



- Annual post-retirement adjustments: a uniform percentage increase or decrease that is not guaranteed beyond the current fiscal year.
  - If the experienced rate of interest exceeds the assumed rate of return, retirees' annuities **may** increase.
  - If the experienced rate of interest is below the assumed rate of return, retirees' annuities **may** decrease.
- Contribution rates
  - Employees and employers contribute as required of their retirement system; however:
    - If the experienced rate of interest exceeds the assumed rate of return, contribution rates **may** increase.
    - If the experienced rate of interest is below the assumed rate of return, contribution rates **may** decrease.
  - Participants not coordinated with Social Security may contribute an optional 7.65% of salary, which the employer will match.

**Funding:**

- For Tier 3 benefit packages, each State-Funded Retirement System will change the minimum contribution to include the normal cost of the defined-benefit members and a 7.65% match associated with the defined-contribution members.
  - GARS and SERS require the State to contribute an additional amount according to a 30-year rolling amortization to bring unfunded liabilities to 90%.
  - SURS and TRS require the actual employers (school districts and universities) to contribute an additional amount according to a 30-year rolling amortization to bring unfunded liabilities to 90%, after the first contribution is made by the State.
- When debt service on bonds ends, those funds will be appropriated amongst the 5 systems proportionally.

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