

June 1, 2025

Subject: Federated Retirement System - Tier 2 with Healthcare Retirement Contribution Rates

The Board of Administration for the Federated City Employees' Retirement System (Retirement Board) approved new Retirement Contribution Rates for the fiscal year 2025-2026. The Retirement Contribution Rate is the percentage of your salary that you and the City pay into the Retirement System.

These rates are effective Pay Period 14 (June 22, 2025), with a pay date of July 11, 2025:

Benefit	Fiscal Year 2025-2026 Rates			Fiscal Year 2024-2025 Rates		
	City	Employee	Total	City	Employee	Total
Pension						
Normal Cost	7.90%	7.90%	15.80%	7.88%	7.88%	15.76%
Unfunded Liability/Prior Service Cost	0.72%	0.72%	1.44%	0.85%	0.61%	1.46%
Subtotal	8.62%	8.62%	17.24%	8.73%	8.49%	17.22%
Medical and Dental	*	7.50%	7.50%	**	7.50%	7.50%
Total	8.62%	16.12%	24.74%	8.73%	15.99%	24.72%

* Amount determined as a flat dollar amount of \$21,929,463 for all Tiers and not a rate of pay

** Amount determined as a flat dollar amount of \$20,351,611 for all Tiers and not a rate of pay

The Retirement Board sets the rates of contribution based on actuarial studies of the retirement funds' projected benefit costs and expected fund earnings. Please note that the contribution rates may be changed after actuarial reviews, which are currently performed annually.