



Contribution Rate Setting

June 22, 2016

Discussion Points

- Statutory Duty to Set Rates
- Goals and Achievements
- Options

Statutory Duty

- Board Authorized to Set Rates
 - RCW 41.26.725
- Set Rates in Even-numbered Years
 - RCW 41.45.0604

Goals and Achievements

- Fully-funded Status
 - Maintain 100% or Better Funded Status
 - Projection of Fully-funded Status through 6/30/2019
- Stable Contribution Rates
 - Predictable Increases

Options

1. Maintain Existing Adopted Contribution Rates for 2017-2019

- 100% of EANC based on 2013 Valuation Report
 - 8.85% Member, 5.31% Employer, 3.54% State

Options

2. Adjust Contribution Rates to New 100% EANC

a. 100% of EANC based on 2015 Valuation Report

- 8.75% Member, 5.25% Employer, 3.50% State

Options

3. Adjust Contribution Rates to New 90% EANC

- 90% EANC from 2015 Valuation Report
 - 7.88% Member, 4.73% Employer, 3.15% State

Comparison

OPTION	MEMBER	EMPLOYER	STATE
Option 1: Maintain Existing Adopted Rates for 2017-2019	8.85%	5.31%	3.54%
Option 2a: 100% EANC from 2015 Valuation	8.75%	5.25%	3.50%
Option 3: 90% EANC from 2015 Valuation	7.88%	4.73%	3.15%

Any Questions?

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