

HF2237 Proposed General Plan Benefit Modifications

- Increases the multiplier used to calculate benefits from 1.7% to 1.9% for service credit earned after July 1, 2025.
- Increases the annual compounded post-retirement increase for current and future retirees from 1.5% fixed to 1.75% fixed.



	Percent of Payroll	Funded Ratio
Current Required Contribution & Funded Ratio	10.09%	99.82%
Cost to increase post-retirement increase	1.01%	(2.0%)
Cost to increase Multiplier to 1.9%	0.95%	(1.2%)
Estimated Required Contribution & Funded Ratio	12.05%	96.62%
Statutory Contributions July 1, 2025 EE contributes 6% ER contributes 6.25%	12.25%	
Estimated Potential Sufficiency (assuming 7% and 15 year amortization)	0.20%	

Impact on Annual Benefit

POST RETIREMENT INCREASE OF 1.75% VERSUS 1.5%

- Modest benefit improvement for current and future retirees (including deferred)
- Results in approximately
 - \$8,660 more paid to the retiree/survivor over 20 years with \$15,000 initial annual benefit
 - \$11,550 more with \$20,000 initial annual benefit
 - \$17,330 more with \$30,000 initial annual benefit

ESTIMATED IMPACT ON BENEFIT 20 YEARS OF SERVICE

- 11.7% greater benefit at retirement for new employees

High Five \$60,000	Annual Benefit at 66 yrs old
20 yrs @ 1.7% 34% of High Five	\$20,400
10 yrs @ 1.7% 10 yrs @ 1.9% 36% of High Five	\$21,600
20 yrs at 1.9% 38% of High Five	\$22,800