retired Members &amp; Active Member Death Benefit Recipients</b>			
Service	303,427	292,402	282,771
Disability	40,207	38,925	37,389
Industrial Disability	25,644	24,363	23,181
Industrial Death	928	914	890
1957 Survivor Benefit	2,625	2,568	2,520
1959 Survivor Benefit	2,709	2,656	2,491
<b>Total Recipients</b>	<b>375,540<sup>1</sup></b>	<b>361,828</b>	<b>349,242</b>

**NOTE:**

<sup>1</sup> This total differs from Total Benefit Recipients on page 106. Total Recipients shown here include Active Death Benefits paid as a result of a member death prior to retirement.



## CaIPERS PROGRAM DATA

### Active & Inactive Members

Employer/Category	Active	Inactive	Total
State Miscellaneous—			
First Tier	141,124	24,712	165,836
State Miscellaneous—			
Second Tier	26,079	27,180	53,259
State Industrial—			
First Tier	7,209	797	8,006
State Industrial—			
Second Tier	2,086	1,298	3,384
Highway Patrol	6,498	170	6,668
State Safety	13,920	2,470	16,390
Peace Officer/Firefighter	38,279	4,671	42,950
University of California <sup>1</sup>	77	204	281
<b>Total State Members</b>	<b>235,272</b>	<b>61,502</b>	<b>296,774</b>
School—Miscellaneous	280,650	56,101	336,751
School—Safety	305	104	409
<b>Total School Members</b>	<b>280,955</b>	<b>56,205</b>	<b>337,160</b>
Public Agency—			
Miscellaneous	188,220	42,178	230,398
Public Agency—			
Safety	47,633	4,667	52,300
<b>Total Public Agency Members</b>	<b>235,853</b>	<b>46,845</b>	<b>282,698</b>
<b>Total Members</b>	<b>752,080</b>	<b>164,552</b>	<b>916,632</b>

#### NOTES:

<sup>1</sup> The number of University of California members continues to decline since new employees must join the University of California Retirement System (UCRS).

<sup>2</sup> These payments were made from the Purchasing Power Protection Account which is structured to maintain current benefit levels and to restore CalPERS allowances to 75 percent of their original purchasing power (80 percent for public agencies).

<sup>3</sup> Includes “penalty interest” of \$17,668 for pre-retirement and \$9,267 for post-retirement death payments. Penalty interest is required when CalPERS is unable to pay death benefits within 45 days of receiving all documents establishing entitlement. The penalty interest rate is paid for each day exceeding the 45-day time limit, based on the net earnings rate (including capital gains and losses) in effect at the time of payment.

<sup>4</sup> The actual number of benefit recipients is by the employer category from which they retired, regardless of whether they had service in other employer categories. The total includes only those recipients receiving a monthly allowance, and does not include recipients of one-time only payments.

### Benefit Payments by Type

Category	Amount Paid
Service Retirement	\$4,527,931,149
Disability Retirement	367,110,934
Industrial Disability Retirement	620,520,770
PPPA Payments <sup>2</sup>	122,985,198
<b>Total</b>	<b>\$5,638,548,051</b>
Basic Death Benefit/ Group Term Life Insurance	\$39,833,188
1957 Survivor Benefit	39,475,959
1959 Survivor Benefit	24,292,309
Industrial Death Allowance	20,305,890
Option 1, Temporary Annuity, Other Lump-Sum Death Benefits & Other Prior Year Adjustments	30,493,571
<b>Total</b>	<b>\$154,400,917 <sup>3</sup></b>
<b>Grand Total</b>	<b>\$5,792,948,968</b>

### Benefit Recipients by Employer Category <sup>4</sup>

Employer	Retired Member	Survivors & Beneficiaries	Total
State Miscellaneous—			
First Tier	89,823	18,730	108,553
State Miscellaneous—			
Second Tier	2,438	266	2,704
State Industrial—			
First Tier	2,771	485	3,256
State Industrial—			
Second Tier	93	3	96
Highway Patrol	4,705	762	5,467
State Safety	14,824	2,093	16,917
Peace Officer/ Firefighter	1,489	143	1,632
<b>Total State</b>	<b>116,143</b>	<b>22,482</b>	<b>138,625</b>
School—Miscellaneous	94,934	15,297	110,231
School—Safety	—	—	—
<b>Total School</b>	<b>94,934</b>	<b>15,297</b>	<b>110,231</b>
Public Agency—			
Miscellaneous	79,247	13,407	92,654
Public Agency—Safety	24,442	3,326	27,768
<b>Total Public Agency</b>	<b>103,689</b>	<b>16,733</b>	<b>120,422</b>
<b>Total</b>	<b>314,766</b>	<b>54,512</b>	<b>369,278</b>

## CaIPERS PROGRAM DATA

### Benefit Payments by Type

#### Six-Year Review

Category	2001	2000	1999	1998	1997	1996
Service Retirement	\$4,527,931,149	\$3,969,347,915	\$3,656,434,639	\$3,390,510,194	\$3,139,152,421	\$2,908,198,748
Disability Retirement	367,110,934	331,413,880	304,240,355	277,987,958	254,721,027	235,577,447
Industrial Disability Retirement	620,520,770	547,420,009	496,096,480	450,725,838	413,293,235	378,914,402
PPPA Payments	122,985,198	186,743,547	182,989,884	193,701,094	197,922,188	200,263,701
<b>Total</b>	<b>\$5,638,548,051</b>	<b>\$5,034,925,351</b>	<b>\$4,639,761,358</b>	<b>\$4,312,925,084</b>	<b>\$4,005,088,871</b>	<b>\$3,722,954,298</b>
Basic Death Benefit/ Group Term Life Insurance	\$39,833,188	\$42,270,500	\$36,875,983	\$37,431,073	\$32,393,565	\$32,825,843
1957 Survivor Benefit	39,475,959	38,318,792	31,734,005	31,909,007	29,997,145	28,169,274
1959 Survivor Benefit	24,292,309	23,934,323	12,410,800	11,536,209	10,862,301	10,491,903
Industrial Death Allowance	20,305,890	18,184,723	16,149,980	15,376,889	14,326,878	13,043,331
Option 1, Temporary Annuity, Lump-Sum Death Benefits & Other Prior Year Adjustments	30,493,571	18,440,006	39,937,173	16,745,149	4,627,092	19,999,746
<b>Total</b>	<b>\$154,400,917<sup>1</sup></b>	<b>\$141,148,344</b>	<b>\$137,107,941</b>	<b>\$112,998,327</b>	<b>\$92,206,981</b>	<b>\$104,530,097</b>
<b>Grand Total</b>	<b>\$5,792,948,968</b>	<b>\$5,176,073,695</b>	<b>\$4,776,869,299</b>	<b>\$4,425,923,411</b>	<b>\$4,097,295,852</b>	<b>\$3,827,484,395</b>

#### NOTE:

<sup>1</sup> Includes "penalty interest" of \$17,668 for pre-retirement and \$9,267 for post-retirement death payments. Penalty interest is required when CalPERS is unable to pay death benefits within 45 days of receiving all documents establishing entitlement. The penalty interest rate is paid for each day exceeding the 45-day time limit, based on the net earnings rate (including capital gains and losses) in effect at the time of payment.



## CaIPERS PROGRAM DATA

### Average Benefit Payments—as of June 30, 2000<sup>1</sup>

#### Six-Year Review

Retirement Effective Dates	Years of Credited Service						
	0-5	5-10	10-15	15-20	20-25	25-30	30+
<b>1999/00</b>							
Average Monthly Benefit	\$478	\$568	\$920	\$1,221	\$1,705	\$2,515	\$3,710
Average Final Monthly Salary <sup>2</sup>	\$4,028	\$3,227	\$3,398	\$3,480	\$3,831	\$4,460	\$5,026
Number of Retirees	403	2,229	3,222	2,442	2,402	2,074	2,903
<b>1998/99</b>							
Average Monthly Benefit	\$435	\$521	\$851	\$1,135	\$1,522	\$2,424	\$3,351
Average Final Monthly Salary <sup>2</sup>	\$3,795	\$3,116	\$3,230	\$3,346	\$3,621	\$4,411	\$4,844
Number of Retirees	312	2,249	3,081	2,387	2,264	2,044	2,475
<b>1997/98</b>							
Average Monthly Benefit	\$574	\$514	\$823	\$1,085	\$1,613	\$2,529	\$3,401
Average Final Monthly Salary <sup>2</sup>	\$3,017	\$2,911	\$3,085	\$3,143	\$3,524	\$4,320	\$4,687
Number of Retirees	239	1,713	2,220	1,872	1,830	1,630	2,111
<b>1996/97</b>							
Average Monthly Benefit	\$495	\$500	\$762	\$1,077	\$1,515	\$2,632	\$3,275
Average Final Monthly Salary <sup>2</sup>	\$2,043	\$2,740	\$2,826	\$3,001	\$3,418	\$4,078	\$4,562
Number of Retirees	371	2,254	2,438	2,345	2,051	1,681	2,284
<b>1995/96 <sup>3</sup></b>							
Average Monthly Benefit	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average Final Monthly Salary <sup>2</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Retirees	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>1994/95 <sup>3</sup></b>							
Average Monthly Benefit	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average Final Monthly Salary <sup>2</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Retirees	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### NOTES:

<sup>1</sup> June 30, 2000 is the latest Average Benefit Payment information available.

<sup>2</sup> Average Final Monthly Salary is the average of all salaries earned by all retirees in the last year of employment prior to retirement.

<sup>3</sup> Starting with the June 30, 2001 Comprehensive Annual Financial Report, CalPERS changed the mechanism for reporting this information. Data for 1995/96 and 1994/95 is not available for reporting.

## CaIPERS PUBLIC AGENCY EMPLOYERS

### Contract Actions Summary

On June 30, 2001, 1,411 public agency contracts provided retirement, death, and survivor benefits for employees of 57 county superintendents of schools; four school district offices; 437 cities and towns; 37 counties; and 876 districts and other public agencies. The 57 county superintendents of schools contracts provide benefits for 1,071 school districts, bringing the total number of public agency employers to 2,482.

	Added	Merged	Terminated	Total
County Superintendents of Schools (for 1,071 school districts)	—	—	—	57
Los Angeles City Schools and Community College Districts	—	—	—	2
Los Angeles County Superintendents of Schools and San Diego County Superintendent of Schools	—	—	—	2
Cities/Towns	4	—	—	437 <sup>1</sup>
Counties	—	—	—	36
Districts and Other Public Agencies	22	-3	—	877
<b>Total Public Agency Contracts</b>	<b>26</b>	<b>-3</b>	<b>—</b>	<b>1,411<sup>1</sup></b>

### Amendments

Public agency contracts vary depending upon the member categories covered, the formula the agency elects to provide, and the optional benefit provisions selected from the group of approximately 60 benefits. These optional benefits may be provided at the time the original contract is established or the agency may later request amendments to the contract.

During the 2000-01 fiscal year, 853 benefit changes were made through 557 contract amendments. Of these changes, 218 were to provide the 2% at 55 formula for local miscellaneous members; 17 were to provide the 2% at 50 safety member formula; 111 were to provide the 3% at 50 formula; and 34 were to provide the 3% at 55 formula for safety members.

### Two Years of Additional Service Credit— The Golden Handshake

Contracting agencies may amend their contracts to provide additional service credit if there are impending mandatory transfers, layoffs, or demotions. Eligible employees who retire within a 90- to 180-day window period established by the employer receive two years additional service credit. The county schools may also contract for this benefit when there is an impending curtailment of, or change in the manner of, performing services, and their best interest would be served by granting the additional service credit. Once the

contract is amended, the employer may establish additional window periods.

In the 2000-01 fiscal year, seven public agencies amended their contracts to provide the two years of additional service credit and 14 additional window periods were established. The County Offices of Education established 67 additional window periods for the Golden Handshake benefit.

### Popular Benefit Amendments

2% at 55 Local Misc. Formula	218 amendments
3% at 50 Local Safety Formula	111 amendments
One Year Final Compensation	70 amendments
1959 Survivor Benefits	
Third Level	4 amendments
Fourth Level	48 amendments
Indexed Level	13 amendments
Military Service Credit	64 amendments
3% at 55 Local Safety Formula	34 amendments
Credit for Unused Sick Leave	24 amendments
2% at 50 Local Safety Formula	17 amendments
Two Year Additional Service	7 amendments

#### NOTE:

<sup>1</sup> The total number of cities, counties, districts, and other public agencies has changed from the number reported in the June 30, 2000 report. Merged or terminated agencies are no longer included.

## CaIPERS PUBLIC AGENCY EMPLOYERS

### Mergers

- Los Alisos Water District merged into Irvine Ranch Water District, effective December 31, 2000.
- Dana Point Sanitary District and the Capistrano Beach Water District, non-CalPERS by contract, merged into the South Coast Water District, effective September 8, 2000.
- Sacramento County Fire Protection District merged into Sacramento Metropolitan Fire District, effective December 1, 2000.

### Terminations

No agencies terminated their contracts during the year.

### New Contracts

During the 2000-01 fiscal year, 26 additional agencies contracted with CalPERS for retirement, death, and survivor benefits. The new contracting agencies are:

Effective Date	Public Agency	Miscellaneous Member Formula	Safety Member Formula
7/01/00	North Coast Railroad Authority	2% at 55	
7/01/00	Selma Cemetery District	2% at 55	
7/01/00	Transportation Agency for Monterey County	2% at 60	
7/01/00	Tri-City Mental Health Center	2% at 55	
7/17/00	Laguna Woods, City of	2% at 55	
8/01/00	Avila Beach Community Services District	2% at 60	
10/04/00	Isla Vista Recreation and Park District	2% at 55	
10/18/00	Auburn Area Recreation and Park District	2% at 55	
11/01/00	Redevelopment Agency of the City of Fresno	2% at 55	
11/16/00	Green Valley County Water District	2% at 60	
12/01/00	Mesa Consolidated Water District	2% at 60	
12/01/00	Stockton Unified School District, School Police		2% at 55
12/24/00	East Palo Alto, City of	2% at 60	
1/01/01	San Joaquin Delta Community College District		2% at 55
1/20/01	Pasadena Metro Blue Line Construction Authority	2% at 55	
1/30/01	Henry Miller Reclamation District No. 2131	2% at 60	
2/01/01	Weaverville Sanitary District	2% at 60	
2/24/01	Inland Empire Health Plan	2% at 60	
3/24/01	Adelanto, City of		2% at 55
3/31/01	Serrano Water District	2% at 60	
4/06/01	Oakley, City of	2% at 55	
4/07/01	Levee District No. 1 of Sutter County	2% at 60	
4/13/01	Ben Lomond Fire Protection District		2% at 55
5/01/01	Oakland Unified School District, School Police		2% at 50
6/03/01	Valley Center Municipal Water District	2% at 55	
6/15/01	Central Calaveras Fire and Rescue Protection District		2% at 55

## CaIPERS PUBLIC AGENCY EMPLOYERS

### Reciprocal Agencies

Reciprocity is a valuable addition to the CalPERS benefit package. Its purpose is to encourage career public service by allowing members to move between employers under different public retirement systems without losing their retirement and related benefits. The following retirement systems have reciprocity with CalPERS.

#### ***Counties Under the County Employees' Retirement Law of 1937***

---

Alameda	Sacramento
Contra Costa	San Bernardino
Fresno	San Diego
Imperial	San Joaquin
Kern	San Mateo
Los Angeles	Santa Barbara
Marin	Sonoma
Mendocino	Stanislaus
Merced	Tulare
Orange	Ventura

#### ***The University of California Retirement Plan (UCRP)***

#### ***Local Public Retirement Systems***

---

California Administrative Services Authority  
 Concord, City of  
 Contra Costa Water District  
 Costa Mesa, City of (safety only)  
 East Bay Municipal Utility District  
 East Bay Regional Park District (safety only)  
 Long Beach Schools Business Management Authority  
 Los Angeles, City of  
 Los Angeles County Metropolitan Transportation Authority  
 (Non-Contract Employees' Retirement Income Plan)  
 Oakland, City of (non-safety only)  
 Pasadena, City of (fire and police only)  
 Sacramento, City of  
 San Clemente, City of (non-safety only)  
 San Diego, City of  
 San Francisco, City and County of  
 San Jose, City of  
 San Luis Obispo, County of

#### ***Systems with Limited Reciprocity***

---

Judges' Retirement System  
 Legislators' Retirement System  
 California State Teachers' Retirement System

### Participating Public Agencies by Type

*Total number of CalPERS members for each agency follows its name.*

#### ***County Superintendents of Schools***

---

Alameda - 12,338	Orange - 24,435
Alpine - 23	Placer - 2,904
Amador - 223	Plumas - 384
Butte - 2,646	Riverside - 15,023
Calaveras - 493	Sacramento - 13,184
Colusa - 284	San Benito - 641
Contra Costa - 7,554	San Bernardino - 17,564
Del Norte - 183	San Diego - 29,093
El Dorado - 1,877	San Joaquin - 5,894
Fresno - 10,094	San Luis Obispo - 2,357
Glenn - 435	San Mateo - 6,080
Humboldt - 1,752	Santa Barbara - 4,337
Imperial - 2,454	Santa Clara - 15,513
Inyo - 272	Santa Cruz - 2,835
Kern - 8,987	Shasta - 2,129
Kings - 1,571	Sierra - 67
Lake - 886	Siskiyou - 767
Lassen - 454	Solano - 3,394
Los Angeles - 48,697	Sonoma - 4,766
Madera - 1,224	Stanislaus - 5,687
Marin - 2,185	Sutter - 735
Mariposa - 170	Tehama - 812
Mendocino - 1,499	Trinity - 274
Merced - 3,322	Tulare - 5,754
Modoc - 250	Tuolumne - 480
Mono - 182	Ventura - 6,908
Monterey - 5,219	Yolo - 1,666
Napa - 1,469	Yuba - 921
Nevada - 798	
	<b>Total - 57</b>

#### ***School District Offices***

---

Los Angeles Unified School District - 38,191  
 Los Angeles Community College District - 2,386  
 Los Angeles County Office of Education - 3,506  
 San Diego County Office of Education - 927

