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# MEMORANDUM

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Date: February 24, 2021

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

From: C.H. Huckelberry  
County Administrator

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

Re: **Arizona State Retirement System, Public Safety Personnel Retirement System and Elected Official Retirement System Rates**

The retirement systems that benefit Pima County employees, such as the Arizona State Retirement System (ASRS), the Public Safety Personnel Retirement System (PSPRS), the Corrections Officer Retirement Plan (CORP) and the Elected Officials' Retirement Plan (EORP), are administered by the State of Arizona. The amounts paid by both the employer and employee are adjusted annually through actuarial reviews performed by consultants for each plan.

Attached is a copy of the various rates that will be charged for the State retirement systems for Fiscal Year (FY) 2021/22.

Most of the County's employees are enrolled in the ASRS and will see an increase of 0.19 percent for both the employer and employee. Those enrolled in the PSPRS will see the highest increase of 7.03 percent for the employer. Those enrolled in the CORP will have a 1.26 percent employer increase, while Probation Officers will have a 3.36 percent employer increase. The PSPRS and CORP rates will decrease significantly once we fund \$300 million of our \$343 million combined unfunded liabilities for these plans and obtain updated actuarial reports.

CHH/mp

Attachment

c: Jan Leshar, Chief Deputy County Administrator  
Michelle Campagne, 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 2020/21 versus FY 2021/22**

	<u>FY 2020/21 Employer</u>	<u>FY 2021/22 Employer</u>	<u>Increase/ Decrease</u>	<u>FY 2020/21 Employee</u>	<u>FY 2021/22 Employee</u>	<u>Increase/ Decrease</u>
Arizona State Retirement	12.22%	12.41%	0.19%	12.22%	12.41%	0.19%
Public Safety - Sheriff - Hired Prior to 7/20/2011	79.83%	85.78%	5.95%	4.00%	<sup>1</sup> 4.00%	<sup>1</sup> 0.00%
Public Safety - Sheriff - Hired Prior to 1/1/2015	79.83%	85.78%	5.95%	8.00%	8.00%	0.00%
Public Safety - Sheriff - Hired On or After 7/1/2017 - DB	73.09%	80.12%	7.03%	10.07%	<sup>3</sup> 10.07%	<sup>4</sup> 0.00%
Public Safety - Sheriff - Hired On or After 7/1/2017 - DC	73.43%	79.93%	6.50%	10.41%	9.88%	-0.53%
Corrections Officers - Hired Prior to 7/1/2018	35.20%	35.04%	-0.16%	8.41%	8.41%	0.00%
Corrections Officers - Hired 7/1/2018 and After - DC	34.03%	35.29%	1.26%	7.65%	7.49%	-0.16%
Admin Office of Courts - Probation Officers-Hired pre 7/1/2018	34.11%	35.97%	1.86%	8.41%	8.41%	0.00%
Admin Office of Courts - Hired 7/1/2018 and After - DC	33.70%	37.06%	3.36%	7.65%	7.49%	-0.16%
County Attorney Investigators - Hired Prior to 7/20/2011	84.16%	78.32%	-5.84%	4.00%	<sup>1</sup> 4.00%	<sup>1</sup> 0.00%
County Attorney Investigators - Hired Prior to 1/1/2015	84.16%	78.32%	-5.84%	8.00%	8.00%	0.00%
County Attorney Investigators - Hired On or After 1/1/2015	80.51%	74.67%	-5.84%	11.65%	11.65%	0.00%
County Attorney Investigators - Hired On or After 1/1/17 - DC	79.02%	74.02%	-5.00%	10.41%	9.88%	-0.53%
Elected Officials - Hired Prior to July 20, 2011	61.43%	<sup>2</sup> 61.43%	<sup>2</sup> 0.00%	7.00%	<sup>2</sup> 7.00%	<sup>2</sup> 0.00%
Elected Officials - Hired On or After July 20, 2011	61.43%	<sup>2</sup> 61.43%	<sup>2</sup> 0.00%	13.00%	<sup>2</sup> 13.00%	<sup>2</sup> 0.00%

1 - Change in employee rate from 11.65 percent to 7.65 percent effective first whole pay period after April 1, 2017 adjusted for 3.65 percent excess County contribution. Change required as the result of Parker vs. PSPRS decision. FY 2016/17 and FY 2017/18 employee rates were 8.00 percent prior to decision.

2 - The Board decided to keep the Employer contribution rate as calculated with the June 30, 2018 valuation for the fiscal year ending June 30, 2021 and June 30, 2022.

3 - The Retirement Plan Board decided to keep Teir 3 rates level as calculated with the June 30, 2018 valuation for the fiscal year ending June 30, 2021.

4 - The Retirement Plan Board decided to keep Teir 3 rates level as calculated with the June 30, 2019 valuation for the fiscal year ending June 30, 2022.

DB = Defined Benefit Plan  
DC = Defined Contribution Plan