

**Costing NM/NR
Pension Changes**

Average Salary 2006 rates	37,893
Total Employees	85
2006 Total Base Salary	3,220,905

CC file # 090951

REVISED

Pension - 5.5% Contribution Future savings but difficult to estimate at this time.

Pension - 2% COLA and Bonus Year Please see attached worksheet

November 23, 2009

Estimate of Non-Represented Pension Benefit Impact

REVISED

File #090951

Adjustment to Management/Non-Represented to reflect actual impacted population

84.97%

Original Cost for Benefits = to DC 48

2,100,000

Cost of Benefit after adjustment

1,784,456

Original savings from Normal Costs

2,300,000

Normal costs after adjustment

1,954,404

Percentage of Non-Represented to total Management/Non-Represented

7.9%

Cost if all retire (13 employees)

140,972

Cost of 50% retirement (6-7 employees)

70,486

Assume two positions not filled (including fringe benefits)

112,800

Normal cost savings from two eliminated positions

23,834

Net Savings

66,148

NMNR 2% COLA and Bonus Year

November 24, 2009

$\$112,800 + \$23,834 = \$136,634$ Savings $\$136,634$ Savings - $\$70,486$ Cost = $\$66,148$ Net Savings

CC 090951

Effective for retirements on and after January 1, 2007, remove the "sunset" on pension credit for prior military service. Costing figures provided by ERS Actuary 9/9/04.

Cost to change PSO election to earlier of 6 months prior to NSR date or 30 yrs and Remove Sunset on military credit.	As a % of covered compensation:	0.1160%
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Cost to change PSO election to earlier of 6 months prior to NSR date or 30 yrs.	As a % of covered compensation:	<u>0.0170%</u>
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Cost of removing sunset on credit for military service	As a % of covered compensation:	0.0990%
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