**Total - 4**

## CaIPERS PUBLIC AGENCY EMPLOYERS

### Counties

Alpine - 94	Kings - 1,592	Placer - 2,996	Siskiyou - 926
Amador - 582	Lake - 1,138	Plumas - 555	Solano - 3,615
Butte - 2,489	Lassen - 557	Riverside - 16,700	Sutter - 1,143
Calaveras - 534	Madera - 1,407	San Benito - 559	Tehama - 1,109
Colusa - 392	Mariposa - 356	San Francisco City & County <sup>1</sup> - 1,387	Trinity - 654
Del Norte - 640	Modoc - 465	Santa Clara - 18,086	Tuolumne - 1,295
El Dorado - 2,200	Mono - 354	Santa Cruz - 3,255	Yolo - 2,127
Glenn - 626	Monterey - 5,265	Shasta - 2,162	Yuba - 1,080
Humboldt - 2,340	Napa - 1,504	Sierra - 143	
Inyo - 551	Nevada - 1,252		<b>Total - 36</b>

### Cities

Adelanto - 18	Blythe - 120	Commerce - 181	Etna - 7
Agoura Hills - 39	Bradbury - 2	Compton - 696	Eureka - 308
Alameda - 770	Brawley - 161	Concord - 652	Exeter - 15
Albany - 94	Brea - 487	Corcoran - 81	Fairfax - 60
Alhambra - 607	Brentwood - 225	Corning - 49	Fairfield - 618
Alturas - 28	Brisbane - 108	Corona - 837	Farmersville - 31
American Canyon - 57	Buellton - 18	Coronado - 308	Fillmore - 47
Anaheim - 2,880	Buena Park - 399	Corte Madera - 89	Firebaugh - 52
Anderson - 66	Burbank - 1,544	Costa Mesa - 758	Folsom - 557
Angels - 34	Burlingame - 323	Cotati - 57	Fontana - 541
Antioch - 399	Calabasas - 85	Covina - 297	Fort Bragg - 69
Apple Valley - 64	Calexico - 223	Crescent City - 77	Fortuna - 70
Arcadia - 402	California City - 108	Cudahy - 32	Fountain Valley - 291
Arcata - 113	Calimesa - 12	Culver City - 860	Fowler - 24
Arroyo Grande - 107	Calipatria - 24	Cupertino - 187	Fremont - 1,126
Artesia - 43	Calistoga - 57	Cypress - 213	Fullerton - 730
Arvin - 48	Camarillo - 151	Daly City - 760	Galt - 157
Atascadero - 148	Campbell - 189	Dana Point - 52	Garden Grove - 825
Atherton - 81	Canyon Lake - 6	Davis - 526	Gardena - 479
Atwater - 128	Capitola - 94	Del Mar - 71	Gilroy - 277
Auburn - 106	Carlsbad - 689	Del Rey Oaks - 10	Glendale - 2,175
Avalon - 64	Carmel-By-The-Sea - 129	Desert Hot Springs - 53	Glendora - 235
Avenal - 39	Carpinteria - 50	Diamond Bar - 63	Gonzales - 43
Azusa - 390	Carson - 383	Dinuba - 165	Grand Terrace - 61
Bakersfield - 1,349	Cathedral City - 232	Dixon - 99	Grass Valley - 125
Baldwin Park - 587	Cerritos - 487	Dos Palos - 37	Greenfield - 43
Banning - 201	Chico - 398	Downey - 516	Gridley - 55
Barstow - 161	Chino - 436	Duarte - 63	Grover Beach - 80
Beaumont - 65	Chowchilla - 64	Dublin - 79	Guadalupe - 51
Bell - 155	Chula Vista - 1,162	Dunsmuir - 17	Gustine - 25
Bell Gardens - 170	Citrus Heights - 43	East Palo Alto - 63	Half Moon Bay - 68
Bellflower - 115	Claremont - 254	El Cajon - 713	Hanford - 251
Belmont - 179	Clayton - 37	El Centro - 304	Hawaiian Gardens - 82
Belvedere - 27	Clearlake - 67	El Cerrito - 186	Hawthorne - 456
Benicia - 268	Cloverdale - 50	El Monte - 494	Hayward - 1,045
Berkeley - 1,912	Clovis - 642	El Segundo - 409	Healdsburg - 139
Beverly Hills - 1,056	Coachella - 60	Emeryville - 72	Hemet - 333
Biggs - 10	Colma - 48	Encinitas - 241	Hercules - 142
Bishop - 42	Colton - 422	Escalon - 47	Hermosa Beach - 206
Blue Lake - 9	Colusa - 47	Escondido - 1,001	Hesperia - 101

### NOTE:

<sup>1</sup> This agency has both city and county employees and is listed in both areas; however, it is included only in the "total" count of the Cities category.

## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Cities*

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Hidden Hills - 4	Madera - 270	Paradise - 119	San Jose - 12
Highland - 35	Malibu - 58	Paramount - 143	San Leandro - 487
Hillsborough - 123	Mammoth Lakes - 108	Pasadena - 1,922	San Luis Obispo - 461
Hollister - 190	Manhattan Beach - 319	Paso Robles - 146	San Marcos - 191
Hughson - 30	Manteca - 331	Patterson - 66	San Marino - 120
Huntington Beach - 1,205	Marina - 104	Perris - 77	San Mateo - 693
Huntington Park - 226	Martinez - 61	Petaluma - 386	San Pablo - 153
Imperial - 42	Marysville - 93	Pico Rivera - 215	San Ramon - 188
Imperial Beach - 84	Maywood - 65	Piedmont - 123	Sand City - 30
Indian Wells - 33	Menlo Park - 334	Pinole - 143	Sanger - 125
Indio - 201	Merced - 468	Pismo Beach - 107	Santa Ana - 2,074
Industry - 35	Mill Valley - 186	Placentia - 185	Santa Barbara - 1,474
Inglewood - 1,047	Millbrae - 196	Placerville - 94	Santa Clara - 1,126
Ione - 20	Milpitas - 584	Pleasant Hill - 164	Santa Clarita - 432
Irwindale - 71	Mission Viejo - 139	Pleasanton - 578	Santa Cruz - 1,076
Jackson - 39	Modesto - 1,236	Pomona - 793	Santa Fe Springs - 257
King City - 61	Monrovia - 319	Port Hueneme - 158	Santa Maria - 511
Kingsburg - 62	Montague - 8	Porterville - 292	Santa Monica - 2,213
La Canada Flintridge - 32	Montclair - 276	Portola - 14	Santa Paula - 159
La Habra - 521	Monte Sereno - 7	Portola Valley - 10	Santa Rosa - 1,302
La Habra Heights - 21	Montebello - 608	Poway - 252	Santee - 153
La Mesa - 298	Monterey - 579	Rancho Cucamonga - 403	Saratoga - 86
La Mirada - 107	Monterey Park - 438	Rancho Mirage - 82	Sausalito - 138
La Palma - 98	Moorpark - 73	Rancho Palos Verdes - 108	Scotts Valley - 106
La Puente - 45	Moraga - 28	Red Bluff - 120	Seal Beach - 126
La Quinta - 82	Moreno Valley - 433	Redding - 869	Seaside - 168
La Verne - 177	Morgan Hill - 234	Redlands - 525	Sebastopol - 54
Laguna Beach - 288	Morro Bay - 144	Redondo Beach - 641	Selma - 136
Laguna Hills - 38	Mountain View - 789	Redwood City - 804	Shafter - 134
Laguna Niguel - 90	Mt. Shasta - 42	Reedley - 123	Shasta Lake - 50
Laguna Woods - 4	Murrieta - 126	Rialto - 409	Sierra Madre - 88
Lake Elsinore - 67	Napa - 440	Richmond - 1,033	Signal Hill - 158
Lake Forest - 49	National City - 376	Ridgecrest - 131	Simi Valley - 703
Lakeport - 64	Needles - 168	Rio Vista - 41	Solana Beach - 74
Lakewood - 286	Nevada City - 31	Ripon - 20	Soledad - 19
Lancaster - 421	Newark - 269	Riverbank - 54	Solvang - 34
Larkspur - 65	Newman - 45	Riverside - 2,210	Sonoma - 105
Lathrop - 74	Newport Beach - 946	Rocklin - 273	Sonora - 50
Lawndale - 98	Norco - 135	Rohnert Park - 243	South El Monte - 87
Lemon Grove - 67	Norwalk - 257	Rolling Hills - 5	South Gate - 406
Lemoore - 118	Novato - 284	Rolling Hills Estates - 42	South Lake Tahoe - 233
Lincoln - 100	Oakdale - 97	Rosemead - 48	South Pasadena - 180
Lindsay - 104	Oakland - 4,889	Roseville - 998	South San Francisco - 566
Live Oak - 19	Oakley - 8	Ross - 23	St. Helena - 77
Livermore - 530	Oceanside - 1,132	Sacramento - 4,372	Stanton - 66
Livingston - 62	Ojai - 44	Salinas - 483	Stockton - 2,078
Lodi - 550	Ontario - 1,053	San Anselmo - 82	Suisun City - 123
Loma Linda - 93	Orange - 815	San Bernardino - 1,621	Sunnyvale - 1,114
Lomita - 56	Orange Cove - 21	San Bruno - 292	Susanville - 81
Lompoc - 452	Orland - 38	San Buenaventura - 781	Sutter Creek - 20
Long Beach - 5,811	Oroville - 123	San Carlos - 175	Taft - 146
Loomis - 16	Oxnard - 1,825	San Clemente - 57	Tehachapi - 32
Los Alamitos - 74	Pacific Grove - 151	San Dimas - 87	Temecula - 159
Los Altos - 174	Pacifica - 280	San Fernando - 155	Temple City - 57
Los Altos Hills - 25	Palm Desert - 167	San Francisco City &	Thousand Oaks - 515
Los Banos - 125	Palm Springs - 555	County - 1,387 <sup>1</sup>	Tiburon - 46
Los Gatos - 222	Palmdale - 299	San Gabriel - 195	Torrance - 1,655
Loyalton - 3	Palo Alto - 1,337	San Jacinto - 107	Tracy - 466
Lynwood - 320	Palos Verdes Estates - 87	San Joaquin - 17	Truckee - 71



## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Cities*

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Tulare - 403	Victorville - 437	West Hollywood - 244	Woodlake - 47
Tulelake - 14	Villa Park - 7	West Sacramento - 353	Woodland - 346
Turlock - 380	Visalia - 582	Westlake Village - 15	Woodside - 27
Tustin - 332	Vista - 385	Westminster - 337	Yorba Linda - 123
Twentynine Palms - 45	Walnut - 64	Westmorland - 7	Yountville - 21
Ukiah - 206	Walnut Creek - 540	Whittier - 488	Yreka - 77
Union City - 371	Wasco - 54	Williams - 22	Yuba City - 275
Upland - 341	Waterford - 23	Willits - 65	Yucaipa - 67
Vacaville - 632	Watsonville - 392	Willows - 40	Yucca Valley - 70
Vallejo - 675	Weed - 35	Windsor - 58	
Vernon - 425	West Covina - 468	Winters - 29	
			<b>Total - 437</b>

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### *Districts & Other Public Agencies*

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Access Services Incorporated - 69	Avila Beach Community Services District - 1
Agoura Hills and Calabasas Community Center - 11	Aztec Shops, Ltd., San Diego University - 88
Alameda Alliance for Health - 125	Bakersfield State College Foundation - 86
Alameda Corridor Transportation Authority - 21	Baldwin Park Unified School District - 10
Alameda County Congestion Management Agency - 12	Bard Water District - 15
Alameda County Fire Department - 224	Bardsdale Cemetery District - 2
Alameda County Law Library - 15	Barstow Cemetery District - 4
Alameda County Mosquito Abatement District - 14	Bay Area Air Quality Management District - 353
Alameda County Schools Insurance Group - 9	Bay Area Library and Information System - 7
Alameda County Transportation Authority - 11	Beach Cities Health District - 69
Alameda County Waste Management Authority - 35	Bear Mountain Recreation and Park District - 6
Alameda County Water District - 226	Bear Valley Community Services District - 43
Albany Municipal Services Joint Powers Authority - 18	Baumont District Library - 5
Alhambra Redevelopment Agency - 9	Baumont-Cherry Valley Recreation and Park District - 10
Aliso Water Management Agency - 30	Belvedere-Tiburon Library Agency - 14
Alliance of Schools for Cooperative Insurance Programs - 10	Ben Lomand Fire Protection District - 2
Alpine Fire Protection District - 20	Benicia City Housing Authority - 16
Alta Irrigation District - 32	Bennett Valley Fire Protection District - 5
Altadena Library District - 18	Big Bear Area Regional Wastewater Agency - 18
Amador Rapid Transit District - 35	Big Bear City Airport District - 6
Amador Water Agency - 47	Big Bear City Community Services District - 65
American Canyon Fire District - 15	Big Bear Municipal Water District - 14
American River Flood Control District - 10	Bighorn-Desert View Water Agency - 3
Anderson Cemetery District - 2	Black Gold Cooperative Library System - 15
Anderson Fire Protection District - 7	Blanchard/Santa Paula Public Library District - 9
Angiola Water District - 5	Bodega Bay Fire Protection District - 17
Antelope Valley Mosquito and Vector Control District - 6	Bolinas Community Public Utility District - 5
Antelope Valley Schools Transportation Agency - 236	Bonita-Sunnyside Fire Protection District - 15
Antelope Valley Transit Authority - 6	Boron Community Services District - 4
Apple Valley Fire Protection District - 57	Borrego Springs Fire Protection District - 14
Aptos/La Selva Fire Protection Agency - 43	Borrego Water District - 12
Arbuckle-College City Fire Protection District - 3	Branciforte Fire Protection District - 4
Arcata Fire Protection District - 13	Brannan-Andrus Levee Maintenance District - 1
Area 12 Agency On Aging - 25	Broadmoor Police Protection District - 16
Armona Community Services District - 5	Brooktrails Township Community Services District - 14
Arrowbear Park County Water District - 6	Browns Valley Irrigation District - 10
Arroyo Grande District Cemetery - 5	Buena Park Library District - 20
Associated Students California State University, San Bernardino - 2	Burney Basin Mosquito Abatement District - 1
Association of Bay Area Governments - 126	Burney Fire District - 7
Association of California Water Agencies - 59	Burney Water District - 9
Association of California Water Agencies - Joint Powers Insurance - 44	Butte County Air Quality Management District - 12
Atascadero Cemetery District - 3	Butte County Mosquito and Vector Control District - 20
Auburn Area Recreation and Park District - 40	Butte Schools Self-Funded Programs - 2
Auburn Public Cemetery District - 7	Byron-Bethany Irrigation District - 12

## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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Cachuma Operations and Maintenance Board - 14  
Cal Poly Pomona Foundation, Inc. - 376  
Calaveras County Water District - 70  
Calaveras Public Utility District - 6  
California Association for Park and Recreation Insurance - 3  
California Authority of Racing Fairs - 26  
California Bear Credit Union - 54  
California Fair Services Authority - 54  
California Fairs Financing Authority - 29  
California Firefighter Joint Apprenticeship Committee - 31  
California Interscholastic Federation, Central Section - 0  
California Interscholastic Federation, Central Coast Section - 3  
California Interscholastic Federation, North Coast Section - 10  
California Interscholastic Federation, Sac-Joaquin Section - 3  
California Interscholastic Federation, San Diego Section - 5  
California Interscholastic Federation, Southern Section - 15  
California Interscholastic Federation, State Office - 11  
California Joint Powers Insurance Authority - 21  
California Joint Powers Risk Management Authority - 5  
California Maritime Academy Foundation, Inc. - 8  
California Municipal Utilities Association - 4  
California Pines Community Services District - 5  
California School Boards Association - 132  
California State and Federal Employees No. 20 Credit Union - 15  
California State University Foundation - 32  
California State University, Fresno Association, Inc. - 148  
California State University, Fresno Athletic Corporation - 116  
California State University, Sacramento Foundation - 230  
California State University, Stanislaus Auxiliary and Business Services - 59  
Callayomi County Water District - 2  
Calleguas Municipal Water District - 65  
Camarillo Health Care District - 56  
Cambria Cemetery District - 1  
Cambria Community Healthcare District - 10  
Cambria Community Services District - 29  
Cameron Park Community Services District - 15  
Camrosa Water District - 26  
Capitol Area Development Authority - 48  
Carmel Highlands Fire Protection District of Monterey County - 2  
Carmel Valley Fire Protection District - 12  
Carmichael Water District - 25  
Carpinteria Sanitary District - 15  
Carpinteria Valley Water District - 14  
Casitas Municipal Water District - 58  
Castaic Lake Water Agency - 41  
Castro Valley Sanitary District - 15  
Castroville Water District - 7  
Cawelo Water District - 20  
Cayucos Sanitary District - 5  
Cayucos-Morro Bay Cemetery District - 3  
Central Basin Municipal Water District - 55  
Central Calaveras Fire and Rescue Protection District - 2  
Central Coast Computing Authority - 0  
Central Coast Water Authority - 32  
Central Contra Costa Transit Authority - 392  
Central Fire Protection District of Santa Cruz County - 63  
Central Marin Sanitation Agency - 39  
Central Sierra Planning Council - 6  
Central Valley Regional Center, Inc. - 271  
Central Water District - 3  
Chester Fire Protection District - 1  
Chester Public Utility District - 4  
Chico Area Recreation and Park District - 48  
Chino Basin Watermaster - 6  
Chino Valley Independent Fire District - 125  
Citrus Heights Water District - 28  
Clear Creek Community Services District - 11  
Clearlake Oaks County Water District - 19  
Clearlake Oaks Fire Protection District - 4  
Cloverdale Citrus Fair - 5  
Cloverdale Fire Protection District - 4  
Clovis Cemetery District - 8  
Coachella Valley Association of Governments - 28  
Coachella Valley Mosquito Abatement District - 51  
Coachella Valley Public Cemetery District - 6  
Coachella Valley Water District - 440  
Coalinga-Huron Cemetery District - 2  
Coalinga-Huron Mosquito Abatement District - 0  
Coalinga-Huron Recreation and Park District - 24  
Coalinga-Huron Unified School District Library District - 8  
Coast Life Support District - 5  
Coastal Developmental Services Foundation - 191  
Coastal Municipal Water District - 0  
Coastside County Water District - 19  
College Town - 0  
Colusa Mosquito Abatement District - 3  
Community College League of California - 22  
Community Development Commission of Mendocino County - 32  
Community Development Commission of the City of National City - 32  
Compton Creek Mosquito Abatement District - 1  
Compton Unified School District - 34  
Conejo Recreation and Park District - 190  
Consolidated Mosquito Abatement District - 11  
Contra Costa County Law Library - 6  
Contra Costa County Schools Insurance Group - 40  
Contra Costa Transportation Authority - 18  
Cooperative Personnel Services - 109  
Cordelia Fire Protection District of Solano County - 5  
Corning Water District - 6  
Cottonwood Fire Protection District - 3  
Cottonwood Water District - 2  
Crescent City Harbor District - 17  
Crescenta Valley Water District - 33  
Crestline Lake Arrowhead Water Agency - 8  
CSAC Excess Insurance Authority - 21  
Cucamonga County Water District - 103  
Cutler Public Utility District - 4  
Cutler-Orosi Joint Powers Wastewater Authority - 3  
Cuyama Valley Recreation District - 1  
Dairy Council of California - 85  
Daly City Redevelopment Agency - 0  
Deer Springs Fire Protection District - 4



## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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Del Norte County Library District - 3  
Del Paso Manor Water District - 3  
Del Rey Community Services District - 5  
Delano Mosquito Abatement District - 7  
Delta Vector Control District - 15  
Denair Community Services District - 5  
Descanso Community Water District - 5  
Desert Water Agency - 72  
Diamond Springs/El Dorado Fire Protection District - 21  
Dixon Unified School District Library District - 5  
Donald P. and Katherine B. Loker University Student Union, Inc. - 12  
Dougherty Regional Fire Authority - 12  
Downey Cemetery District - 0  
Dublin San Ramon Services District - 96  
East Bay Dischargers Authority - 3  
East Bay Regional Park District - 419  
East Contra Costa Irrigation District - 17  
East County Fire Protection District - 39  
East Kern Airport District - 22  
East Orange County Water District - 6  
East Palo Alto Sanitary District - 9  
East Quincy Services District - 4  
East San Gabriel Valley Human Services Consortium - 88  
East Valley Resource Conservation District - 11  
East Valley Water District - 63  
Eastern Municipal Water District - 535  
Ebbetts Pass Fire Protection District - 18  
El Dorado County Fire Protection District - 72  
El Dorado County Transit Authority - 53  
El Dorado Hills Community Services District - 36  
El Dorado Hills County Water District - 44  
El Dorado Irrigation District - 219  
Elk Grove Community Services District - 230  
Elsinore Valley Municipal Water District - 146  
Encina Wastewater Authority - 73  
Esparto Community Services District - 3  
Estero Municipal Improvement District - 303  
Fair Oaks Recreation and Park District - 43  
Fair Oaks Water District - 37  
Fairfield-Suisun Sewer District - 21  
Fall River Mills Community Services District - 3  
Fallbrook Public Utility District - 75  
Feather River Air Quality Management District - 13  
Feather River Recreation and Park District - 28  
Feather Water District - 6  
Felton Fire Protection District - 2  
Fern Valley Water District - 4  
Florin County Water District - 6  
Foothill Municipal Water District - 11  
Forestville County Water District - 3  
Forestville Fire Protection District - 4  
Fort Bragg Fire Protection Authority - 4  
Fort Ord Reuse Authority - 17  
Forty-Niner Fire Protection District - 8  
Fresno City Housing Authority - 133  
Fresno County Housing Authority - 131  
Fresno County Law Library - 5  
Fresno Westside Mosquito Abatement District - 8  
Fruitridge Fire Protection District - 0  
Fullerton California State University Associated Students - 60  
Fulton-El Camino Recreation and Parks District - 15  
Galt Fire Protection District - 22  
Garden Valley Fire Protection District - 4  
Georgetown Divide Public Utility District - 22  
Georgetown Fire Protection District - 14  
Gilsizer County Drainage District - 7  
Glen Ellen Fire Protection District - 5  
Glendale College, Associated Students - 15  
Glendale Community College District - 5  
Glenn County Mosquito and Vector Control District - 2  
Gold Ridge Fire Protection District - 2  
Golden Gate Bridge Highway and Transportation District - 619  
Golden Sierra Job Training Agency - 54  
Goleta Sanitary District - 39  
Goleta Water District - 63  
Goleta West Sanitary District - 9  
Great Basin Unified Air Pollution Control District - 31  
Greater Anaheim Special Education Local Plan Area - 25  
Greater Los Angeles County Vector Control District - 47  
Greater Vallejo Recreation District - 40  
Green Valley County Water District - 2  
Gridley-Biggs Cemetery District - 6  
Grossmont Healthcare District - 5  
Grossmont Schools Federal Credit Union - 11  
Groveland Community Services District - 27  
Gualala Community Services District - 4  
Halcumb Cemetery District - 2  
Half Moon Bay Fire Protection District - 45  
Hamilton Branch Fire Protection District - 2  
Happy Camp Sanitary District - 2  
Happy Homestead Cemetery District - 2  
Happy Valley Fire Protection District - 1  
Hayward Area Recreation and Park District - 176  
Hayward California State University, Auxiliary Foundation, Inc. - 174  
Heartland Communications Facility Authority - 22  
Heber Public Utility District - 8  
Helix Water District - 153  
Henry Miller Reclamation District No. 2131 - 26  
Herald Fire Protection District - 1  
Heritage Ranch Community Services District - 9  
Hesperia County Water District - 43  
Hesperia Fire Protection District - 61  
Hi-Desert Water District - 40  
Hidden Valley Lake Community Services District - 12  
Higgins Area Fire Protection District - 21  
Hilton Creek Community Services District - 2  
Housing Authority of the City of Alameda - 14  
Housing Authority of the City of Calexico - 28  
Housing Authority of the City of Los Angeles - 1,336  
Housing Authority of the County of Butte - 33  
Housing Authority of the County of Santa Cruz - 65  
Hub Cities Consortium - 59  
Human Rights/Fair Housing Commission of the City and County of Sacramento - 24

## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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Humboldt Bay Harbor Recreation and Conservation District - 16  
Humboldt Bay Municipal Water District - 19  
Humboldt Community Services District - 23  
Humboldt County Association of Governments - 3  
Humboldt No. 1 Fire Protection District - 22  
Humboldt State College University Center - 67  
Humboldt Transit Authority - 55  
Idyllwild Fire Protection District - 7  
Independent Cities Association, Inc. - 1  
Indian Wells Valley Water District - 28  
Inland Counties Regional Center, Inc. - 485  
Inland Empire Health Plan - 255  
Inland Empire Utilities Agency - 242  
Inland Empire West Resource Conservation District - 5  
Intelcom Intelligent Telecommunications - 42  
Intergovernmental Training and Development Center - 7  
Inverness Public Utility District - 6  
Irvine Child Care Project - 0  
Irvine Ranch Water District - 346  
Isla Vista Recreation and Park District - 12  
Jamestown Sanitary District - 3  
Janesville Fire Protection District - 0  
June Lake Public Utility District - 9  
Jurupa Community Services District - 45  
Kaweah Delta Water Conservation District - 23  
Kelseyville Fire Protection District - 16  
Kensington Community Services District - 11  
Kentfield Fire District - 14  
Kenwood Fire Protection District - 2  
Kern County Cemetery District No. 1 - 9  
Kern County Council of Governments - 24  
Kern County Housing Authority - 124  
Kern County Law Library - 4  
Kern County Local Agency Formation Commission - 2  
Kettleman City Community Services District - 4  
Kings County Waste Management Authority - 79  
Kings Mosquito Abatement District - 12  
Kinneola Irrigation District - 3  
Kirkwood Meadows Public Utilities District - 11  
La Branza Water District - 0  
La Puente Valley County Water District - 7  
Laguna Beach County Water District - 46  
Lake County Vector Control District - 7  
Lake Don Pedro Community Services District - 7  
Lake Valley Fire Protection District - 20  
Lakeshore Fire Protection District - 12  
Lakeside Fire Protection District - 69  
Lakeside Water District - 10  
Lamont Public Utility District - 2  
Las Gallinas Valley Sanitary District - 14  
Las Virgenes Municipal Water District - 144  
Lassen County Waterworks District No. 1 - 1  
League of California Cities - 76  
Leucadia County Water District - 3  
Levee District No. 1 of Sutter County - 3  
Linda County Water District - 11  
Linda Fire Protection District - 10  
Linden-Peters Rural County Fire Protection District - 8  
Lindsay Strathmore Public Cemetery District - 3  
Little Lake Fire Protection District - 4  
Littlerock Creek Irrigation District - 7  
Live Oak Cemetery District - 2  
Livermore City Housing Authority - 15  
Livermore/Amador Valley Transit Authority - 12  
Lompico County Water District - 2  
Long Beach City College Associated Student Body Enterprises - 24  
Long Beach State University, Associated Students - 64  
Long Beach State University, Forty-Niner Shops, Inc. - 74  
Los Alamos Community Services District - 5  
Los Angeles City Community Redevelopment Agency - 232  
Los Angeles County Area 'E' Civil Defense and Disaster Board - 1  
Los Angeles County Community Development Commission - 1,121  
Los Angeles County Housing Authority - 41  
Los Angeles County Law Library - 55  
Los Angeles County Sanitation District No. 2 - 1,953  
Los Angeles County West Vector Control District - 32  
Los Angeles Memorial Coliseum Commission - 41  
Los Angeles Regionalized Insurance Services Authority - 1  
Los Gatos-Saratoga Department of Community Education and Recreation - 3  
Los Osos Community Services District - 26  
Lower Lake Fire Protection District - 2  
Lower Tule River Irrigation District - 30  
Lucerne Recreation and Park District - 3  
Madera Cemetery District - 20  
Madera County Economic Development Commission - 2  
Madera County Mosquito and Vector Control District - 9  
Madera Housing Authority - 44  
Main San Gabriel Basin Watermaster - 12  
Majestic Pines Community Services District - 3  
Mammoth Lakes Fire District - 6  
Management of Emeryville Services Authority - 120  
March Joint Powers Authority - 7  
Marin County Housing Authority - 87  
Marin County Sanitary District No. 1 - 23  
Marin Municipal Water District - 281  
Marinwood Community Services District - 27  
Mariposa Public Utility District - 5  
Maxwell Public Utility District - 3  
McCloud Community Services District - 11  
McFarland Recreation and Park District - 9  
McKinleyville Community Services District - 24  
Meeks Bay Fire Protection District - 8  
Meiners Oaks County Water District - 4  
Mendocino City Community Services District - 4  
Menlo Park Fire Protection District - 109  
Merced County Housing Authority - 79  
Merced County Mosquito Abatement District - 12  
Merced Irrigation District - 170  
Merritt College Associated Students, Inc. - 1  
Mesa Consolidated Water District - 66  
Metropolitan Cooperative Library System - 24  
Metropolitan Transportation Commission - 142  
Metropolitan Water District of Southern California - 2,098

## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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Mid City Development Corporation - 1	North Marin Water District - 67
Mid-Peninsula Regional Open Space District - 90	North of the River Municipal Water District - 7
Mid-Peninsula Water District - 22	North State Cooperative Library System - 12
Mid-Placer Public Schools Transportation Agency - 92	North Tahoe Fire Protection District - 50
Midway City Sanitary District - 29	Northern California Special Districts Insurance Authority - 2
Minter Field Airport District - 8	Northern Sierra Air Quality Management District - 13
Mojave Water Agency - 29	Northridge Water District - 22
Mokelumne Rural Fire District - 9	Northstar Community Services District - 20
Monte Vista County Water District - 41	Northwest Mosquito and Vector Control District - 15
Montecito Fire Protection District - 48	Novato Sanitary District - 32
Montecito Sanitary District of Santa Barbara County - 14	Oakdale Rural Fire Protection District - 8
Montecito Water District - 30	Oakland City Housing Authority - 382
Monterey Bay Area Governments, Association of - 18	Oakland Unified School District, School Police - 20
Monterey Bay Unified Air Pollution Control District - 44	Oceano Community Services District - 10
Monterey County Water Resources Agency - 58	Ojai Valley Sanitary District - 19
Monterey Peninsula Airport District - 52	Olcese Water District - 1
Monterey Peninsula Regional Park District - 11	Olivenhain Municipal Water District - 83
Monterey Peninsula Water Management District - 32	Omnitrans - 847
Monterey Regional Waste Management District - 96	Ophir Hill Fire Protection District - 2
Monterey Regional Water Pollution Control Agency - 89	Orange County Health Authority (CALOPTIMA) - 408
Monterey-Salinas Transit - 283	Orange County Transportation Commission - 20
Montezuma Fire Protection District - 9	Orange Cove Fire Protection District of Fresno and Tulare Counties - 2
Morongo Basin Transit Authority - 40	Orchard Dale County Water District - 8
Mother Lode Job Training Agency - 48	Orland Cemetery District - 3
Moulton-Niguel Water District - 123	Oro Loma Sanitary District - 57
Mountain View Sanitary District of Contra Costa County - 12	Orosi Public Utility District - 5
Mountains Recreation and Conservation Authority - 128	Oroville Cemetery District - 7
Mountain-Valley Library System - 6	Oroville Mosquito Abatement District - 1
Mt. San Antonio College Associated Students - 44	Otay Water District - 194
Murphys Sanitary District - 6	Oxnard Drainage District No. 2 - 0
Murrieta County Water District - 19	Oxnard Harbor District - 33
Murrieta Fire Protection District - 32	Pacific Fire Protection District - 1
Napa County Mosquito Abatement District - 6	Padre Dam Municipal Water District - 127
Napa Sanitation District - 46	Pajaro Valley Fire Protection Agency - 2
National Orange Show - 105	Pajaro Valley Public Cemetery District - 7
Natomas Fire Protection District - 0	Pajaro Valley Water Management Agency - 15
Nevada Cemetery District - 3	Palm Ranch Irrigation District - 4
Nevada County Consolidated Fire District - 41	Palmdale Water District - 86
Nevada County Local Agency Formation Commission - 2	Palo Verde Cemetery District - 8
Nevada Irrigation District - 175	Palo Verde Valley District Library - 5
Newhall County Water District - 40	Palos Verdes Library District - 44
Newport Beach City Employees Federal Credit Union - 6	Pasadena City College Bookstore - 12
Nice Community Services District - 5	Pasadena Metro Blue Line Construction Authority - 13
Niland Fire District - 2	Paso Robles City Housing Authority - 6
Niland Sanitary District - 0	Patterson Irrigation District - 11
Nipomo Community Services District - 8	Pauma Valley Community Services District - 26
North Bay Cooperative Library System - 10	Peardale Chicago Park Fire Protection District - 2
North Bay Schools Insurance Authority - 18	Peninsula Fire Protection District - 7
North Central Counties Consortium - 11	Penn Valley Fire Protection District - 17
North Coast County Water District - 19	Pico Water District - 17
North Coast Railroad Authority - 4	Pine Cove Water District - 5
North Coast Unified Air Quality Management District - 7	Pinedale County Water District - 6
North County Fire Protection District of Monterey County - 35	Pioneer Cemetery District - 5
North County Fire Protection District of San Diego County - 76	Pixley Irrigation District - 10
North County Transit District - 663	Placer Consolidated Fire Protection District - 25
North Kern Cemetery District - 8	Placer County Cemetery District No. 1 - 3
North Kern Water Storage District - 24	Placer County Resource Conservation District - 2
North Los Angeles County Regional Center - 435	

## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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Placer County Transportation Commission - 8  
Placer County Water Agency - 164  
Placer Hills Fire Protection District - 6  
Plain View Water District - 2  
Planning and Service Area II Agency on Aging - 5  
Pleasant Hill-Martinez Joint Facilities Agency - 139  
Pleasant Hill Recreation and Park District - 45  
Pleasant Valley County Water District - 6  
Pleasant Valley Recreation and Park District - 88  
Point Montara Fire Protection District - 1  
Pomona Valley Transportation Authority - 3  
Pomona, California State Polytechnic University, Associated Students - 46  
Port San Luis Harbor District - 27  
Porter Vista Public Utility District - 2  
Porterville Irrigation District - 5  
Porterville Public Cemetery District - 12  
Provident Central Credit Union - 1  
Public Agency Risk Sharing Authority of California - 5  
Public Entity Risk Management Authority - 8  
Public Transportation Services Corporation - 1,861  
Pupil Transportation Cooperative - 167  
Purissima Hills County Water District - 7  
Quartz Hill Water District - 12  
Quincy Community Services District - 13  
Rag Gulch Water District - 8  
Rainbow Municipal Water District - 43  
Ramona Municipal Water District - 84  
Rancho Adobe Fire Protection District - 20  
Rancho California Water District - 136  
Rancho Cucamonga Fire Protection District - 85  
Rancho Murieta Community Services District - 40  
Rancho Santa Fe Fire Protection District - 58  
Rancho Santiago Community College Associated Students - 5  
Rancho Simi Recreation and Park District - 162  
Reclamation District No. 833 - 3  
Reclamation District No. 999 - 4  
Reclamation District No. 1000 - 11  
Reclamation District No. 1001 - 13  
Reclamation District No. 1660 - 0  
Red Bluff Cemetery District - 5  
Redevelopment Agency of the City of Fresno - 4  
Redwood Empire Municipal Insurance Fund - 12  
Redwood Empire School Insurance Group - 14  
Reedley Cemetery District - 6  
Regional Council of Rural Counties - 60  
Rescue Fire Protection District - 7  
Resort Improvement District No. 1 - 15  
Richardson Bay Sanitary District - 5  
Rincon Del Diablo Municipal Water District - 26  
Rincon Valley Fire Protection District - 30  
Rio Alto Water District - 7  
Rio Linda Water District - 17  
Rio Vista Cemetery District - 3  
Riverbank City Housing Authority - 1  
Riverside County Air Pollution Control District - 2  
Riverside County Citrus Pest Control District No. 2 - 5  
Riverside County Flood Control and Water Conservation District - 189  
Riverside County Law Library - 10  
Riverside County Regional Park and Open Space District - 70  
Riverside County Transportation Commission - 29  
Riverside County Waste Resources Management District - 130  
Riverside Transit Agency - 423  
Riverview Water District - 10  
Rockville Cemetery District - 4  
Rose Bowl Operating Company - 23  
Roseville Public Cemetery District - 9  
Ross Valley Fire Service - 29  
Rowland Water District - 22  
Rubidoux Community Services District - 2  
Running Springs Water District - 35  
Russian River Fire Protection District - 12  
Sacramento Area Council of Governments - 61  
Sacramento City Housing Authority - 394  
Sacramento County Law Library - 23  
Sacramento Metropolitan Air Quality Management District - 78  
Sacramento Metropolitan Cable Television Commission - 14  
Sacramento Metropolitan Fire District - 343  
Sacramento Metropolitan Water Authority - 2  
Sacramento Municipal Utility District - 2,502  
Sacramento Public Library Authority - 327  
Sacramento Regional Fire/EMS Communications Center - 63  
Sacramento Transportation Authority - 4  
Sacramento-Yolo Mosquito and Vector Control District - 62  
Salida Fire Protection District - 8  
Salinas Rural Fire District - 31  
Salton Community Services District - 21  
Samoa Peninsula Fire Protection District - 1  
San Andreas Regional Center, Inc. - 284  
San Andreas Sanitary District - 6  
San Benito County Water District - 32  
San Bernardino County Housing Authority - 105  
San Bernardino County Transportation Authority - 1  
San Bernardino Economic Development Agency - 31  
San Bernardino Valley Municipal Water District - 25  
San Bernardino Valley Water Conservation District - 11  
San Bernardino, California State University, Foundation - 176  
San Bernardino, California State University, Student Union - 10  
San Diego Association of Governments - 103  
San Diego County Law Library - 54  
San Diego County Water Authority - 262  
San Diego Metropolitan Transit Development Board - 111  
San Diego Rural Fire Protection District - 24  
San Diego State University, Associated Students - 27  
San Diego Trolley, Inc. - 495  
San Diego Unified School District - 48  
San Dieguito Water District - 24  
San Elijo Joint Powers Authority - 21  
San Francisco Bay Area Rapid Transit District - 3,865  
San Francisco City and County Housing Authority - 413  
San Francisco City and County Redevelopment Agency - 160  
San Francisco City College Associated Students - 16  
San Francisco County Law Library - 12  
San Francisco County Transportation Authority - 12  
San Francisco Health Authority - 67



## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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San Gabriel County Water District - 19	Scotts Valley Fire Protection District - 27
San Gabriel Valley Mosquito and Vector Control District - 24	Scotts Valley Water District - 15
San Gabriel Valley Municipal Water District - 11	Selma Cemetery District - 6
San Geronio Pass Water Agency - 4	Selma-Kingsburg-Fowler County Sanitation District - 29
San Jacinto Valley Cemetery District - 9	Serrano Water District - 11
San Joaquin County Housing Authority - 115	Sewer Authority Mid-Coastside - 15
San Joaquin County (Local Health District) - 166	Sewerage Commission - Oroville Region - 9
San Joaquin Delta Community College District - 7	Shafter Wasco Irrigation District - 10
San Jose State University Associated Students - 34	Shasta Area Safety Communications Agency - 58
San Juan Water District - 47	Shasta Community Services District - 5
San Lorenzo Valley Water District - 31	Shasta Lake Fire Protection District - 10
San Luis Obispo - Cal Poly - Associated Students, Inc. - 91	Shasta Mosquito and Vector Control District - 14
San Luis Obispo - Cal Poly Foundation - 379	Shasta Valley Cemetery District - 3
San Luis Obispo Council of Governments - 16	Shiloh Public Cemetery District - 2
San Luis Obispo Regional Transit Authority - 9	Sierra Lakes County Water District - 5
San Luis Water District - 17	Sierra-Sacramento Valley Emergency Medical Services Agency - 8
San Mateo County Harbor District - 48	Silveyville Cemetery District - 4
San Mateo County In-Home Supportive Services Public Authority - 4	Solano County Mosquito Abatement District - 9
San Mateo County Law Library - 3	Solano County Water Agency - 5
San Mateo County Schools Insurance Group - 14	Solano Irrigation District - 103
San Mateo County Transit District - 836	Solano Transportation Authority - 11
San Mateo Local Agency Formation Commission - 2	Soledad Community Health Care District - 0
San Miguel Consolidated Fire Protection District - 103	Sonoma County Library - 156
San Pablo City Housing Authority - 4	Sonoma State Enterprises, Inc. - 25
San Simeon Community Services District - 4	Sonoma Student Union Corporation - 11
Sanger Cemetery District - 6	Soquel Creek Water District - 39
Sanitary District No. 5 of Marin County - 8	South Bay Regional Public Communications Authority - 98
Santa Ana River Flood Protection Agency - 0	South Bayside System Authority - 67
Santa Ana Watershed Project - 22	South Coast Area Transit - 142
Santa Barbara County Law Library - 3	South Coast Water District - 68
Santa Barbara County Special Education Local Plan Area - 50	South County Fire Protection Authority - 66
Santa Barbara Regional Health Authority - 145	South East Regional Reclamation Authority - 46
Santa Clara County Central Fire Protection District - 240	South Kern Cemetery District - 5
Santa Clara County Health Authority - 89	South Lake County Fire Protection District - 4
Santa Clara County Law Library - 8	South Placer Fire District - 56
Santa Clara County Schools Insurance Group - 8	South Placer Municipal Utility District - 18
Santa Clara County Traffic Authority - 2	South San Joaquin Irrigation District - 66
Santa Clara County Transit District - 910	South San Luis Obispo County Sanitation District - 11
Santa Clara Valley Water District - 764	Southeast Area Social Services Funding Authority - 77
Santa Clarita Valley School Food Services Agency - 105	Southern California Association of Governments - 237
Santa Cruz Consolidated Emergency Communications Center - 61	Southern California Public Power Authority - 6
Santa Cruz County Law Library - 3	Southern California Regional Rail Authority - 178
Santa Cruz Local Agency Formation Commission - 2	Southern San Joaquin Municipal Utility District - 18
Santa Cruz Metropolitan Transit District - 381	Southwest Transportation Agency - 80
Santa Fe Irrigation District - 55	Special District Risk Management Authority - 11
Santa Margarita Water District - 136	Squaw Valley Public Service District - 23
Santa Maria Public Airport District - 11	Stanislaus Consolidated Fire Protection District - 48
Santa Nella County Water District - 5	Stanislaus County Housing Authority - 88
Santa Paula City Housing Authority - 10	State Bar of California - 770
Santa Rosa Community Services District - 6	State Water Contractors - 4
Santa Ynez River Water Conservation District No. 1 - 12	Stege Sanitary District - 10
Saratoga Fire Protection District - 31	Stinson Beach County Water District - 15
Sausalito-Marin City Sanitary District - 10	Stockton East Water District - 30
School Risk and Insurance Management Group - 7	Stockton Unified School District, School Police - 16
Schools Excess Liability Fund - 7	Strawberry Recreation District - 10
Schools Insurance Authority - 48	Suisun Fire Protection District - 2
	Suisun-Fairfield Cemetery District - 5
	Summit Cemetery District - 11

## CaIPERS PUBLIC AGENCY EMPLOYERS

### *Districts & Other Public Agencies*

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Sunnyslope County Water District - 12	Veterans Home of California Post Fund - 26
Susanville Consolidated Sanitary District - 10	Victor Valley Wastewater Reclamation Authority - 32
Sutter Cemetery District - 12	Victor Valley Water District - 50
Sutter County Housing Authority - 28	Visalia Public Cemetery District - 10
Sweetwater Authority - 150	Vista Irrigation District - 106
Sylvan Cemetery District - 5	Walnut Valley Water District - 49
Tahoe City Public Utility District - 65	Walton Fire Protection District - 9
Tahoe Transportation District - 0	Wasco Recreation and Park District - 3
Tahoe-Truckee Sanitation Agency - 70	Washington Colony Cemetery District - 3
Tehachapi Valley Recreation and Park District - 8	Water Facilities Authority - 9
Tehama County Mosquito Abatement District - 4	Water Replenishment District of Southern California - 39
Templeton Community Services District - 12	Weaverville Community Services District - 7
Three Arch Bay Community Services District - 0	Weaverville Fire Protection District - 0
Three Valleys Municipal Water District - 21	Weaverville Sanitary District - 3
Tiburon Fire Protection District - 25	West Almanor Community Services District - 1
Torrance City Redevelopment Agency - 0	West Basin Municipal Water District - 1
Trabuco Canyon Water District - 31	West Bay Sanitary District - 29
Tracy Rural County Fire Protection District - 5	West Cities Communication Center - 19
Transportation Agency for Monterey County - 11	West County Transportation Agency - 104
Tri-City Mental Health Center - 367	West County Wastewater District - 59
Tri-Counties Association for the Developmentally Disabled - 288	West End Communications Authority - 2
Tri-County Schools Insurance Group - 4	West San Bernardino County Water District - 55
Tri-Dam Housing and Personnel Agency - 24	West Stanislaus Irrigation District - 19
Trinity County Waterworks District No. 1 - 4	West Valley Sanitation District of Santa Clara County - 24
Truckee Fire Protection District - 25	West Valley-Mission Community College District - 9
Truckee Sanitary District - 42	Western Municipal Water District - 69
Truckee-Tahoe Airport District - 26	Western Riverside Council of Governments - 20
Tulare Mosquito Abatement District - 5	Westlands Water District - 128
Tulare Public Cemetery District - 11	Westwood Community Services District - 8
Tuolumne Utilities District - 68	Wheeler Ridge-Maricopa Water Storage District - 47
Turlock Mosquito Abatement District - 13	Wildomar Cemetery District - 2
Twentynine Palms Water District - 36	Willow Creek Community Services District - 4
Twin Cities Police Authority - 48	Willows Cemetery District - 3
Ukiah Valley Fire District - 12	Wilton Fire Protection District - 2
Union Public Utility District - 5	Windsor Fire Protection District - 10
Union Sanitary District - 136	Winterhaven Water District - 2
United Water Conservation District - 71	Winters Cemetery District - 3
Upland City Housing Authority - 32	Winters Fire Protection District - 6
Upper San Gabriel Valley Municipal Water District - 11	Woodbridge Rural County Fire Protection District - 25
Vacaville Fire Protection District - 7	Woodlake Fire District - 3
Vacaville-Elmira Cemetery District - 11	Woodside Fire Protection District - 49
Vallecitos Water District - 86	Yolo County Communications Emergency Services Agency - 42
Vallejo Sanitation and Flood Control District - 92	Yolo County Federal Credit Union - 69
Valley Center Municipal Water District - 63	Yolo County Housing Authority - 47
Valley County Water District - 17	Yolo County Public Agency Risk Management Insurance Authority - 8
Valley Mountain Regional Center, Inc. - 334	Yolo County Transportation District - 7
Valley of the Moon Water District - 18	Yolo-Solano Air Quality Management District - 25
Valley Sanitary District - 16	Yorba Linda Water District - 63
Valley Springs Public Utility District - 1	Yuba County Water Agency - 25
Valley-Wide Recreation and Park District - 76	Yuba Sutter Transit Authority - 4
Vandenberg Village Community Services District - 10	Yucaipa Valley Water District - 66
Ventura County Law Library - 7	
Ventura County Schools Business Services Authority - 10	
Ventura County Schools Self-Funding Authority - 7	
Ventura County Transportation Commission - 17	
Ventura Port District - 39	
Ventura River County Water District - 4	

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**Total - 877**

## JUDGES' RETIREMENT SYSTEM PROGRAM DATA

### Primary Benefits

The Judges' Retirement System (JRS) was established in 1937. The operational activities of the JRS were transferred from the State Controller's Office to CalPERS in 1979. Benefits payable through JRS are financed by the General Fund, the payroll contributions of members, and the State's contribution as an employer. Both employer and members contribute at the rate of 8 percent of compensation.

### Membership

The Judges' Retirement System provides retirement, death, health, and dental benefits for Supreme and Appellate Court Justices, Superior Court Judges, Municipal Court Judges, and beneficiaries.

### Service Retirement

#### *Retirement Age*

Members must be at least age 60 with 20 years of service, or age 70 with at least 10 years of service.

#### *Retirement Benefit Formula*

The retirement allowance is a percentage of the current salary of the last judicial office held and is increased proportionally with active judicial salaries. The allowance is based on a member's age and years of service as follows:

Age	Years of Service	Retirement Allowance
60–70	20	75%
66	18	65%
67	16	65%
68	14	65%
69	12	65%
70	10	65%

Judges can work as long as they want and receive their full pension of either 65 percent or 75 percent (depending on credited service). In addition, a surviving spouse benefit of at least 50 percent of the judge's allowance is provided.

### *Deferred Retirement*

Judges are eligible for deferred retirement at any age if they have at least five years of service. However, judges are not paid the allowance until they reach the age they would be eligible for normal retirement if they had remained in office. A judge must be at least age 63, or age 60 with 20 years of service, to receive a retirement allowance. The allowance is based on years of service multiplied by a percentage of the judge's final salary—varying from 2 percent for five years to 3.75 percent for 12 or more years of service. The maximum benefit they can receive is 75 percent of salary.

### Disability Retirement (Non-Work Related)

Judges must apply to the Commission on Judicial Performance to receive a disability retirement. There is no age requirement.

The service requirement is four years. The retirement allowance is 65 percent of the judge's final salary, or 75 percent of their final salary if the judge has 20 or more years of service.

## JUDGES' RETIREMENT SYSTEM PROGRAM DATA

### Disability Retirement (Work Related)

Judges receive the same amount as those for a non-work related disability, but there is no minimum service requirement.

### Death Benefits (Before Retirement)

#### *Not Eligible to Retire*

Spouses can receive 25 percent of current active judges' salary for life or return of contributions plus one month's salary, for each year of service not to exceed six months; or the surviving spouse can elect a monthly allowance for life or until remarriage, if the judge had paid an extra \$2 per month and had 10 to 20 years of service. This allowance would be equal to 1.625 percent of the salary multiplied by the number of years of service.

#### *Eligible to Retire*

Spouses receive 50 percent of what the retirement allowance would have been if the judge had retired on date of death.

### Death Benefits (After Retirement)

Spouses receive 50 percent of the retirement pension for life, or until remarriage, if the member retired with the standard retirement benefit formula, or on disability.

Judges who retire under Government Code Section 75033.5 may elect to take a reduced retirement allowance in order to enhance the survivor benefits to their spouse.

### Cost-Of-Living Adjustments (COLA)

The allowance increases are based on the current salary of an active judge. Retirees receive the same increase as active judges.

### Membership & Retirement Data

#### Three-Year Review

	2001	2000	1999
<b>Active Judges &amp; Former Judges on Deferred Retirement</b>	1,164	1,241	1,294
<b>Total Active &amp; Deferred Members</b>	<b>1,164</b>	<b>1,241</b>	<b>1,294</b>

#### Retired Members & Death Benefit Allowances

Service Retirement	598	576	565
Disability Retirement	55	57	58
Deferred Retirement	650	645	633
Optional Settlement	70	53	47
Pre-Retirement Survivor	76	78	79
<b>Total Allowances</b>	<b>1,449</b>	<b>1,409</b>	<b>1,382</b>

#### Active Members & Former Judges on Deferred Retirement

Active	1,062
Deferred Retirement	102
<b>Total Active &amp; Deferred Members</b>	<b>1,164</b>

#### Benefit Recipients by Retirement Type

Category	Retired Judges	Survivors & Beneficiaries	Total
Service Retirement	308	290	598
Disability Retirement	55	—	55
Deferred Retirement	536	114	650
Optional Settlement	49	21	70
Pre-Retirement Survivor	N/A	76	76
<b>Total</b>	<b>948</b>	<b>501</b>	<b>1,449</b>

#### Benefit Payments by Type

Category	Amount Paid
Service Retirement	\$75,522,779
Disability Retirement	4,662,292
Beneficiary Death Benefits/Life Allowance	19,238,553
<b>Total</b>	<b>\$99,423,624</b>



## JUDGES' RETIREMENT SYSTEM II PROGRAM DATA

### Primary Benefits

The Judges' Retirement System II (JRS II) was established in 1994 to create a fully funded, actuarially-sound retirement system for judges appointed or elected on or after November 9, 1994. This system provides a unique combination of two basic types of retirement benefits: a defined benefit plan and a monetary credit plan. The defined benefit plan provides a lifetime monthly retirement allowance of up to 75 percent of final compensation. The monetary credit plan allows for a refund of member contributions, a portion of the employer contributions, and interest. Members contribute at the rate of 8 percent of compensation.

### Membership

The JRS II provides retirement, death, health, and dental benefits for Supreme and Appellate Court Justices, Superior Court Judges, Municipal Court Judges, first appointed or elected after November 9, 1994, and their beneficiaries.

### Service Retirement

#### *Retirement Age*

Judges must be at least age 65 with 20 years of service or age 70 with a minimum of five years of service to receive the defined benefit plan. Judges must have at least five years of service to receive the monetary credit plan.

### Retirement Formula

#### *Defined Benefit Plan*

This option provides a "defined benefit" of 3.75 percent of the highest 12-month average salary per year of service, up to 75 percent for judges reaching age 65 with at least 20 years of service. Optional settlements are available which reduce a judge's retirement allowance to provide a lifetime benefit for a surviving spouse upon death of the judge.

#### *Monetary Credit Plan*

This option provides a cash payment in a single lump sum, or the member may elect to receive an annuity at retirement based on the accumulated contributions of the employee and the employer. To receive the annuity a judge must meet the minimum qualifications required under the defined benefit plan. Lifetime benefits are not provided under this plan.

### Disability Retirement (Non-Work Related)

Judges who have five years of service and become permanently disabled because of a mental or physical disability may apply to the Commission on Judicial Performance for disability retirement.

An allowance is based on the judge's age and will be the amount equal to the lower of the following:

- the monthly benefit of 3.75 percent of the final compensation multiplied by the number of years of service the judge would have been credited had the judge continued to work until the age the judge would have first been eligible to retire, or
- 65 percent of the judge's average monthly salary during the 12 months preceding the retirement date.

### Disability Retirement (Work Related)

Judges receive 65 percent of the judge's average monthly salary during the 12 months preceding the retirement date, regardless of age or length of service.

## JUDGES' RETIREMENT SYSTEM II PROGRAM DATA

### Death Benefits (Before Retirement)

#### *Eligible for the Defined Benefit Plan*

Spouses receive either the monthly retirement allowance equal to one-half of the judge's "defined benefit" plan allowance or the judge's monetary credits.

#### *Eligible for the Monetary Credit Plan*

Spouses receive the judge's monetary credits or three times the annual salary at the time of death, whichever is greater.

### Death Benefits (After Retirement)

#### *Defined Benefit Plan*

The surviving spouse of a retired judge who elected an Optional Settlement in the Defined Benefit Plan receives one of four options:

- Option 1—return of unused accumulated contributions;
- Option 2-4—the Optional Settlement Benefit, the amount varies based on option chosen by the member.

#### *Monetary Credit Plan*

If the judge elected to receive the Monetary Credit Plan in a lump sum, there are no survivor benefits. If the judge elected Monetary Credit Plan in an annuity, the spouse receives the remaining funds at the time of the judge's death.

### Cost-Of-Living Adjustments (COLA)

The retirement allowance of retired judges who have elected the Defined Benefit Plan will be adjusted every January after the judge has been retired six months. The adjustment is based on the United States city average of the "Consumer Price Index For All Urban Consumers," as published by the United States Bureau of Statistics. This adjustment will not be less than 1 percent or more than 3 percent.

