



MEMORANDUM

Date: January 8, 2019

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to be "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Pima County's Retirement System Contributions for Fiscal Year 2019/2020**

Attached is a table that shows the increases in employer-required contributions to the Arizona State Retirement System (ASRS), Public Safety Personnel Retirement System (PSPRS) and Elected Official Retirement System.

There are some significant increases and a few minor decreases. However, the largest single increase continues to be for the PSPRS, with an increase to the County's contribution of nearly nine percent. A majority of County employees are in the ASRS, which requires an increase of 0.31 percent for Fiscal Year 2019/2020.

The increases and decreases will have an approximate additional \$2.5 to \$3 million contribution requirement from the County for the retirement systems listed.

These rates and impacts are preliminary and may change slightly as the retirement systems finalize their actuarial forecasts and FY 2019/2020 contribution rates.

County departments are in the process of completing their FY 2019/2020 requested personnel budgets. Departments are scheduled to submit their requested budgets to the Budget Division of the Finance and Risk Management Department by the end of January. The Budget Division will then enter the new retirement rates and calculate the impact of the rate changes on departmental budgets. This information will be provided to the Board in February.

CHH/anc

Attachment

c: Tom Burke, Deputy County Administrator for Administration
Michelle Campagne, Director, Finance and Risk Management
Robert Johnson, Deputy Director, Finance and Risk Management
Patrick McGee, Budget Manager, Finance and Risk Management

**Arizona State Retirement System/ Public Safety Personnel Retirement System/Elected Official Retirement System
FY 2018/19 versus FY 2019/20**

	Employer		Employer		Employee		Employee	
	FY 2018/19 Employer	FY 2019/20 Employer	Increase/ Decrease	FY 2018/19 Employee	FY 2019/20 Employee	Increase/ Decrease	FY 2018/19 Employee	FY 2019/20 Employee
Arizona State Retirement	11.80%	12.11%	0.31%				11.80%	12.11%
Public Safety - Sheriff - Hired Prior to 7/20/2011	67.12%	75.81%	8.69%				4.00%	4.00%
Public Safety - Sheriff - Hired Prior to 1/1/2015	67.12%	75.81%	8.69%				8.00%	8.00%
Public Safety - Sheriff - Hired On or After 1/1/2015	63.47%	72.16%	8.69%				11.65%	11.65%
Public Safety - Sheriff - Hired On or After 7/1/2017 - DB	59.33%	67.87%	8.54%				10.07%	10.07%
Public Safety - Sheriff - Hired On or After 7/1/2017 - DC	59.77%	68.31%	8.54%				10.51%	10.51%
Corrections Officers - Hired Prior to 7/1/2018	32.09%	31.55%	-0.54%				8.41%	8.41%
Corrections Officers - Hired 7/1/2018 and After - DC	31.23%	30.58%	-0.65%				8.40%	8.40%
Admin Office of Courts - Probation Officers-Hired pre 7/1/2018	32.98%	31.24%	-1.74%				8.41%	8.41%
Admin Office of Courts - Hired 7/1/2018 and After - DB	29.91%	28.37%	-1.54%				10.18%	10.18%
Admin Office of Courts - Hired 7/1/2018 and After - DC	31.22%	29.68%	-1.54%				8.40%	8.40%
County Attorney Investigators - Hired Prior to 7/20/2011	92.36%	92.55%	0.19%				4.00%	4.00%
County Attorney Investigators - Hired Prior to 1/1/2015	92.36%	92.55%	0.19%				8.00%	8.00%
County Attorney Investigators - Hired On or After 1/1/2015	88.71%	88.90%	0.19%				11.65%	11.65%
County Attorney Investigators - Hired On or After 1/1/17 - DB	84.87%	85.06%	0.19%				9.94%	9.94%
County Attorney Investigators - Hired On or After 1/1/17 - DC	85.44%	85.63%	0.19%				10.51%	10.51%
Elected Officials - Hired Prior to July 20, 2011	61.50% ¹	61.43% ²	-0.07%				7.00%	7.00%
Elected Officials - Hired On or After July 20, 2011	61.50% ¹	61.43% ²	-0.07%				13.00%	13.00%

1 - EORP contribution rate signed into law May 15, 2018; effective July 1, 2018.

2 - Per ARS Section 38-810, on the valuation beginning July 1, 2018 the Statutory Employer Contribution Rate will be actuarially determined.

DB = Defined Benefit Plan

DC = Defined Contribution Plan