

### **Contribution Rates Effective July 1, 2023**

By Constitution and statute, the Retirement Board must hire an independent actuary to perform actuarial valuations. While contribution rates are only set every other year, by Board policy, these valuations are performed on an annual basis. The Board adopted the annual valuation process in order to keep abreast of the assets and liabilities of the System, measure trends, and provide yearly detailed information to aid in the fiscally responsible management of the pension trust.

At its November 17, 2022, meeting, the Retirement Board approved the June 30, 2022, actuarial valuation report submitted by the System's actuary. The report reflects the actuarially determined contribution rates needed to fund the System on an actuarial reserve basis for both Employer-pay (EPC) and Employee/Employer contribution plans.

The 2022 actuarial valuation shows contribution rate increases for both the Regular and Police/Fire funds. Factors to the increases include economic and demographic experience. In addition, there were significant assumption changes in the 2021 Experience Study, such as changes to inflation, investment return, and mortality tables.

Contribution rates for Regular and Police/Fire members contributing under the EPC and Employee/Employer plans are scheduled to increase. There will also be an increase in the rate for Volunteer Fire members. All rate changes are effective with the first monthly retirement reporting period beginning on or after July 1, 2023.

#### **Contribution Rate Changes – Employee/Employer Contribution Plan**

Regular Members – will increase from **15.5%** to **17.5%**.

Police/Fire Members – will increase from **22.75%** to **25.75%**.

#### **Contribution Rate Changes – Employer-Pay Contribution (EPC) Plan**

Regular Members – will increase from **29.75%** to **33.50**

Police/Fire Members – will increase from **44.00%** to **50.00%**

Volunteer Fire Members – will increase from **31.00%** to **35.00%**