### Membership & Retirement Data Three-Year Review

	2001	2000	1999
<b>Active Judges</b>	462	353	334
<b>Total Members</b>	<b>462</b>	<b>353</b>	<b>334</b>
<b>Retired Members &amp; Death Benefit Allowances</b>			
Service Retirement	—	—	—
Disability Retirement	—	—	—
Optional Settlement	—	—	—
Pre-Retirement Survivor	1	2	—
<b>Total Allowances</b>	<b>1</b>	<b>2</b>	<b>—</b>

### Active Judges

Active	462
<b>Total Members</b>	<b>462</b>

### Benefit Recipients by Retirement Type

Category	Retired Judges	Survivors & Beneficiaries	Total
Service Retirement	—	—	—
Disability Retirement	—	—	—
Optional Settlement	—	—	—
Pre-Retirement Survivor	N/A	1	1
<b>Total</b>	<b>—</b>	<b>1</b>	<b>1</b>

### Benefit Payments by Type

Category	Amount Paid
Service Retirement	\$ —
Disability Retirement	—
Beneficiary Death Benefits	142,234
Beneficiary Death Benefits/Life Allowance	—
<b>Total</b>	<b>\$142,234</b>

## LEGISLATORS' RETIREMENT SYSTEM PROGRAM DATA

### Primary Benefits

CalPERS has administered the Legislators' Retirement System (LRS) since its inception in 1947. The duties of the Board with respect to administering the LRS are the same as for CalPERS on such items as determining membership and benefit rights, making investments, crediting interest, and obtaining information necessary for administration.

Benefits payable by the LRS are financed through member contributions, the State's contribution as an employer, and interest earned on investments. The employer statutory contribution rate was eliminated in January 2000, and the CalPERS Board is now authorized to establish actuarially determined rates.

When the actuarial value of the assets exceeds the present value of benefits, resulting in a 0 percent employer contribution rate, the Board may reduce the member contribution rates for the same fiscal year in which the State rate is 0 percent. For fiscal year 2001-02, the Board has determined that both the employer rate and the member rate will be 0 percent. Interest credited to the member's accounts is the net earnings rate of investments.

### Proposition 140

Proposition 140, the Political Reform Act of 1990, requires that Legislators (Senators and Members of the Assembly) first elected after November 7, 1990 participate in the federal Social Security program and in no other retirement system.

### Membership

Members of the Legislature serving prior to November 7, 1990, elected Constitutional Officers, and Legislative Statutory Officers are eligible for benefits.

### Service Retirement

#### *Retirement Age*

The retirement age is 60, with four or more years of service credit, or any age with 20 or more years. The retirement age for Legislative Statutory Officers is 55, or any age with 20 years or more of service credit.

#### *Legislators' Retirement Benefit Formula*

The retirement formula consists of three separate formulas that are totaled together to provide the members with their allowance. The first part of the formula consists of 5 percent of the first \$500 of salary up to 15 years of service. The second part is 3 percent per year of the same \$500 of salary for years in excess of 15 years. And finally, total years of service is multiplied by 3 percent per year of their salary above \$500. In no case may a member receive more than two-thirds of their salary.

#### *Constitutional Officers' Benefit Formula*

Five percent per year of service up to eight years (40 percent) of their highest salary. If the member has 24 or more years of service, the retirement allowance is 60 percent of their final salary.

#### *Statutory Officers' Benefit Formula*

Statutory Officers receive 3 percent per year of service, not to exceed 66 percent of final monthly compensation.

#### *Early Retirement Options for Legislators & Constitutional Officers*

Legislators and Constitutional Officers may retire before age 60 with 15 years of service. However, their retirement allowance is reduced by 2 percent for each year they retire before age 60.

## LEGISLATORS' RETIREMENT SYSTEM PROGRAM DATA

### Disability Retirement

Disability retirement uses the same formula as service retirement. There is no reduction if retirement is before age 60 for members of the Legislature.

### Death Benefits (Before Retirement)

#### *Not Eligible to Retire*

One month's salary for each year of service, plus the return of the member's contributions with interest payable to a survivor.

#### *Eligible to Retire*

If the member has elected one of the optional settlements, their beneficiary will receive the benefit provided by the option selected, calculated as if the date of death had been the date of retirement. In lieu of this benefit, the beneficiary may elect an allowance of one-half the unmodified retirement allowance, payable until death or remarriage.

### Death Benefits While in Office

Beneficiaries receive a lump sum benefit in an amount equal to the annual compensation of a Legislator during the 12 months preceding the member's death, regardless of whether the member was eligible to retire.

### Death Benefits (After Retirement)

Members choose between one of four options. The level of survivor benefit is based on the option chosen, without a reduction in allowance. Beneficiaries also receive a \$600 lump sum payment.

### Cost-Of-Living Adjustments (COLA)

The annual COLA is determined by the Consumer Price Index.

## LEGISLATORS' RETIREMENT SYSTEM PROGRAM DATA

### Membership & Retirement Data

#### Three-Year Review

	2001	2000	1999
<b>Active &amp; Inactive Members</b>			
Members of the Legislature	48	58	62
Constitutional Officers	16	18	16
Legislative Statutory Officers	4	4	4
<b>Total Members</b>	<b>68</b>	<b>80</b>	<b>82</b>

#### Retired Members & Death Benefit Allowances

##### Members of the Legislature

Service	223	213	211
Disability	8	9	9
Pre-Retirement Option 2	2	2	2

<b>Total Members of the Legislature</b>	<b>233</b>	<b>224</b>	<b>222</b>
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##### Constitutional Officers

Service	29	31	32
Disability	1	1	1
Pre-Retirement Option 2	2	2	3

<b>Total Constitutional Officers</b>	<b>32</b>	<b>34</b>	<b>35</b>
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##### Legislative Statutory Officers

Service	7	7	7
Disability	—	—	—
Pre-Retirement Option 2	—	—	—

<b>Total Legislative Statutory Officers</b>	<b>7</b>	<b>7</b>	<b>7</b>
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<b>Total Allowances</b>	<b>272</b>	<b>265</b>	<b>264</b>
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## LEGISLATORS' RETIREMENT SYSTEM PROGRAM DATA

### Active & Inactive Members

Category	Active	Inactive	Total
Members of the Legislature	14	34	48
Constitutional Officers	10	6	16
Legislative Statutory Officers	4	—	4
<b>Total Members</b>	<b>28</b>	<b>40</b>	<b>68</b>

### Benefit Payments by Type

Category	Amount Paid
Service Retirement	\$6,372,249
Disability Retirement	196,770
Beneficiary Death Benefits	11,061
Beneficiary Death Benefits/Allowance	202,387
<b>Total</b>	<b>\$6,782,467</b>

### Benefit Recipients by Type

Category	Retired Members	Survivors & Beneficiaries	Total
<b>Members of the Legislature</b>			
Service Retirement	126	97	223
Disability Retirement	4	4	8
Pre-Retirement Option 2	—	2	2
<b>Total Members of the Legislature</b>	<b>130</b>	<b>103</b>	<b>233</b>
<b>Constitutional Officers</b>			
Service Retirement	25	4	29
Disability Retirement	1	—	1
Pre-Retirement Option 2	—	2	2
<b>Total Constitutional Officers</b>	<b>26</b>	<b>6</b>	<b>32</b>
<b>Legislative Statutory Officers</b>			
Service Retirement	4	3	7
Disability Retirement	—	—	—
Pre-Retirement Option 2	—	—	—
<b>Total Legislative Statutory Officers</b>	<b>4</b>	<b>3</b>	<b>7</b>
<b>Total</b>	<b>160</b>	<b>112</b>	<b>272</b>

# VOLUNTEER FIREFIGHTERS' LENGTH OF SERVICE AWARD SYSTEM PROGRAM DATA

## Primary Benefits

The Volunteer Firefighters' Length of Service Award System, administered through CalPERS, was established in 1980 as a way for fire departments to offer their volunteers monetary acknowledgment for their service. A fire department contracts with CalPERS to handle the administration of length of service benefits to its volunteers who follow the program guidelines. All costs for the program are paid for by department contributions. There are no contributions from volunteers. An actuarial valuation is conducted at the start of the contract to determine the contributions required.

## Service Awards

A volunteer member with 20 or more years of service credit will receive \$1,800 annually for life (paid in monthly installments). The minimum award a volunteer can receive is \$900 annually for life for 10 years of service.

## Membership Data

### Three-Year Review

	2001	2000	1999
Active Firefighters	3,000	2,907	2,727
Firefighters Receiving Awards	55	37	26
<b>Total Members</b>	<b>3,055</b>	<b>2,944</b>	<b>2,753</b>

## Active & Inactive Members

Active Firefighters	3,000
Firefighters Receiving Awards	55
<b>Total Members</b>	<b>3,055</b>

## Benefit Payments by Type

Category	Amount Paid
<b>Award Payments</b>	<b>\$55,785</b>

## Participating Agencies

American Canyon Fire Protection District  
 Bethel Island Fire Protection District  
 Boulder Creek Fire Department  
 Cambria Fire Department  
 Ceres Department of Public Safety  
 Clearlake Oaks Fire Protection District  
 Coalinga Fire Department  
 Coloma-Lotus Volunteer Fire Association  
 Columbia Fire Protection District  
 Corcoran Volunteer Fire Department  
 Cresten Volunteer Fire Department  
 Diamond Springs Fire Department  
 El Dorado County Fire Protection District  
 Fairfield Volunteer Fire Department  
 Foothill Volunteer Fire Department  
 Fort Dick Fire Protection District  
 Georgetown Volunteer Fire Department  
 Gonzales Volunteer Fire Department  
 Grass Valley Fire Department  
 Hammond Ranch Fire Company  
 Humboldt No. 1 Fire Department District  
 Idyllwild Fire Protection District  
 Julian Cuyamaca Fire Protection District  
 Kentfield Fire Protection District  
 Kenwood Fire Protection District  
 Lakeshore Fire Protection District  
 Latrobe Fire Protection District  
 Marysville Fire Department  
 Mt. Laguna Volunteer Fire Department  
 North Central Fire Protection District  
 Olancho-Cartago Fire Department  
 Orange County Fire Department  
 Palomar Mountain Volunteer Fire Department  
 Placerville Fire Department, City of  
 Pleasant Valley Fire Protection District  
 Pollock Pines/Camino Volunteer Fire Association  
 Red Bluff Fire Department, City of  
 Ross Valley Fire Protection District  
 Samoa Peninsula Fire Protection District  
 San Juan Bautista Fire Department  
 San Luis Obispo County Fire - Cresten  
 San Mateo County Fire Department  
 San Ramon Valley Fire Protection District  
 Scott Valley Fire Protection District  
 Sebastopol Fire Protection District  
 Shasta Lake Fire Protection District  
 Shingle Springs Fire Department  
 Sierra Madre Fire Department  
 St. Helena Volunteer Fire Department  
 Susan River Fire Protection District  
 Templeton Community Service District - Fire Department  
 Town of Paradise Fire Department  
 Truckee Fire Protection District  
 Valley of the Moon Fire Protection District  
 Willow Creek Volunteer Fire Department  
 Willows Fire Department  
 Woodland Fire Department

**Total - 57**

other programs  
**Section**

Competence





## HEALTH BENEFITS PROGRAM

### Enrollments by Health Plan

	Basic			Supplemental			Total Enrollments
	Active	Retired	Total	Active	Retired	Total	
Aetna US HealthCare	13,558	1,276	14,834	452	725	1,177	16,011
Aetna of Illinois	47	—	47	—	—	—	47
Aetna NY/NJ	94	—	94	—	—	—	94
Aetna Texas	49	—	49	—	—	—	49
Blue Shield HMO	21,036	1,746	22,782	653	480	1,133	23,915
CAHP	5,205	2,016	7,221	1,298	1	1,299	8,520
CCPOA	2,589	474	3,063	62	1	63	3,126
CIGNA	10,681	894	11,575	367	327	694	12,269
Health Net	79,679	8,937	88,616	5,998	3,407	9,405	98,021
Health Plan of the Redwoods	2,508	556	3,064	477	80	557	3,621
Kaiser Permanente	123,596	19,324	142,920	21,028	8,520	29,548	172,468
Kaiser Out-of-State	34	412	446	384	162	546	992
Lifeguard	10,883	1,277	12,160	699	335	1,034	13,194
Maxicare	3,260	349	3,609	141	79	220	3,829
PacifiCare of Arizona	2	38	40	—	115	115	155
PacifiCare of California	44,028	4,501	48,529	20	4,845	4,865	53,394
PacifiCare of Nevada	3	30	33	—	74	74	107
PERSCare	16,287	7,834	24,121	52	37,800	37,852	61,973
PERS Choice	42,932	10,071	53,003	17	6,160	6,177	59,180
PORAC	2,374	706	3,080	22	260	282	3,362
Universal Care	1,813	39	1,852	17	12	29	1,881
<b>Total</b>	<b>380,658</b>	<b>60,480</b>	<b>441,138</b>	<b>31,687</b>	<b>63,383</b>	<b>95,070</b>	<b>536,208</b>

### Five-Year Enrollments

	2001	2000	1999	1998	1997
Total Covered Lives—Employees, Annuitants, & Dependents	1,204,860	1,140,984	1,074,329	1,037,464	1,008,612
Total Prime Lives—Employees & Annuitants	536,208	504,478	472,345	454,180	439,788

### Basic & Supplemental Health Plan Enrollments

Plan Type	Basic			Supplemental			Total Enrollments
	Active	Retired	Total	Active	Retired	Total	
PPO	59,219	17,905	77,124	69	43,960	44,029	121,153
Health Maintenance Association	311,271	39,379	350,650	30,236	19,161	49,397	400,047
	10,168	3,196	13,364	1,382	262	1,644	15,008
<b>Total</b>	<b>380,658</b>	<b>60,480</b>	<b>441,138</b>	<b>31,687</b>	<b>63,383</b>	<b>95,070</b>	<b>536,208</b>

## HEALTH BENEFITS PROGRAM

### Participating Public Agency Summary

	2001	2000
Counties	26	21
Cities	290	268
Special Districts	524	494
School Employers	109	104
Non-CalPERS Employers	481	412
Superior Courts	3 <sup>1</sup>	3
Municipal Courts	— <sup>1</sup>	39
<b>Total</b>	<b>1,433</b>	<b>1,341</b>

### Participating Public Agencies by Type

Total number of CalPERS Health Benefits Program members for each agency follows its name.

#### Counties

Amador - 71	Placer - 2,610
Butte - 1,921	Riverside - 8,257
Calaveras - 438	San Benito - 443
Colusa - 358	Santa Cruz - 2,167
Glenn - 481	Shasta - 2,190
Humboldt - 1,741	Solano - 1,633
Inyo - 454	Sutter - 750
Lake - 731	Trinity - 512
Lassen - 350	Tuolumne - 765
Madera - 1,060	Yolo - 1,541
Mariposa - 397	Yuba - 792
Modoc - 35	<b>Total - 26</b>
Mono - 96	
Monterey - 1,993	
Nevada - 1,100	

#### Cities

Agoura Hills - 34	Arcadia - 333
Alameda - 731	Arroyo Grande - 105
Albany - 85	Artesia - 43
Alhambra - 435	Atherton - 47
American Canyon - 32	Atwater - 125
Angels Camp - 25	Auburn - 80
Antioch - 340	Avalon - 56

#### Cities

Avenal - 2	Costa Mesa - 686
Azusa - 261	Covina - 200
Baldwin Park - 240	Crescent City - 56
Barstow - 229	Cudahy - 35
Bell - 126	Culver City - 985
Bellflower - 106	Cupertino - 203
Belmont - 159	Cypress - 180
Belvedere - 22	Daly City - 612
Beverly Hills - 940	Dana Point - 26
Biggs - 11	Davis - 376
Bishop - 63	Del Rey Oaks - 7
Blue Lake - 9	Diamond Bar - 38
Blythe - 123	Dixon - 57
Brawley - 53	Duarte - 62
Brea - 404	Dublin - 73
Brentwood - 173	El Cajon - 490
Brisbane - 82	El Monte - 375
Buellton - 14	El Segundo - 437
Buena Park - 499	Emeryville - 124
Burbank - 1,397	Encinitas - 148
Burlingame - 455	Etna - 6
Calabasas - 65	Fairfax - 0
California City - 64	Fairfield - 0
Calimesa - 5	Farmersville - 28
Camarillo - 111	Folsom - 495
Campbell - 160	Fountain Valley - 318
Canyon Lake - 3	Fremont - 807
Capitola - 69	Fullerton - 119
Carlsbad - 321	Garden Grove - 756
Carmel-By-The-Sea - 92	Gilroy - 241
Carpinteria - 31	Glendora - 179
Carson - 446	Gonzales - 32
Cathedral City - 193	Grass Valley - 94
Cerritos - 299	Gridley - 44
Chino - 215	Guadalupe - 30
Citrus Heights - 26	Half Moon Bay - 35
Claremont - 167	Hawthorne - 432
Clayton - 21	Hayward - 1,085
Colma - 43	Hercules - 60
Colton - 68	Hesperia - 62
Colusa - 41	Hidden Hills - 4
Commerce - 259	Highland - 23
Compton - 804	Hillsborough - 169
Concord - 507	Hollister - 151
Corona - 821	Huntington Park - 323
Coronado - 218	Imperial Beach - 50
Corte Madera - 79	Indian Wells - 37

#### NOTE:

<sup>1</sup> Legislation effective January 1, 2001 established a new trial court employee personnel system, phasing out the “superior” and “municipal” court designations. To date, all but three counties have completed consolidation into the new system. Trial courts are now included in the count of Non-CalPERS Employers. In addition, judges are now considered State employees and are no longer reflected in Participating Public Agency membership counts.

