



MEMORANDUM

TO: Local Governmental Employees' Retirement System Board of Trustees

FROM: Thomas G. Causey, Executive Director and Secretary to the Board

DATE: January 29, 2020

SUBJECT: Notification of Local System Court Cost Offset to Employer Contribution Rate for Law Enforcement Officers

Pursuant to N.C. General Statutes § 143-166.50(d), the Department of State Treasurer is required to use certain funds derived from court costs to offset employer contribution rates paid for law enforcement officers participating in the Local Governmental Employees' Retirement System (LGERS). The department reviews receipts of these funds and updates the offset periodically. It was last adjusted in January 2014 to 0.14% of compensation, beginning with fiscal year 2015, and it has remained at that level through fiscal year ending June 30, 2020. The most recent review occurred in January 2019.

Based on a review of receipts since 2008, the Executive Director of the Retirement Systems Division has set the Court Cost Offset on the LGERS Employer Contribution Rate at 0.20% of Law Enforcement Officer payroll for the fiscal year beginning July 1, 2020. Information on the impact of the offset on the fiscal year employer contribution rate will be provided at the April 2020 board meeting.