

Response to Questions on the FY 2010 Advertised Budget Plan

Request By: Supervisor Frey

Question: What is the cost of the additional 1 percent retirement contribution for Police?

Response: In FY 2008 and FY 2009, the employee contribution rate for members of the Police

Officers Retirement System was reduced by 1.0 percent each year, from 12.0 percent of pay in FY 2007 to 10.0 percent of pay in FY 2009. These reductions reduced Police Officers' out-of-pocket costs and made the Police benefits package more competitive with surrounding jurisdictions. It is anticipated that additional adjustments will be made to continue to reduce the rate; however, due to budget constraints, no further reduction in the employee contribution rate was included in the FY 2010 Advertised Budget Plan. If the employee contribution rate was decreased by an additional 1.0 percent in FY 2010, it would require a 0.89 percent increase in the employer contribution rate at an annual cost

of \$938,545.