



Retirement information 2011

Change in state retirement plan contributions

Beginning July 1, 2011, employees in PERS 2 will see an increase in their contributions toward retirement while employees in PSERS will see a slight decrease. LEOFF 2 employee contributions will remain unchanged. The changes in contribution rates are the result of changes in the basic employer and member rates adopted by the Pension Funding Council. The rates are based on the analysis of a number of factors, including the financial and demographic experience of the plans.

What it means for you

The contribution rate for **PERS 2** employees will increase from 3.90% to 4.59%. The contribution rate for **PSERS** employees will decrease from 6.55% to 6.36%. The contribution rate for **LEOFF 2** employees will remain at 8.46%.

For employees paid:

- On the 5th and 20th of the month, the decreased deduction will begin with the July 20 paycheck
- Every other Thursday, the decreased deduction will begin with the July 21 paycheck.

King County contribution rates toward employee retirement plans are also changing from 5.31% to 7.07% for all PERS plans and from 7.85% to 8.73% for PSERS. The County contribution rate to LEOFF 2 will remain at 5.24%.

The difference in your paycheck

Your paycheck may show a net increase or decrease depending on your retirement plan and the federal tax withholding and any pre-tax deductions you have elected.

If you show a net increase in your take-home pay, you may want to contribute that amount toward retirement through the County's deferred compensation plan. To open an account or increase the amount in your existing account, call Deferred Compensation Coordinator Moneca Allen at 206-263-9250.

Here is a sample of before and after retirement deductions for a PERS 2 employee:

Sample retirement deduction after change in retirement rate			
Regular earnings	\$ 2,000.00	PERS 2 retirement at 3.90%	\$ 78.00

Sample retirement deduction after change in retirement rate			
Regular earnings	\$ 2,000.00	PERS 2 retirement at 4.59%	\$ 91.80

If you have any questions about the rate change, please contact the Washington State Department of Retirement Systems (DRS) at 1-800-547-6657 or recep@drs.wa.gov. More information is available on the DRS website at www.drs.wa.gov.

Historical contribution rates for PERS and LEOFF employees

PERS Plan 2 – Contribution rates (rates shown as of July 1 each year)			LEOFF Plan 2 – Contribution rates (rates shown as of July 1 each year)		
Year	Member rate	Employer rate	Date	Member rate	Employer rate
1998	4.65%	7.50%	1998	8.48%	5.27%
2001	0.88%	1.77%	2001	4.50%	2.93%
2004	1.18%	1.40%	2004	5.07%	3.26%
2005	2.25%	2.44%	2005	6.75%	4.24%
2006	3.50%	3.69%	2006	7.79%	4.87%
2007	4.15%	6.12%	2007	8.60%	5.35%
2008	5.45%	8.31%	2008	8.83%	5.46%
2009 – 2010	3.90%	5.31%	2009 – 2010	8.46%	5.24%
2011	4.59%	7.07%	2011	8.46%	5.24%

Historical contribution rates for PSERS employees

PSERS – Contribution rates (rates shown as of July 1 each year)		
Year	Member rate	Employer rate
2009 – 2010	6.55%	7.85%
2011	6.36%	8.73%