

Responses to Work Group member questions from the March 17, meeting.

Question:

1. How much money would it save the county if all full-time staff salaries were cut by 1%?

Answer: 1% of current active full-time employee salaries = \$2,195,000

Question:

2. What percentage of Gwinnet County full-time employees make the median salary of \$44,000 or less?

Answer: 44% of current active full-time employees make below \$44,000/yr or 2,151. 2,709 make above \$44,000.

Question:

3. If the \$53 million incremental tax revenue was not used in 2010 to pay down the DB, what would the incurred expense be in 5 years?

Answer:

Engage Gwinnett Funded Ratio for DB				
Year	Contribution Rate		Incremental Contribution Difference	% Funded
2010	23.75			74.4
2011	27.73	\$	4,600,175	71.9
2012	32.11	\$	3,986,750	69.8
2013	37.4	\$	3,706,567	67.9
2014	42.81	\$	2,811,081	66.5
2015	45.71	\$	2,277,588	66.7

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The contributions to the DB plan are scheduled to increase as indicated in the Contribution Rate column. The “Incremental Contribution Difference” column represents the dollar figure of the increased percentages.

It is important to note, that even with the escalation of percentage contributions, the plan REMAINS underfunded. Meaning, it should not be misconstrued that the additional rates of contribution or dollar increases are providing a higher funded status when comparing the UAAL (unfunded actuarial accrued liability), in fact the opposite is true.

The County’s “goal” for a funding level is 90%.