## HEALTH BENEFITS PROGRAM

### *Cities*

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Indio - 224	Milpitas - 391	Port Hueneme - 30	Selma - 0
Inglewood - 928	Mission Viejo - 86	Portola Valley - 9	Shasta Lake - 45
Ione - 12	Modesto - 150	Rancho Palos Verdes - 37	Sierra Madre - 64
Irwindale - 96	Monrovia - 245	Redlands - 472	Signal Hill - 155
Jackson - 34	Montague - 5	Redwood City - 732	Solana Beach - 60
King City - 52	Monte Sereno - 3	Reedley - 110	Solvang - 29
La Canada Flintridge - 20	Montebello - 511	Rialto - 428	South El Monte - 50
La Habra - 341	Monterey - 454	Richmond - 1,133	South Gate - 360
La Habra Heights - 16	Monterey Park - 452	Ridgecrest - 62	South Pasadena - 238
La Mesa - 293	Moorpark - 52	Rio Vista - 44	Stanton - 59
La Mirada - 117	Moreno Valley - 226	Riverbank - 34	Suisun City - 61
La Palma - 74	Morgan Hill - 125	Rocklin - 225	Sunnyvale - 1,257
La Puente - 45	Morro Bay - 106	Rolling Hills - 6	Sutter Creek - 15
Laguna Niguel - 48	Mt. Shasta - 27	Rolling Hills Estates - 33	Temecula - 83
Laguna Woods - 3	Murrieta - 112	Rosemead - 40	Temple City - 53
Lake Elsinore - 57	Napa - 77	Roseville - 1,030	Thousand Oaks - 501
Lake Forest - 35	Newark - 163	Ross - 18	Tiburon - 36
Lakeport - 12	Newport Beach - 567	Salinas - 323	Torrance - 1,563
Lakewood - 122	Norco - 139	San Anselmo - 70	Tracy - 181
Larkspur - 81	Norwalk - 336	San Bernardino - 1,643	Tustin - 281
Lathrop - 52	Novato - 151	San Buenaventura - 704	Twentynine Palms - 33
Lawndale - 51	Oakdale - 62	San Carlos - 127	Ukiah - 29
Lemon Grove - 62	Oakland - 4,489	San Clemente - 7	Union City - 45
Lemoore - 85	Oceanside - 998	San Dimas - 55	Upland - 272
Lincoln - 105	Ojai - 48	San Fernando - 211	Vacaville - 618
Live Oak - 9	Ontario - 1,124	San Francisco City & County - 142	Vallejo - 880
Lodi - 503	Orange - 721	San Gabriel - 166	Villa Park - 6
Loma Linda - 62	Orland - 34	San Leandro - 498	Weed - 31
Lomita - 49	Oxnard - 710	San Luis Obispo - 330	West Covina - 424
Lompoc - 365	Pacific Grove - 135	San Marcos - 39	West Hollywood - 179
Loomis - 11	Pacifica - 70	San Marino - 136	West Sacramento - 69
Los Alamitos - 75	Palm Desert - 133	San Mateo - 874	Westlake Village - 7
Los Altos Hills - 19	Palm Springs - 129	San Pablo - 137	Westminster - 405
Los Banos - 144	Palmdale - 242	Sand City - 7	Williams - 19
Los Gatos - 164	Palo Alto - 1,556	Santa Ana - 1,235	Willows - 32
Lynwood - 241	Paradise - 108	Santa Clara - 1,035	Winters - 15
Malibu - 38	Paramount - 122	Santa Clarita - 253	Woodlake - 0
Mammoth Lakes - 69	Pasadena - 1,640	Santa Cruz - 830	Woodland - 337
Manhattan Beach - 272	Patterson - 38	Santa Fe Springs - 358	Woodside - 11
Manteca - 306	Perris - 73	Santa Maria - 344	Yorba Linda - 107
Marina - 40	Petaluma - 319	Santa Monica - 344	Yountville - 22
Martinez - 53	Pico Rivera - 201	Santa Paula - 46	Yreka - 52
Marysville - 75	Piedmont - 100	Santa Rosa - 342	Yuba City - 232
Maywood - 62	Pinole - 113	Saratoga - 59	Yucaipa - 40
Menlo Park - 266	Pismo Beach - 78	Seal Beach - 127	Yucca Valley - 51
Millbrae - 138	Pomona - 733		

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**Total - 290**

## HEALTH BENEFITS PROGRAM

### *Special Districts*

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- Agoura Hills and Calabasas Community Center - 7  
Alameda Corridor Transportation Authority - 15  
Alameda County Congestion Management Agency - 5  
Alameda County Fire Department - 287  
Alameda County Law Library - 16  
Alameda County Mosquito Abatement District - 26  
Alameda County Transportation Authority - 8  
Alameda County Waste Management Authority - 31  
Alameda County Water District - 288  
Albany Municipal Services Joint Powers Authority - 17  
Alhambra Redevelopment Agency - 4  
Aliso Water Management Agency - 23  
Alliance of Schools for Cooperative Insurance Programs - 9  
Altadena Library District - 29  
Amador County Water Agency - 32  
American Canyon Fire District - 14  
Anderson Cemetery District - 2  
Anderson Fire Protection District - 10  
Antelope Valley Mosquito and Vector Control District - 7  
Apple Valley Fire Protection District - 52  
Aptos/La Selva Fire Protection Agency - 52  
Arbuckle-College City Fire Protection District - 3  
Arcata Fire Protection District - 22  
Area 12 Agency on Aging - 12  
Arrowbear Park County Water District - 7  
Arroyo Grande District Cemetery - 3  
Associated Students California State University San Bernardino - 3  
Association of Bay Area Governments - 61  
Atascadero Cemetery District - 5  
Auburn Public Cemetery District - 7  
Aztec Shops, Ltd., San Diego University - 113  
Banning-Cabazon Cemetery District - 0  
Bardsdale Cemetery District - 1  
Bay Area Air Quality Management District - 376  
Bay Area Library and Information System - 2  
Beach Cities Health District - 32  
Bear Mountain Recreation and Park District - 4  
Beaumont-Cherry Valley Recreation and Park District - 1  
Beaumont District Library - 4  
Beaumont Public Cemetery District - 0  
Belvedere-Tiburon Library Agency - 9  
Benicia City Housing Authority - 11  
Big Bear Area Regional Wastewater Agency - 16  
Big Bear City Airport District - 4  
Big Bear City Community Services District - 71  
Black Gold Cooperative Library System - 8  
Blanchard/Santa Paula Public Library District - 9  
Bodega Bay Fire Protection District - 12  
Bonita-Sunnyside Fire Protection District - 21  
Borrego Springs Fire Protection District - 20  
Branciforte Fire Protection District - 5  
Brannan-Andrus Levee Maintenance District - 2  
Buellton Community Services District - 0  
Buena Park Library District - 25  
Butte County Air Quality Management District - 9  
Cal Poly Pomona Foundation, Inc. - 240  
Calaveras County Water District - 60  
Calaveras Public Utility District - 4  
California Authority of Racing Fairs - 10  
California Bear Credit Union - 29  
California Fair Services Authority - 33  
California Fairs Financing Authority - 23  
California Interscholastic Federation, Central Coast Section - 2  
California Interscholastic Federation, North Coast Section - 4  
California Interscholastic Federation, Sac-Joaquin Section - 3  
California Interscholastic Federation, San Diego Section - 7  
California Interscholastic Federation, Southern Section - 20  
California Interscholastic Federation, State Office - 14  
California Joint Powers Insurance Authority - 12  
California Maritime Academy Foundation, Inc. - 2  
California Municipal Utilities Association - 4  
California State & Federal Employees No. 20 Credit Union - 8  
California State University, Bakersfield Foundation - 50  
California State University, Fresno Association, Inc. - 187  
California State University, Fresno Athletic Corporation - 0  
California State University, Stanislaus Auxiliary & Business Services - 34  
Calleguas Municipal Water District - 73  
Camarillo Health Care District - 18  
Cambria Cemetery District - 1  
Cambria Community Healthcare District - 0  
Cambria Community Services District - 37  
Cameron Park Community Services District - 11  
Capitol Area Development Authority - 50  
Carmel Highlands Fire Protection District of Monterey County - 1  
Carmel Valley Fire Protection District - 10  
Castaic Lake Water Agency - 36  
Castro Valley County Fire Protection District - 0  
Castro Valley Sanitary District - 18  
Castroville Water District - 6  
Cayucos-Morro Bay Cemetery District - 2  
Cayucos Sanitary District - 6  
Central Contra Costa Transit Authority - 257  
Central Fire Protection District of Santa Cruz County - 84  
Central Marin Sanitation Agency - 36  
Central Valley Fire Protection District - 0  
Central Valley Regional Center, Inc. - 212  
Chico Area Recreation and Park District - 26  
Chino Basin Watermaster - 2  
Chino Valley Independent Fire District - 109  
Clearlake Oaks County Water District - 0  
Cloverdale Citrus Fair - 2  
Coachella Valley Association of Governments - 12  
Coachella Valley Public Cemetery District - 7  
Coalinga-Huron Recreation and Park District - 9  
Coastal Developmental Services Foundation - 148  
Coastal Municipal Water District - 0  
Colusa Mosquito Abatement District - 4  
Community College League of California - 0

## HEALTH BENEFITS PROGRAM

### *Special Districts*

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Compton Creek Mosquito Abatement District - 2	Fresno County Housing Authority - 107
Conejo Recreation and Park District - 75	Fresno County Law Library - 7
Contra Costa County Law Library - 6	Fruitridge Fire Protection District - 4
Contra Costa County Schools Insurance Group - 14	Fullerton California State University Associated Students - 56
Contra Costa Transportation Authority - 11	Fullerton California State University Foundation - 11
Cooperative Personnel Services - 70	Fulton El-Camino Recreation and Park District - 14
Corning Water District - 6	Georgetown Fire Protection District - 13
Cottonwood Fire Protection District - 4	Gilsizer County Drainage District - 3
Crescent City Harbor District - 21	Glen Ellen Fire Protection District - 4
Crestline Lake Arrowhead Water Agency - 10	Glenn County Mosquito and Vector Control District - 2
CSAC Excess Insurance Authority - 15	Golden Sierra Job Training Agency - 50
Cutler-Orosi Joint Powers Wastewater Authority - 0	Goleta West Sanitary District - 12
Cuyama Valley Recreation District - 0	Great Basin Unified Air Pollution Control District - 27
Dairy Council of California - 40	Greater Anaheim Special Education Local Plan Area - 15
Deer Springs Fire Protection District - 2	Greater Los Angeles County Vector Control District - 52
Del Paso Manor Water District - 3	Gridley Biggs Cemetery District - 5
Del Rey Community Services District - 4	Grossmont Healthcare District - 4
Denair Community Services District - 3	Grossmont Schools Federal Credit Union - 13
Diamond Springs/El Dorado Fire Protection District - 21	Halcumb Cemetery District - 2
Dominguez Hills Foundation, California State University - 3	Half Moon Bay Fire Protection District - 56
Donald P. & Katherine B. Loker University Student Union, Inc. - 10	Hamilton Branch Fire Protection District - 1
Dougherty Regional Fire Authority - 16	Hayward California State University, Auxiliary Foundation, Inc. - 118
Dublin San Ramon Services District - 103	Heartland Communications Facility Authority - 6
East Bay Dischargers Authority - 6	Heritage Ranch Community Services District - 6
East Kern Airport District - 24	Hesperia County Water District - 27
East Palo Alto Sanitary District - 5	Hesperia Fire Protection District - 43
East Valley Resource Conservation District - 0	Hidden Valley Lake Community Services District - 9
East Valley Water District - 62	Higgins Area Fire Protection District - 6
Eastern Municipal Water District - 537	Hilton Creek Community Services District - 2
Ebbetts Pass Fire Protection District - 14	Housing Authority of The City of Alameda - 0
El Dorado County Fire Protection District - 82	Housing Authority of The City of Los Angeles - 940
El Dorado Hills Community Services District - 10	Housing Authority of The County of Butte - 0
El Dorado Hills County Water District - 45	Housing Authority of The County of Santa Cruz - 56
El Dorado Irrigation District - 227	Hub Cities Consortium - 45
Elk Grove Community Services District - 137	Humboldt Bay Harbor Recreation & Conservation District - 12
Emeryville Redevelopment Agency - 1	Humboldt Bay Municipal Water District - 20
Encinitas Fire Protection District - 74	Humboldt Community Services District - 26
Encinitas Sanitary District - 1	Humboldt County Association of Governments - 2
Esparto Community Services District - 0	Humboldt No. 1 Fire Protection District of Humboldt County - 34
Estero Municipal Improvement District - 232	Humboldt State College University Center - 67
Fair Oaks Fire District - 0	Humboldt Transit Authority - 34
Fair Oaks Recreation and Park District - 15	Idyllwild Fire Protection District - 14
Fairfield-Suisun Sewer District - 18	Inland Empire Utilities Agency - 182
Fall River Mills Community Services District - 4	Inland Empire West Resource Conservation District - 0
Feather River Air Quality Management District - 7	Intelcom Intelligent Telecommunications - 27
Feather Water District - 5	Inverness Public Utility District - 6
Felton Fire Protection District - 2	Irvine Ranch Water District - 286
Fern Valley Water District - 4	Jamestown Sanitary District - 5
Florin County Water District - 7	Jurupa Community Services District - 47
Forestville Fire Protection District - 4	Kensington Community Service District - 18
Fort Bragg Fire Protection Authority - 3	Kentfield Fire District - 20
Fort Ord Reuse Authority - 10	Kenwood Fire Protection District - 3
Forty-Niner Fire Protection District - 5	Kern County Council of Governments - 20
Fresno City Housing Authority - 111	Kern County Housing Authority - 133

## HEALTH BENEFITS PROGRAM

### *Special Districts*

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Kern County Law Library - 4	Morongo Basin Transit Authority - 16
Kirkwood Meadows Public Utilities District - 7	Mt. San Antonio College Associated Students - 57
Lake Don Pedro Community Services District - 9	Mt. View Sanitary District of Contra Costa County - 12
Lake Valley Fire Protection District - 23	Murrieta County Water District - 6
Lakeside Fire Protection District - 85	Murrieta Fire Protection District - 37
Las Gallinas Valley Sanitary District of Marin County - 23	Napa County Mosquito Abatement District - 8
Las Virgenes Municipal Water District - 159	Napa Sanitation District - 58
Leucadia County Water District - 16	Nevada County Consolidated Fire District - 23
Linda Fire Protection District - 8	Newport Beach City Employees Federal Credit Union - 5
Linden-Peters Rural County Fire Protection District - 11	Nipomo Community Services District - 9
Little Rock Creek Irrigation District - 6	North Bay Schools Insurance Authority - 8
Live Oak Cemetery District - 2	North Coast Railroad Authority - 1
Livermore/Amador Valley Transit Authority - 8	North Coast Unified Air Quality Management District - 8
Long Beach State University, Associated Students - 36	North County Fire Protection District of Monterey County - 39
Long Beach State University, Forty-Niner Shops, Inc. - 78	North County Fire Protection District of San Diego County - 63
Los Angeles County Area 'E' Civil Defense & Disaster Board - 1	North County Transit District - 405
Los Angeles County Housing Authority - 49	North Los Angeles County Regional Center, Inc. - 301
Los Angeles County Law Library - 51	North Marin Water District - 66
Los Angeles County Sanitation District No. 2 - 2,280	North State Cooperative Library System - 9
Los Angeles County Transportation Commission - 0	North Tahoe Fire Protection District - 47
Los Angeles County West Vector Control District - 27	Northern California Special Districts Insurance Authority - 3
Los Angeles Memorial Coliseum Commission - 47	Northern Sierra Air Quality Management District - 8
Los Osos Community Services District - 13	Northridge Water District - 22
Lower Tule River Irrigation District - 33	Northstar Community Services District - 19
Lumberjack Enterprises, Inc. - 0	Novato Sanitary District - 34
Madera Cemetery District - 24	Oakland City Housing Authority - 324
Madera County Economic Development Commission - 0	Oakland, Port of - 595
Majestic Pines Community Services District - 2	Oceanside Small Craft Harbor District - 2
Mammoth Lakes Fire District - 5	Ojai Valley Sanitary District - 23
Management of Emeryville Services Authority - 86	Ophir Hill Fire Protection District - 2
March Joint Powers Authority - 2	Orange County Health Authority (CALOPTIMA) - 203
Marin County Sanitary District No. 1 - 16	Orland Cemetery District - 0
Marin Municipal Water District - 327	Oro Loma Sanitary District - 63
Marinwood Community Services District - 26	Oroville Cemetery District - 8
Maxwell Public Utility District - 2	Oroville Mosquito Abatement District - 1
McCloud Community Services District - 14	Oxnard Harbor District - 41
McKinleyville Community Service District - 22	Pacific Fire Protection District - 16
Menlo Park Fire Protection District - 115	Pajaro Valley Fire Protection Agency - 0
Merced County Housing Authority - 59	Pajaro Valley Public Cemetery District - 7
Mesa Consolidated Water District - 0	Palm Ranch Irrigation District - 5
Metropolitan Cooperative Library System - 17	Palo Verde Valley District Library - 1
Metropolitan Transportation Commission - 128	Paso Robles City Housing Authority - 10
Metropolitan Water District of Southern California - 2,817	Peardale Chicago Park Fire Protection District - 1
Midpeninsula Regional Open Space District - 61	Penn Valley Fire Protection District - 7
Midway City Sanitary District - 38	Pine Cove Water District - 3
Mojave Water Agency - 29	Pinedale County Water District - 9
Mokelumne Rural Fire District - 0	Pioneer Cemetery District - 4
Monte Vista County Water District - 24	Pixley Irrigation District - 8
Montecito Fire Protection District - 70	Placer Consolidated Fire Protection District - 23
Monterey-Salinas Transit - 164	Placer County Cemetery District No. 1 - 3
Monterey Bay Area Governments, Association of - 8	Placer County Resource Conservation District - 1
Monterey Bay Unified Air Pollution Control District - 30	Placer County Transportation Commission - 5
Monterey County Water Resources Agency - 27	Placer County Water Agency - 164
Monterey Peninsula Regional Park District - 9	Planning and Service Area II Agency on Aging - 4
	Pleasant Valley Recreation and Park District - 36



