



The following information was recently provided to NYSTRS' participating employers. As a Retirement System delegate, it is important you are aware of these issues.

Delegate News

Issue No. 2009-10

November 2009

Estimated Range for the Next Employer Contribution Rate

Administrative Bulletin 2009-5, issued August 2009, informed you that the Retirement Board adopted an Employer Contribution Rate (ECR) of 6.19% of payroll. This rate is applicable to fiscal year 2009-10 NYSTRS member salaries and will be collected in September, October and November 2010. Based on preliminary estimates, we anticipate the ECR for the following year to be between 8.5% and 9.0% of member payroll. This rate will apply to fiscal year 2010-11 NYSTRS member salaries and will be collected in the fall of 2011. An Administrative Bulletin will be provided in February 2010 with a more precise estimate of this ECR.

The one-year rate of return on System assets for the fiscal year ending June 30, 2009 was -20.5%, reflecting the decidedly negative returns throughout the capital markets. The Retirement System uses a five-year smoothed, or average, value of assets for actuarial valuation purposes, in order to reduce volatility in the ECR due to volatility in the capital markets. The severity of the decline in the assets is the primary reason for the increase in the rate.

Although we are required to properly fund the plan, we recognize the impact this rate has on school district budgets. Our notices are sent as early as possible for planning and budgeting purposes. Future administrative bulletins will provide additional information regarding the ECR.

If you have any additional questions, please call John Cardillo, Manager of Public Information, at (518) 447-4743.

History of the Employer Contribution Rate (ECR)

Table with 2 columns: Salary Year and ECR. Rows range from 1978-79 to 2009-10.

Delegate News dating from 2000 to the present are available on our Web site at www.nystrs.org. Select the Delegates tab and visit the Delegate News page.