

June 1, 2024

**Subject:** Police and Fire Department Retirement Plan - Fire Tier 1 Rehired with Healthcare Retirement Contribution Rates

The Board of Administration for the Police and Fire Department Retirement Plan (Retirement Board) approved new Retirement Contribution Rates for the fiscal year 2024-2025. The Retirement Contribution Rate is the percentage of your salary that you and the City pay into the Retirement Plan.

These rates are effective Pay Period 14 (June 23, 2024); with a pay date of July 12, 2024.

| Benefit                               | Fiscal Year 2024-2025 Rates |               |               | Fiscal Year 2023-2024 Rates |               |               |
|---------------------------------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|
|                                       | City                        | Employee      | Total         | City                        | Employee      | Total         |
| <b>Pension</b>                        |                             |               |               |                             |               |               |
| Normal Cost                           | 36.57%                      | 11.81%        | 48.38%        | 34.25%                      | 11.99%        | 46.24%        |
| Unfunded Liability/Prior Service Cost | *                           | 0.00%         | 0.00%         | ***                         | 0.00%         | 0.00%         |
| Special UAL                           |                             | 1.96%         | 1.96%         |                             | 1.96%         | 1.96%         |
| <b>Subtotal</b>                       | <b>36.57%</b>               | <b>13.77%</b> | <b>50.34%</b> | <b>34.25%</b>               | <b>13.95%</b> | <b>48.20%</b> |
| <b>Medical and Dental</b>             | **                          | <b>8.00%</b>  | <b>8.00%</b>  | ****                        | <b>8.00%</b>  | <b>8.00%</b>  |
| <b>Total</b>                          | <b>36.57%</b>               | <b>21.77%</b> | <b>58.34%</b> | <b>34.25%</b>               | <b>21.95%</b> | <b>56.20%</b> |

- \* Amount determined as a flat dollar amount of \$68,686,197 for all Tier 1 and not a rate of pay
- \*\* Amount determined as a flat dollar amount of \$11,917,287 for all Tier 1 and not a rate of pay
- \*\*\* Amount determined as a flat dollar amount of \$69,167,828 for all Tier 1 and not a rate of pay
- \*\*\*\* Amount determined as a flat dollar amount of \$10,976,850 for all Tier 1 and not a rate of pay

The Retirement Board sets the rates of contribution based on actuarial studies of the retirement funds' projected benefit costs and expected fund earnings. Please note that the contribution rates may be changed after actuarial reviews, which are currently performed annually.