## HEALTH BENEFITS PROGRAM

### *Special Districts*

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Point Montara Fire Protection District - 1	San Diego Metropolitan Transit Development Board - 79
Pomona, California State Polytechnic University, Associated Students, Inc. - 34	San Diego State University Associated Students - 16
Port San Luis Harbor District - 25	San Diego Trolley, Inc. - 77
Public Agency Risk Sharing Authority of California - 5	San Dieguito Water District - 28
Public Entity Risk Management Authority - 5	San Elijo Joint Powers Authority - 14
Rancho Cucamonga Fire Protection District - 92	San Francisco Bay Area Rapid Transit District - 3,965
Rancho Murieta Community Services District - 34	San Francisco City and County Housing Authority - 283
Rancho Simi Recreation and Park District - 81	San Francisco City and County Redevelopment Agency - 207
Reclamation District No. 833 - 4	San Francisco City College Associated Students - 19
Reclamation District No. 1000 - 16	San Francisco County Transportation Authority - 6
Reclamation District No. 1001 - 17	San Gabriel Valley Mosquito and Vector Control District - 13
Reclamation District No. 1660 - 1	San Geronio Pass Water Agency - 3
Regional Council of Rural Counties - 30	San Jacinto Valley Cemetery District - 15
Rescue Fire Protection District - 7	San Joaquin County Housing Authority - 158
Richardson Bay Sanitary District - 7	San Jose State University Spartan Shops, Inc. - 0
Rincon Del Diablo Municipal Water District - 29	San Jose State University, Associated Students - 28
Rio Alto Water District - 7	San Juan Water District - 54
Rio Linda Water District - 9	San Luis Obispo, Cal Poly Associated Students, Inc. - 62
Riverbank City Housing Authority - 2	San Luis Obispo, Cal Poly Foundation - 309
Riverside County Air Pollution Control District - 0	San Luis Obispo Council of Governments - 8
Riverside County Flood Control and Water Conservation District - 159	San Luis Obispo Regional Transit Authority - 4
Riverside County Law Library - 6	San Marcos Fire Protection District - 9
Riverside County Regional Park and Open Space District - 37	San Mateo County Schools Insurance Group - 8
Riverside County Transportation Commission - 27	San Mateo County Transit District - 708
Riverside County Waste Resources Management District - 110	San Miguel Consolidated Fire Protection District - 144
Riverside Transit Agency - 298	San Pablo City Housing Authority - 3
Roseville Public Cemetery District - 9	San Simeon Community Services District - 4
Ross Valley Fire Service - 46	Sanitary District No. 5 of Marin County - 6
Rubidoux Community Services District - 3	Santa Barbara County Law Library - 4
Sacramento Area Council of Governments - 43	Santa Barbara Regional Health Authority - 77
Sacramento City Housing Authority - 391	Santa Clara County Health Authority - 71
Sacramento County Fire Protection District - 108	Santa Clara County Law Library - 2
Sacramento County Law Library - 13	Santa Cruz Consolidated Emergency Communications Center - 49
Sacramento Metropolitan Air Quality Management District - 52	Santa Cruz County Law Library - 2
Sacramento Metropolitan Cable Television Commission - 3	Santa Cruz Local Agency Formation Commission - 2
Sacramento Metropolitan Fire District - 794	Santa Cruz Metropolitan Transit District - 354
Sacramento Metropolitan Water Authority - 2	Santa Fe Irrigation District - 65
Sacramento Regional Fire/EMS Communications Center - 47	Santa Maria Public Airport District - 10
Sacramento Transportation Authority - 3	Santa Paula City Housing Authority - 12
Salida Fire Protection District - 6	Santa Ynez River Water Conservation District, Improvement District No. 1 - 12
Salinas Rural Fire District - 46	Saratoga Fire Protection District - 32
Salton Community Services District - 21	Sausalito-Marín City Sanitary District - 13
Samoa Peninsula Fire Protection District - 5	School Personnel Credit Union - 0
San Andreas Regional Center, Inc. - 238	Schools Excess Liability Fund - 5
San Andreas Sanitary District - 5	Scotts Valley Fire Protection District - 29
San Benito County Water District - 17	Scotts Valley Water District - 17
San Bernardino County Housing Authority - 148	Selma-Kingsburg-Fowler County Sanitation District - 28
San Bernardino County Transportation Authority - 0	Sewer Authority Mid-Coastside - 16
San Bernardino Economic Development Agency - 23	Shasta Area Safety Communications Agency - 45
San Bernardino, California State University, Foundation - 99	Shasta Community Services District - 0
San Bernardino, California State University, Student Union - 7	Shasta Lake Fire Protection District - 12
San Diego Association of Governments - 70	Shasta Mosquito and Vector Control District - 18
San Diego County Law Library - 43	Shasta Valley Cemetery District - 3

## HEALTH BENEFITS PROGRAM

### *Special Districts*

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Sierra-Sacramento Valley Emergency Medical Services Agency - 7	Tuolumne Utilities District - 74
Sierra Lakes County Water District - 7	Turlock Mosquito Abatement District - 16
Solano County Mosquito Abatement District - 12	Twin Cities Police Authority - 59
Solano County Water Agency - 2	Ukiah Valley Fire District - 7
Sonoma State Enterprises, Inc. - 2	Union Sanitary District - 158
Sonoma Student Union Corporation - 8	United Water Conservation District - 44
Soquel Creek Water District - 41	Upland City Housing Authority - 23
South Bay Regional Public Communications Authority - 56	Vallejo Sanitation and Flood Control District - 106
South Bayside System Authority - 62	Valley-Wide Recreation and Park District - 20
South Coast Area Transit - 101	Valley County Water District - 37
South County Fire Protection Authority - 96	Valley Mountain Regional Center, Inc. - 224
South East Regional Reclamation Authority - 34	Valley of the Moon Water District - 12
South Kern Cemetery District - 1	Valley Sanitary District - 12
South Placer Fire District - 49	Ventura County Law Library - 6
South Placer Municipal Utility District - 19	Ventura County Transportation Commission - 17
South San Luis Obispo County Sanitation District - 9	Ventura Port District - 26
Southeast Area Social Services Funding Authority - 28	Veterans Home of California Post Fund - 12
Southern California Association of Governments - 160	Victor Valley Wastewater Reclamation Authority - 18
Southern California Public Power Authority - 4	Victor Valley Water District - 51
Southern California Regional Rail Authority - 149	Walton Fire Protection District - 8
Southern San Joaquin Municipal Utility District - 26	Water Facilities Authority - 5
Squaw Valley Public Service District - 19	Weaverville Community Services District - 6
Stanislaus County Housing Authority - 105	Weaverville Fire Protection District - 2
State Water Contractors - 4	Weaverville Sanitary District - 0
Stege Sanitary District - 9	West Bay Sanitary District - 22
Stinson Beach County Water District - 8	West Cities Communication Center - 14
Student Union of San Jose State University - 3	West County Wastewater District - 53
Summerland County Water District - 0	Western Riverside Council of Governments - 14
Summit Cemetery District - 14	Westlands Water District - 135
Sunnyslope County Water District - 12	Wildomar Cemetery District - 1
Susanville Consolidated Sanitary District - 9	Willow Creek Community Services District - 2
Sutter Cemetery District - 11	Willows Cemetery District - 3
Sutter County Housing Authority - 22	Wilton Fire Protection District - 1
Sylvan Cemetery District - 6	Winters Cemetery District - 3
Tahoe-Truckee Sanitation Agency - 67	Winters Fire Protection District - 3
Tahoe City Fire Protection District - 0	Woodbridge Rural County Fire Protection District - 20
Tahoe City Public Utility District - 34	Woodlake Fire District - 0
Templeton Community Services District - 11	Woodside Fire Protection District - 67
Three Arch Bay Community Services District - 1	Yolo-Solano Air Quality Management District - 24
Tiburon Fire Protection District - 30	Yolo County Communications Emergency Services Agency - 30
Trabuco Canyon Water District - 20	Yolo County Housing Authority - 40
Tracy Rural County Fire Protection District - 3	Yolo County Public Agency Risk Management Insurance Authority - 7
Transportation Agency for Monterey County - 9	Yolo County Transit Authority - 0
Tri-Counties Association for the Developmentally Disabled - 242	Yolo County Transportation District - 8
Truckee Fire Protection District - 34	Yuba County Water Agency - 21
Tulare County Housing Authority - 0	Yuba Sutter Transit Authority - 2
Tulare Mosquito Abatement District - 8	

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**Total - 524**

### *School Employers*

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Acalanes Union High School District - 529	Berryessa Union Elementary School District - 727
Alta-Dutch Flat Union Elementary School District - 7	Beverly Hills Unified School District - 663
Arcadia Unified School District - 637	Bonita Unified School District - 446
Bay Area Charter High School - 5	Brisbane Elementary School District - 70



## HEALTH BENEFITS PROGRAM

### *School Employers*

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Burbank Unified School District - 1,626	Millbrae Elementary School District - 227
Burlingame Elementary School District - 233	Modesto City Elementary School District - 2,234
Burnt Ranch Elementary School District - 12	Morgan Hill Unified School District - 624
Byron Union School District - 63	Mt. Diablo Unified School District - 3,223
Campbell Union High School District - 693	Mt. Pleasant Elementary School District - 188
Castaic Union Elementary School District - 152	Mt. San Antonio Community College District - 1,110
Centinela Valley Union High School District - 884	Napa Community College District - 341
Cerritos Community College District - 888	Newman-Crows Landing Unified School District - 165
Charter Learning Center - 0	North Monterey County Unified School District - 512
Charter Oak Unified School District - 294	North Orange County Community College District - 1,943
Chatom Union Elementary School District - 18	Ophir Elementary School District - 0
Compton Unified School District - 2,256	Orinda Union School District - 248
County School Service - 60	Palos Verdes Peninsula Unified School District - 986
County School Service - Sacramento County Schools - 656	Paradise Elementary School District - 11
County School Service - San Mateo County Schools - 588	Penryn Elementary School District - 15
County School Service - Stanislaus County Schools - 377	Pleasant Valley Elementary School District - 738
County Superintendent of Schools Office - 1,732	Ravenswood City Elementary School District - 304
Cox Bar Elementary School District - 7	Redwood City Elementary School District - 945
Culver City Unified School District - 696	Reed Union Elementary School District - 125
Davis Joint Unified School District - 554	Rio Hondo Community College District - 632
Dixie Elementary School District - 186	Riverbank Elementary School District - 224
Duarte Unified School District - 344	Ross Elementary School District - 52
El Camino Community College District - 1,005	Ross Valley Elementary School District - 189
El Monte Elementary School District - 1,036	Sacramento City Unified School District - 3,322
El Segundo Unified School District - 248	San Bruno Park Elementary School District - 286
Empire Union Elementary School District - 362	San Carlos Elementary School District - 184
Fairfield-Suisun Unified School District - 1,324	San Gabriel Elementary School District - 456
Fillmore Unified School District - 353	San Mateo County Community College District - 1,390
Fremont Unified School District - 1,951	San Mateo Union High School District - 1,234
Garfield Charter School - 64	San Mateo-Foster City School District - 954
Garvey Elementary School District - 710	San Rafael City Elementary School District - 307
Gavilan Joint Community College District - 218	San Rafael City High School District - 248
Hayward Unified School District - 1,693	Santa Monica Community College District - 1,039
Hickman Elementary School District - 55	Santa Monica-Malibu Unified School District - 1,300
Hillsborough City School District - 140	Saugus Union Elementary School District - 481
Holtville Unified School District - 5	South Pasadena Unified School District - 343
John Swett Unified School District - 153	South San Francisco Unified School District - 1,181
Knights Ferry Elementary School District - 11	South Whittier School District - 417
Knightsen School District - 21	Southern Trinity Joint Unified School District - 41
La Grange Elementary School District - 2	Temple City Unified School District - 358
Laguna Salada Union Elementary School District - 366	Tri-Cities Regional Occupational Program - 37
Las Lomitas Elementary School District - 118	Vacaville Unified School District - 654
Las Virgenes Unified School District - 841	Valle Lindo Elementary School District - 98
Lawndale Elementary School District - 479	Vallejo City Unified School District - 1,770
Liberty Union High School District - 98	Waterford Unified School District - 68
Little Lake City Elementary School District - 433	West Contra Costa Unified School District - 4,324
Los Nietos Elementary School District - 201	West Covina Unified School District - 822
Lowell Joint Elementary School District - 280	Whittier City Elementary School District - 597
Magnolia Elementary School District - 578	William S. Hart Union High School District - 1,263
Martinez Unified School District - 366	Wisburn Elementary School District - 151
Menlo Park City Elementary School District - 231	

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**Total - 109**

## HEALTH BENEFITS PROGRAM

### ***Non-CalPERS Employers (employers contracting for health benefits, but not retirement)***

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Acalanes Union High School District - Board - 3	California State University, Long Beach Foundation - 312
Agoura Hills, City of - City Council - 3	California State University, Los Angeles - Auxiliary Service - 155
Alameda County Fire Department - 0	California State University, Los Angeles - Student Union Board - 20
Alameda County Water District - Board - 5	Calimesa, City of - City Council - 0
Albany City - Retirement Plan Fire/Police - 14	Calleguas Municipal Water District - Board - 0
Alpine Springs County Water District - 4	Camarillo, City of - Elected Officials - 3
Alta-Dutch Flat School District - Trustees - 2	Cambria Cemetery District - 0
Amador County Water Agency - Directors - 5	Campbell Union High School District - 4
American Canyon, City of - 0	Campbell, City of - Board/Treasury - 4
American Canyon, City of - Elected Officials - 5	Capistrano Bay Community Services District - 0
American River Fire District - Board - 0	Carlsbad, City of - Elected Officials - 0
Antioch, City of - Elected Officials - 0	Carmel Valley Fire Protection District - 4
Apple Valley Recreation and Park District - 9	Carmel/Carmel Valley/Big Sur Ambulance - 10
Aptos/La Selva Fire Protection - Board - 0	Carmel-By-The-Sea, City of - Council - 3
Arcade Water District - 31	Carpinteria Public Cemetery District - 1
Arcadia, City of - City Council - 2	Carpinteria, City of - City Council - 5
Arroyo Grande, City of - Elected Officials - 5	Castaic Union School District - Board - 0
Association of Bay Area Governments - 3	Castro Valley Sanitary District - 2
Atwater, City of - Elected Officials - 3	Cathedral, City of - Elected Officials - 3
Auburn, City of - Elected Officials - 2	Cayucos Sanitary District - 0
Avalon, City of - Council Member/City Clerk - 1	Centinela Valley Union School - Board - 3
Bay Area Charter High School - 0	Central Fire Protection District - Directors - 2
Beach Cities Health District - Board - 1	Central Valley Regional Center - 65
Beaumont-Cherry Valley Water District - 12	Cerritos Community College District - Board - 10
Bell, City of - Council Members - 2	Channel Islands Beach Community Services District - 7
Belmont, City of - Elected Officials - 0	Chatom Union Elementary School District - Board - 0
Belvedere-Tiburon Joint Recreation - 3	Chino Hills, City of - 19
Ben Lomond Fire Protection District - 3	Chino Valley Independent Fire District - Board - 0
Beverly Hills Unified School - 3	Chowchilla Cemetery District - 4
Beverly Hills, City of - Elected Officials - 1	Christian Valley Park Community Service District - 0
Big Bear Airport District - Board - 1	Citrus Heights Fire 1937 Act County Employees - 0
Bishop, City of - City Council - 6	Claremont, City of - City Council - 0
Blue Lake, City of - 4	Coastal Animal Services Authority - 5
Blythe, City of - Elected Officials - 5	Coastal San Luis Resource Conservation - 0
Bodega Bay Fire District - Board - 0	Colusa, City of - Elected Officials - 0
Bonita Unified School District - Board - 1	Concord, City of - Retirement System - 66
Bonita-Sunnyside Fire District Elected Officials - 0	Conejo Recreation and Park District - Directors - 0
Boulder Creek Fire Protection District - 2	Contra Costa Fire Protection District - 467
Brisbane School District - Trustees - 7	Contra Costa Mosquito Abatement District - 22
Brisbane, City of - City Council - 2	Contra Costa Special Ed Local Plan Area - 9
Burbank Unified School District - Board - 1	Contra Costa, County of - 1,073
Burlingame School District - Board - 2	Corona, City of - City Council - 1
Burney Cemetery District - 0	Costa Mesa, City of - City Council - 0
Butte County Air Quality Management District - 0	Costa Mesa, City of - Safety Retirement System - 2
Butte County Law Library - 1	Cottonwood Cemetery District - 2
Butte Housing Authority, County of - Board - 0	Crescent City - City Council - 0
Byron Union School District - Board Members - 0	Crockett-Valona Sanitary District - 1
Calabasas, City of - 0	Culver City Unified School District - Board - 3
Calaveras County Water District - Board - 3	Cypress Recreation and Park District - 11
California Administrative Services Authority - 56	Daly City - City Council - 4
California Beef Council - 5	Dana Point, City of - Elected Officials - 2
California Prune Board - 9	Danville, Town of - 72
California State University, Chico - Associated Students - 0	Davis Cemetery District - 3
California State University, Chico - Research Foundation - 0	
California State University, Fullerton Foundation - 95	

## HEALTH BENEFITS PROGRAM

### ***Non-CalPERS Employers (employers contracting for health benefits, but not retirement)***

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Davis Joint Unified School District - Board - 0	Goleta Valley Vector Control District - 3
Davis, City of - City Council Members - 0	Gonzales, City of - City Council - 0
Del Mar Manor Water District - Directors - 1	Gonzales, City of - Management Staff - 0
Del Norte Healthcare District - 5	Gonzales, City of - SEIU Local 817 - 0
Del Puerto Water Agency - 0	Greater Anaheim Special Education Local - 0
Diamond Bar, City of - 0	Grossmont Healthcare District - Board - 7
Dixon Housing Authority - 0	Guadalupe, City of - Elected Officials - 4
Dixon, City of - Excluded Groups - 2	Guerneville Fire Protection District - Elected Officials - 0
Dominguez Hills Foundation, California State University - 51	Hamilton City Community Services District - 3
Dominguez Hills CSU, Associated Students - Child Development Center - 3	Harbor Developmental Disabilities Foundation - 182
Dominguez Hills CSU, Associated Students - 1	Hayward Unified School District - 2
Duarte Unified School District - Board - 3	Hesperia Recreation and Park District - 26
Dublin San Ramon Services District - Board - 3	Hesperia, City of - City Council - 2
Dunnigan Water District - 2	Hickman School District - Board - 4
East Diablo Fire District - 18	Hillsborough, Town of - City Council - 5
East Kern Airport District - Board - 3	Humboldt Community Service District - Board - 6
East Palo Alto Sanitary District - Directors - 1	Humboldt, County of - 0
Eastern Plumas Health Care District - 97	Indian Valley Health Care District - 58
Eastern Sierra Community Service District - 5	Indian Wells, City of - City Council - 6
El Camino Irrigation District - 4	Inglewood, City of - City Council - 0
El Dorado County Fire Protection District - 0	Inland Empire Utilities Agency - Board - 2
El Dorado Irrigation District - Directors - 3	Inverness Public Utility District - 0
El Segundo Unified School District - Board - 3	Inyo, County of - Employees Association - 21
El Segundo, City of - City Council - 9	Ironhouse Sanitary District - 27
El Camino Community College District - Board - 5	Irvine Child Care Project - 0
Elk Grove, City of - 3	Irvine Ranch Water District - Board - 6
Emeryville, City of - City Council - 4	Jackson, City of - Elected Officials - 6
Emeryville, City of - City Retirement System - 4	Jurupa Community Services District - Board - 0
Empire Union School District - Board - 4	Kanawha Water District - 3
Estero Municipal Improvement District - Board - 0	Kensington Fire Protection District - 11
Etna, City of - Elected Officials - 1	Kentfield Fire Protection District - 1
Eureka Housing City Authority - 19	Kern County Housing Authority - Commission - 5
Fair Oaks Cemetery District - 3	Kern Regional Center - 142
Fairfield-Suisun Unified School District - Board of Directors - 1	Kingsburg Cemetery District - 6
Fallbrook Healthcare District - 6	Kirkwood Meadows Public Utility - Board - 5
Fillmore Unified School District - Board - 2	Kirkwood Meadows Public Utility District - 0
Folsom, City of - City Council/Attorney - 4	Knightsen School District - Board - 2
Foothill/Eastern Transportation Agency - 63	La Grange Elementary School District - Board - 1
Foresthill Public Utility District - 12	La Habra, City of - Elected Officials - 0
Fort Bragg Fire Protection District - 0	La Puente, City of - Council Members - 0
Fort Jones, Town of - 3	Laguna Niguel, City of - City Council - 0
Foster City - Elected Officials - 0	Laguna Salada Union School - Board/Commission - 2
Fremont Unified Schools District - Board - 0	Laguna Woods, City of - 0
Fremont, City of - City Council - 0	Lake Don Pedro Community Services - 1
Fresno Irrigation District - 3	Lake Elsinore, City of - City Council - 4
Fresno-Madera Area Agency on Aging - 32	Lake Hemet Municipal Water District - 61
Garvey School District - Board of Education - 4	Lake Valley Fire Protection District - Board - 0
Gavilan Joint Community College - Board - 3	Lakeside Fire Protection District - Board - 1
Gilroy, City of - PARS - 2	Larkspur, City of - City Council - 1
Glen Ellen Fire District - Board - 1	Las Gallinas Valley Sanitary District - Director - 0
Glendora, City of - Council and Commission - 2	Las Virgenes Unified School District - Board - 4
Glenn, County of - Elected Officials - 1	Lawndale School District - Board Member - 5
Glenn-Colusa Irrigation District - 0	Lemoore, City of - City Council - 5
Goleta Cemetery District - 4	Leucadia County Water District - Directors - 3
	Levee District No. 1 of Sutter County - 3

