

Employees' Pension System / Teachers' Pension System, Alternate Contributory Pension Selection

Current Members at June 30, 2010
Changes effective for service earned on and after 7/1/2011

	Currently	Approved Reforms - Effective 7/1/11
Employee contribution	5% of Annual Earnable Compensation	7% of Annual Earnable Compensation
Cost of Living Adjustment	Compound Annual Retiree COLA linked to Consumer Price Index (CPI) with a cap of 3% per year	Compound COLA remains linked to CPI but capped at: 2.5% if assumed rate of return* for investments in prior year is achieved. 1% if investment target not met <i>(Applies to credit earned by current and new employees on or after 7/1/2011)</i> <i>*currently 7.75%</i>