




C I T Y O F  
**RENO**  
Memorandum

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**DATE:** December 11, 2024

**TO:** Mayor and City Council

**THROUGH:** Jackie Bryant, City Manager 

**FROM:** Jill Atkinson, Interim Director of Human Resources

**DEPT:** Human Resources

**SUBJECT:** Nevada Public Employees' Retirement System Contribution Rate Changes Effective July 2025

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The Nevada Public Employees' Retirement System (NV PERS) notified the City of Reno (City) that the NV PERS Board voted to approve the June 30, 2024, actuarial valuation report. NV PERS then notified employers of retirement contribution rate changes effective the first monthly retirement reporting period beginning on or after July 1, 2025. For the City, this date is July 11, 2025.

The retirement contribution rate for Regular members is increasing by 3.25%, bringing the total employer paid contribution rate to 36.75%. The retirement contribution rate for Police/Fire members is increasing 8.75%, bringing the total employer paid contribution rate to 58.75%.

In accordance with NRS 286.421 and applicable Collective Bargaining Agreements and/or Resolutions, City employees and the City will equally share the burden of the PERS increase. For Regular members within NV PERS, the employee's share of the contribution rate increase is equal to a cost-of-living adjustment (COLA) decrease or salary reduction of 1.625%. For Police/Fire members within NV PERS the employee's share of the contribution rate increase is equal to a COLA decrease or salary reduction of 4.375%.

The impact of this sharing arrangement is:

- 1) For employees who are receiving a COLA July 11, 2025, their COLA will be reduced by the respective half of the PERS increase; or
- 2) For employees who are receiving a COLA July 11, 2025, which is less than the respective half of the PERS increase, their salary will be reduced by the residual half of the PERS increase; or
- 3) For employees who are not receiving a COLA July 11, 2025, their salary will be reduced by the respective half of the PERS increase.

These COLA and/or salary reductions will be effective July 11, 2025, and employees will see this change reflected on their paycheck dated August 1, 2025.

The initial assessment from Finance is that the City's cost for this increased contribution rate after the COLA and/or salary reductions will result in a new, on-going expense to the General Fund of approximately \$2 million in FY 25/26 (\$2.3 million for all fund types). Finance is anticipating this increased cost in the FY 25/26 budget development.