## HEALTH BENEFITS PROGRAM

### ***Non-CalPERS Employers (employers contracting for health benefits, but not retirement)***

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Linda Fire Protection District - Elected Officials - 3	North Orange County Community College - 2
Little Lake City School District - 2	North Tahoe Fire Protection District - Board - 4
Live Oak, City of - Elected Officials - 3	Northern California Power Agency - 184
Local Agency Formation Commission of San Luis Obispo County - 0	Northern California Special District Insurance Authority - 0
Lompoc Cemetery District - 6	Northridge, California State University, Associated Students - 28
Lompoc, City of - City Council - 2	Novato Fire Protection District - 124
Los Altos, City of - 134	Novato, City of - City Council - 0
Los Altos, City of - City Council - 0	Oak Hill Cemetery District - 3
Los Angeles County Law Library - 8	Oakdale Union Elementary School - Trustees - 0
Los Gatos, Town of - Elected Officials - 4	Oakdale, City of - Elected Officials - 1
Los Gatos, Town of - Retirement Plan - 2	Oakland City Housing Authority - International City Management Association Retirement Plan - 18
Los Nietos School District - Board - 3	Oakland, City of - Municipal Employees Retirement System - 48
Los Osos Community Service District - 0	Oakland, City of - Police/Fire Retirement System - 1,094
Lowell Joint School District - Trustees - 1	Oakland, Port of - Engineers - 0
Lower Tule River Irrigation District - Board - 4	Oakland, Port of - Local 790 - 0
Lynwood, City of - City Council - 1	Oakland, Port of - Unrepresented - 2
Magnolia Elementary School District - Trustees - 3	Oceanside, City of - Elected Officials - 1
Mammoth Lakes Fire District - Board - 1	Ontario, City of - City Attorney - 0
Mammoth Lakes, Town of - Council - 5	Ontario, City of - Non-Represented - 2
Manteca, City of - Elected Officials - 9	Ontario, City of - Planning Commission - 0
Marin Municipal Water District - Board - 2	Orange County Fire Authority - 257
Martinez Unified School District - 1	Orinda Union School District - Board Members - 1
McKinleyville Community Service District - Directors - 3	Orland-Artois Water District - 5
Meadow Vista County Water District - 5	Oro Loma Sanitary District - Directors - 1
Mendocino Coast Hospital District - 0	Oroville-Wyandotte Irrigation District - 71
Menlo Park Fire District - Board - 2	Oxnard Harbor District - Elected Officials - 2
Menlo Park, City of - City Council - 3	Palm Springs Cemetery District - 4
Mid-Carmel Valley Fire Protection District - 13	Palm Springs, City of - City Council - 5
Millbrae School District - Board Trustees - 5	Palmdale, City of - City Council - 10
Mission Valley Regional Occupation Program - 35	Palos Verdes Peninsula Unified School District - Board - 5
Mission Viejo, City of - City Council - 0	Paradise Cemetery District - 5
Modesto City Schools - Board of Education - 1	Paradise Recreation and Park District - 14
Mojave Desert Air Quality Management - 26	Paradise School District - Trustees - 3
Mojave Water Agency - Elected Officials - 3	Paradise, Town of - Confidential Unit - 0
Mono County Board of Supervisors - 0	Paradise, Town of - Management Unit - 0
Monterey Bay CSU Foundation - 73	Paradise, Town of - Mid-Management Unit - 0
Monterey County - Resident PHY - 5	Paramount, City of - City Council - 3
Monterey Park, City of - Elected Officials - 6	Paramount, City of - Commissions - 0
Monterey Peninsula Regional Park - Board - 1	Pasadena - Fire Fighters Association - 75
Monterey, City of - Council Members - 1	Pasadena, City of - Safety Management - 56
Moraga-Orinda Fire Protection District - 113	Pasadena, City of - PORAC - 42
Morongo Basin Transit Authority - 0	Peninsula Library System - 22
Morro Bay, City of - City Council - 5	Penryn Fire Protection District - 1
Moss Landing Harbor District - 11	Petaluma, City of - City Council - 5
Mt. Diablo Unified School District - Board - 3	Pinole, City of - Elected Officials - 3
Mt. San Antonio Community College - Board - 5	Pismo Beach, City of - Elected Officials - 3
Muir Beach Community Services - 2	Pixley Irrigation District - Board - 4
Murrieta, City of - City Council - 2	Placer County Transportation Commission - 0
Nevada County Consolidated Fire District - 0	Pleasant Valley Recreation and Park District - 0
Newman-Crows Landing Unified School District - Board - 5	Pleasant Valley School District - Board - 5
Newport Beach, City of - City Council - 4	Pomona, City of - City Council - 0
North County Fire District of Monterey - 1	Princeton-Codora-Glenn Irrigation District - 5
North Delta Water District - 1	Processing Strawberry Advisory Board - 4
North Monterey County Unified School - Board - 5	Processing Tomato Advisory Board - 5

## HEALTH BENEFITS PROGRAM

### ***Non-CalPERS Employers (employers contracting for health benefits, but not retirement)***

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Program Beta Risk Management Authority - 44	San Francisco City and County Retirement System - 0
Project D.A.Y. - 1	San Francisco County Transportation Authority - 0
Provident Irrigation District - 6	San Gabriel School District - Board - 0
Quincy Cemetery District - 1	San Gabriel Valley Mosquito Abatement - 0
Rainbow Municipal Water District - Directors - 1	San Gabriel, City of - Elected Officials - 0
Ramona Cemetery District - 6	San Gabriel, City of - Hourly Employees - 1
Rancho Cordova Fire District - 0	San Geronio Pass Water Agency - 0
Rancho Palos Verdes, City of - City Council - 4	San Joaquin Hills Transportation Corridor Agency - 0
Rancho Santa Margarita, City of - 7	San Jose State University Foundation - 298
Rancho Simi Recreation and Park District - 0	San Juan Capistrano, City of - 98
Reclamation District No. 70 - 6	San Luis Obispo County Pension Trust - 3
Reclamation District No. 341 - 2	San Luis Obispo, City of - City Council - 0
Reclamation District No. 800 - 2	San Luis Obispo, County of - 2,475
Reclamation District No. 833 - Board of Trustees - 1	San Marcos CSU Foundation - 34
Reclamation District No. 900 - 9	San Mateo Community College District - Board - 10
Reclamation District No. 1601 - 2	San Mateo County Office of Education - Board - 4
Redlands, City of - City Council - 3	San Mateo Transit District - Board - 1
Redway Community Services District - 5	San Mateo Union High School District - Board - 7
Redwood City School District - Elected Officials - 3	San Miguel Consolidated Fire District - Board - 5
Reed Union School District - Board Trustee - 1	San Miguel Community Services District - 0
Richmond, City of - General Pension Plan - 19	San Pablo, City of - Elected Officials - 0
Richmond, Police/Fire Pension Employees - 29	San Rafael City High School District - Board - 0
Richmond, Police/Fire Pension Management - 7	San Rafael, City of - 590
Ridgecrest, City of - City Council - 0	San Ramon Valley Fire Protection District - 227
Rincon Del Diablo Municipal Water District - Directors - 2	Santa Ana, City of - City Council - 6
Rio Hondo College - Management and Board Trustees - 4	Santa Barbara City Housing Authority - 62
Rio Vista, City of - Elected Officials - 2	Santa Barbara County Association of Governments - 14
Riverdale Public Utility District - 1	Santa Clara County Congestion Management Agency - 0
Riverside County Housing Authority - 61	Santa Clarita, City of - City Council - 1
Riverside County Regional Park Open Space - 0	Santa Cruz, County of - Board of Supervisors - 1
Riverside, County of - Resident Physician Service Aide - 9	Santa Fe Irrigation District - Board - 0
Riverview Cemetery District - 5	Santa Maria, City of - Attorney and Elected Officials - 2
Rosemead, City of - 0	Santa Monica Community College - Board - 4
Rosemead, City of - City Council - 1	Santa Monica Community College - Commission - 2
Rosemead, City of - Equitable Retirement - 1	Santa Monica-Malibu Unified School District Board - 5
Rubidoux Community Services District - 17	Saratoga Fire Protection District - Board - 2
Ruth Lake Community Services District - 1	Saugus Union School District - Board - 5
Sacramento County Fire District - Retirement System - 33	School Personnel Credit Union - 11
Sacramento County Office of Education - 1937 Act - Management - 1	Scotts Valley Fire District - Board - 2
Sacramento County Office of Education - Board and Commission - 1	Selma, City of - 0
Sacramento Metropolitan Water Authority - 0	Smith River Community Services District - 3
Sacramento Regional Transit District - 246	Solano County - Elected Officials - 1
Salida Fire Protection District - 0	Solano Transportation Authority - 0
Salinas City of - Charter City/Municipal Corporation - 191	Soquel Creek Water District - Elected Officials - 2
San Andreas Regional Center - 0	South El Monte, City of - City Council - 1
San Benito County Water District - Board - 0	South Gate, City of - Elected Officials - 2
San Benito, County of - Elected Officials - 1	South Pasadena Unified School District - Board - 2
San Bernardino County Law Library - 8	South San Francisco Unified School District - Board - 5
San Bernardino, City of - Elected Officials - 3	South Whittier School District - Board - 5
San Bruno Park School District - Governing Board - 3	Southern California Public Power Authority - 0
San Buenaventura, City of - 4	Southern Humboldt Community Healthcare - 65
San Carlos, City of - Elected Officials - 2	Southern Inyo Healthcare District - 59
San Clemente, City of - 161	Southern Trinity Joint Unified School District - 0
	Spartan Shops, Inc. - 130
	Stanislaus County Office of Education - Board - 4



## HEALTH BENEFITS PROGRAM

### ***Non-CalPERS Employers (employers contracting for health benefits, but not retirement)***

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State Assistance Fund for Energy, California Business and Industrial Corporation - 5	Valley County Water District - Directors - 4
Stinson Beach Water District - Elected Officials - 1	Valley Mountain Regional Center - 1
Student Union of San Jose State University - 18	Valley of the Moon Fire District - 22
Suisun City - Elected Officials - 1	Valley Sanitary District - Non-PERS - 3
Sutter-Yuba Mosquito Vector Control District - 16	Ventura Regional Sanitation District - 71
Tahoe City Fire Protection District - 0	Villa Park, City of - City Council - 6
Tahoe City Public Utility District - Directors - 6	Weed, City of - City Council - 2
Temecula Public Cemetery District - 2	West Cities Communication Center Joint Powers Association - 0
Temecula, City of - 0	West Contra Costa Healthcare District - 8
Temple City USD - Board of Directors and Personnel Commission - 2	West Contra Costa Unified School Board - 10
Thousand Oaks, City of - Excluded - 26	West County Wastewater District - Board - 0
Trabuco Canyon Water District - 5	West Plainfield Fire Protection District - 0
Tracy, City of - Elected Officials - 0	Western Riverside Council of Government - 0
Tri-Counties Association for Developmentally Disabled - 0	Westlands Water District - Board of Directors - 1
Trinity, County of - Elected and John Hancock Retirement System - 32	William S. Hart Union School District - Board - 4
Tulare County Housing Authority - 54	Willow Oak Fire District - 0
Tuolumne Utilities District - Board of Directors - 0	Willows, City of - City Council - 1
Twain Harte Community Services District - 10	Wiseburn School District - Board - 2
Twentynine Palms, City of - City Council - 2	Woodbridge Rural Fire District - Directors - 6
Union Sanitary District - Board - 2	Woodlake Fire District - 0
University Corporation - 74	Woodlake, City of - Council - 0
Valle Lindo School - Board of Trustees - 0	Yolo County Housing Authority - Commissioners - 2
Vallejo City Unified School District - Board - 3	Yolo County Transit Authority - 0
	Yuba County Water Agency - Elected Officials - 2
	Yuba, County of - Elected Officials - 0
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	<b>Total - 481</b>

### ***Superior Court Judges, County of***

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Los Angeles - 399  
Riverside - 44  
Ventura - 27

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**Total - 3**

## DEFERRED COMPENSATION PROGRAM

By saving for the future, CalPERS members can face the road to retirement with confidence. CalPERS helps by providing an important tool to meet future needs—the CalPERS 457 Deferred Compensation Program. As of June 30, 2001, this program was adopted by 370 public agencies.

Designed with high standards of quality and service, the CalPERS 457 Deferred Compensation Program is a way to defer a portion of pre-tax salary into investments of an individual's own choosing. It is a deferred compensation program that allows both the amount deferred, and the amount earned on the investment, to be protected from income tax until the money is taken out during retirement. The program complements the retirement benefit plans offered by CalPERS.

State law enacted in 1990 allowed CalPERS to make the deferred compensation program available to all California public agencies. This includes counties, cities, special districts, and school districts. The CalPERS 457 Deferred Compensation Program meets all federal requirements of eligible deferred compensation plans organized under the Internal Revenue Code.

The program offers participants 13 investment options. Eight separate “core” funds have been created specifically for this program, or participants can choose from three lifestyle options that automatically invest their money in a conservative, moderate, or aggressive investment mix of core funds. All of these funds are managed by CalPERS staff and its professional investment managers, according to strict investment objectives and performance standards set by the CalPERS Board of Administration. In addition to the core funds, participants are offered two options to invest in federally-insured bank certificates of deposit or through a discount brokerage service that lets them select from more than 3,000 retail mutual funds through a self-managed account.

The CalPERS Board controls the investment and administrative functions of the CalPERS 457 Deferred Compensation Program. The assets are held in trust by the Board for the exclusive benefit of participating employees, which adds security.

### Participating Public Agency Summary

Counties	13
Cities	71
Air Quality Management Districts	4
Cemetery Districts	9
Community Service Districts	19
Fire Protection Districts	32
Harbor Districts	5
Health Agencies	5
Housing Authorities	7
Insurance Groups	10
Irrigation/Reclamation Districts	7
Libraries	11
Mosquito Abatement Districts	4
Recreation Districts	3
Resource Conservation Districts	4
Sanitation/Wastewater Districts	15
School Districts	57
Transportation Districts	12
Utility Districts	6
Water Districts	45
Other Agencies	31
<b>Total</b>	<b>370</b>

The program delivers its investments and services at low cost through a simple fee structure. There are no hidden costs or restrictions on investments. Total fees for administration and investment management of the core funds are less than 1 percent, half of what other programs typically charge. By paying less in fees, participants are able to invest more and earn returns building up their account over time.

Deferred compensation programs provide an immediate tax break and the advantage of the full earning power of a person's money. Because earnings automatically reinvest tax free, the savings potential grows significantly over time. The CalPERS 457 Deferred Compensation Program offers valuable trust protection public agency employees can count on to secure their retirement savings.

The financial statements for this program are in this report as part of the Financial Section and the accompanying notes and schedules.

## LONG-TERM CARE PROGRAM

The CalPERS Long-Term Care (LTC) Program provides financial protection to members from the high cost of extended care that may be caused by illness, injury, or the frailty of old age. Six out of every 10 people over the age of 65 will need such care. Unfortunately, these types of personal services are not covered by regular health insurance or Medicare.

The CalPERS LTC Program is a self-funded, not-for-profit, member-paid program that continues to add substantial membership on an annual basis. During fiscal year 2000-01, membership grew to 147,169, and annual premiums were \$168.6 million. Additionally, the Program reserve grew to more than \$640 million, and \$18.1 million in claims were paid on behalf of members.

Our LTC Program continues to be the largest and most respected long-term care program of its kind in the nation. Entering its seventh year, the CalPERS Long-Term Care Program is devoted to providing the best long-term care benefits with affordable premiums.

The financial statements for this program are in this report as part of the Financial Section and the accompanying notes and schedules.



The 2001 Comprehensive Annual Financial Report for the California Public Employees' Retirement System is contained in two volumes. This volume includes a general overview of the System's programs and functions, financial statements, and a listing of contracting public agencies. The second volume, 2001 Annual Report of Investments, contains an investment summary and a listing of investments and investment transactions during the fiscal year.

To receive a copy of the investment report, please complete and return the request card below to:  
CalPERS, Public Agency Request Unit,  
P.O. Box 942715, Sacramento, CA 94229-2715.  
Allow up to four weeks for delivery.

For more information, contact the CalPERS Office of Public Affairs, 400 P Street, Sacramento, CA 95814, (916) 326-3991.

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