

Memo

To: All Employees

From: Joseph L. Nagro

Date: June 29, 2012



Re: Cost of Living Pay Adjustment and Increase in City's Match to 457 Plan

I am pleased to announce that there will be a 2% cost-of-living increase effective July 1, 2012. The increase was approved by the City Council for all regular employees of the City when they approved the City's budget for next fiscal year. You will begin to receive this increase in the paychecks distributed on July 13, 2012.

The Council has also approved an increase to our 457 Deferred Compensation Plan. The increase, \$20 per pay to those who contribute \$200 or more per pay and have at least five years of service, is designed to encourage employees to save more for their retirement. Please see the table below to see the City's new match to your pre-tax contributions. The changes are highlighted in yellow.

Years of Service	Employee Contribution Per Pay Period <i>(a minimum contribution of \$20 is required to generate City Contribution)</i>	City Contribution Per Pay Period
Up to 1 year	\$20	\$20
1 or more years less than 5 years	\$20-\$99 \$100+	\$20 \$25
5 or more years less than 10 years	\$20 - \$99 \$100 - \$199 \$200+	\$20 \$30 \$60
10 or more years less than 15 years	\$20 - \$99 \$100 - \$199 \$200+	<i>\$ for \$ match up to a maximum of</i> \$30 \$50 \$95
15 or more years	\$20 - \$99 \$100 - \$199 \$200+	<i>\$ for \$ match up to a maximum of</i> \$40 \$60 \$120

I encourage all of you to save as much as you can toward retirement and take advantage of the additional match from the City.

Thank you all for your hard work and service to the City.